



— BUREAU OF —
RECLAMATION

Quarterly Implementation Update #12

Inflation Reduction Act (IRA, PL 117-169)

Bipartisan Infrastructure Law (BIL, PL 117-58)

June 6, 2024

Agenda for today:



2024: Glen Elder Dam Spillway Extraordinary Maintenance Project, Pick-Sloan Missouri Basin Project, Kansas. BIL allocation of \$14 million from BIL Aging Infrastructure/Extraordinary Maintenance.

- Review of IRA and BIL funding opportunities
- Funding opportunities: multiple rounds, some implementing more than one authority
- How much is left?
- Other developments since last quarterly update on March 7, 2024



Inflation Reduction Act

Domestic Water Supply, Section 50231



"... \$550,000,000, to remain available through September 30, 2031, for grants, contracts, or financial assistance agreements for disadvantaged communities ... up to 100 percent of the cost of the planning, design, or construction of water projects the primary purpose of which is to provide domestic water supplies to communities or households that do not have reliable access to domestic water supplies..."

Implemented through:

- WaterSMART funding opportunities
- Funding opportunity to eligible U.S. Territories
- *Whole of Government* work with other agencies
- Tribal Domestic Water Supply Program funding opportunity



Inflation Reduction Act

Domestic Water Supply, Section 50231

WaterSMART – Planning and Project Design & Drought Resiliency: On May 6, Reclamation announced \$147.6 million in project selections to help communities prepare and respond to water reliability challenges due to drought and other water scarcity concerns. The funding will support 76 projects in 14 states. \$82 million of this investment was funded through the Inflation Reduction Act.

A second WaterSMART Planning and Project Design funding opportunity closed on May 21 and those applications are under review.

Aid to Territories: Also in May, Reclamation released a funding opportunity providing \$11 million in domestic water supply assistance to American Samoa, Guam, the Commonwealth of the Northern Mariana Islands and the U.S. Virgin Islands for projects in disadvantaged communities or households that do not have reliable access to potable water. The combined funding requested across all proposals submitted by a territory under this opportunity cannot exceed \$2.75 million. Submissions for technical assistance are open until August 25, and submissions for financial assistance are open until September 22.



Inflation Reduction Act

Domestic Water Supply, Section 50231

Whole of Government: In April, the Department announced a new Memorandum of Understanding with the Indian Health Services to further develop safe drinking water and community sanitation infrastructure projects across Indian Country. Through the MOU, our two agencies will collaborate to complete studies, planning, and design to be used in constructing domestic water infrastructure projects. This collaboration is aimed at accelerating completion of such facilities in Tribal communities. The MOU follows President Biden's Executive Order 14112, which directs federal agencies to work together to remove barriers and streamline Tribal access to resources. Projects funded through this agreement will be announced throughout this year.

Tribal Domestic Water Supply Program: In April, the Department announced that up to \$320 million is available to assist federally recognized Tribes and Tribal organizations as they plan, design and construct domestic water infrastructure. Projects may be funded for up to 100 percent of the cost of planning, design or construction. There is a maximum funding limit of up to \$3 million for planning studies, including environmental compliance; up to \$5 million for design projects, including environmental compliance; and up to \$50 million for construction projects. Proposals will be accepted until August 4, 2024.

