

5.A. Update on LSLR Program and Impact on Need for Water Short-Term Debt Credit Facility

Lead Service Replacement Program Development

In 2025, RPU developed a program, schedule, website, and public education and engagement program for LSLRs.

Entered into a Master Grant Agreement with the Minnesota Public Facilities Authority and awarded \$1.7 million for 2025.

Submitted a funding request for all LSLRs to the state's project priority list and 2026 funding in the amount of \$12 million for the Intended Use Plan (IUP).

Awarded a 2025 construction contract for LSLRs

- 87 field investigations
- 48 service replacements



State Funding for Lead Water Services



Minnesota’s Lead Service Line Program combines \$243 million in state general funds with an estimated \$350 million in federal funding for an approximate total of **\$593 million**.

MDH estimates statewide lead service replacement needs at \$1.5 billion to \$2.2 billion (**27% to 40% funded**).

Preliminary 2026 state grant funding requests of **\$428 million** roughly 72% of program funding.



LSLR Program Revisions

RPU has been designated as a tier 3 utility, eligible for annual funding based on 10% of lead and galvanized services identified in current inventory.

The State’s **Intended Use Plan** will be revised for all applications, with RPU likely awarded approximately \$1.5 million for 2026.

CLASSIFICATION	TOTAL PROPERTIES EITHER SIDE	PERCENT OF TOTAL
Lead Service	250	0.6%
Galvanized Service	268	0.6%
Unknown Service	2,536	5.9%
Non-Lead Service	40,195	92.9%

Revised strategy will focus on Lead Services and reduction of the “Unknown” category with a goal of **increasing Non-Lead category to 95%** by the end of 2026.





Questions