Webinar on June 13 at 9 a.m. MDT. www.usbr.gov/native/

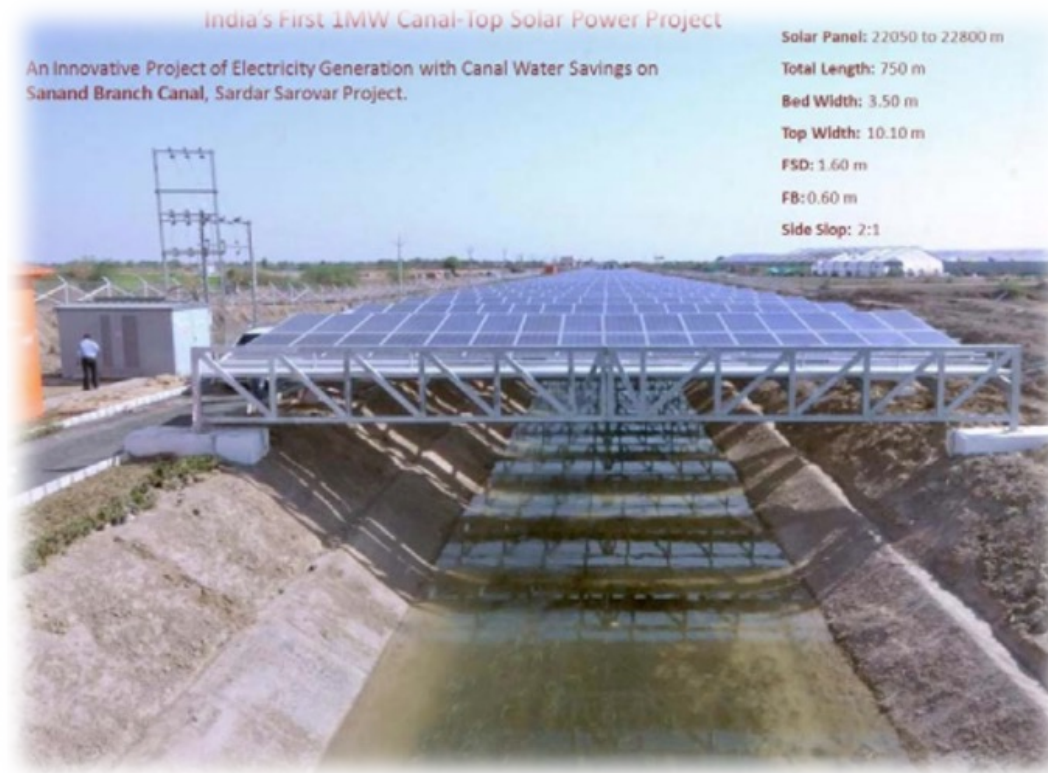


Inflation Reduction Act

Canal Improvement Projects, Section 50232

" . . . \$25,000,000, to remain available through September 30, 2031, for the design, study, and implementation of projects (including pilot and demonstration projects) to cover water conveyance facilities with solar panels to generate renewable energy in a manner as determined by the Secretary . . . "

Prior to this appropriation, the only solar panel over canal projects in the world were outside the USA, such as this project in Gujarat, India.



Inflation Reduction Act

Canal Improvement Projects, Section 50232

- December 2022 announced \$5.65 million to the Gila River Indian Community in Arizona to construct and install solar panels over the Casa Blanca Canal.



Casa Blanca Canal, Arizona



Inflation Reduction Act

Canal Improvement Projects, Section 50232

In April, we announced these additional projects:

- San Luis and Delta-Mendota Water Authority, Delta-Mendota Canal Floating Solar Project in California (\$15 million):
 - Up to three floating solar technologies to assess the viability, costs, and benefits of floating solar over canal technologies on large conveyance facilities.
 - The initiative will also validate floating photovoltaics design for moving water, identify and address issues related to maintaining a canal with panels on it, explore the power generation potential, and develop methods to quantify impacts on water quality.
- North Unit Irrigation District, Main Canal Floating Photovoltaics Project in Oregon (\$2.55 million):
 - Construct floating photovoltaic solar panels on the Main Canal of the Deschutes Project
 - The project will evaluate the impact of floating solar panels on water efficiency gains and amount of clean energy produced.
- Weber Basin Water Conservancy District, Solar Panels Over the Layton Canal Project in Utah (\$1.5 million):
 - Cover existing canals with canal-spanning solar panel structures in the upper portion of the Layton Canal
 - The project will serve as a five-year demonstration of data collection and monitoring to evaluate the technical capability, economic feasibility, and viability for full scale implementation for both Reclamation and the district.
 - The project expects to increase water quality by reducing algal blooms along the canal, produce renewable energy to offset pump station use or sell back to the utility, and significantly reduce water loss to evaporation.
- These selections fully exhaust the funding for project selections under Section 50232 of IRA.

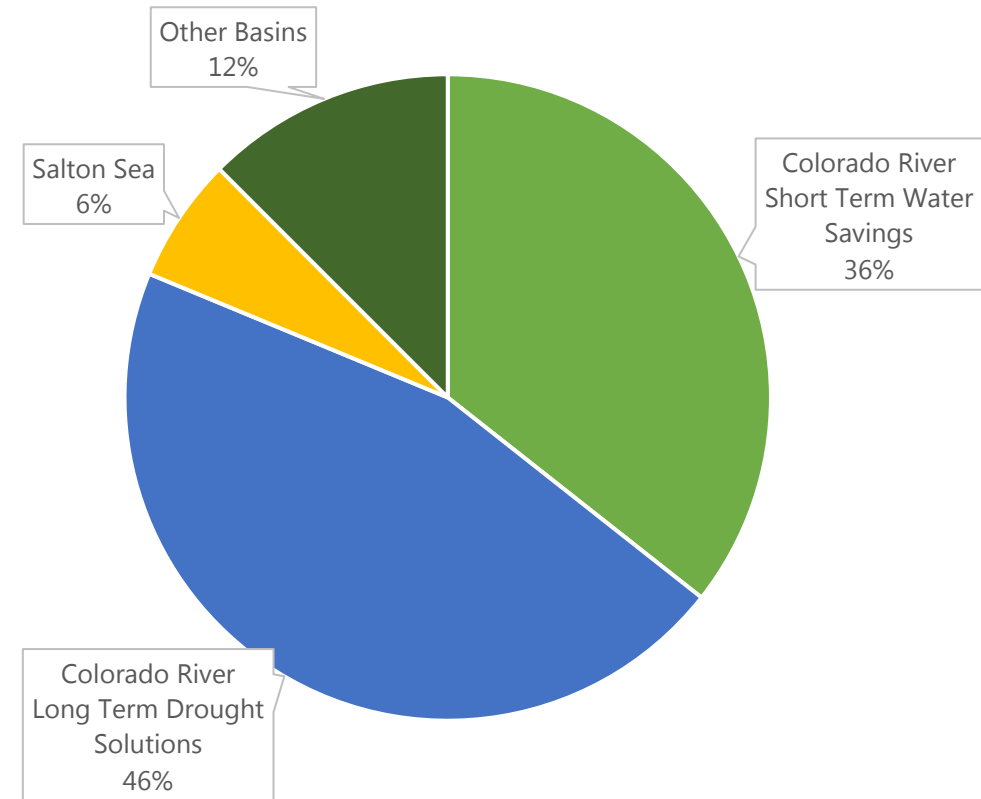


Inflation Reduction Act

Drought Mitigation in Reclamation States, Section 50233

“\$4,000,000,000, to remain available through September 30, 2026, for grants, contracts, or financial assistance agreements . . . to or with public entities and Indian Tribes . . . to mitigate the impacts of drought in the Reclamation States, with priority given to the Colorado River Basin and other basins experiencing comparable levels of long-term drought . . . ”

Estimated breakout of current spend plan:



Inflation Reduction Act

Drought Mitigation in Reclamation States, Section 50233

Lower Colorado River Basin

Bucket I – As of May 2024, Reclamation has announced 24 system conservation agreements totaling over 1.58 million acre-feet of system water savings for Lake Mead at a cost of \$670.2 million.

Bucket II – Reclamation announcement on initial selections today; see news release for more information. Projects recommended for funding will begin the negotiations, contract, and compliance processes, which need to be complete before funding is awarded. We will continue to coordinate with partners regarding the rest of the applications received.



Inflation Reduction Act

Drought Mitigation, Section 50233

Salton Sea

- Declining Salton Sea lake levels are contributing to water and air quality impacts to human health and wildlife.
- The Salton Sea is expected to recede further due to additional conservation in the California to support the Colorado River System.
- California, the Imperial Irrigation District (IID), the Coachella Valley Water District (CVWD), and Reclamation executed an agreement funded by the IRA for up to \$250 million.
- \$70 million to California to create up to 7,000 acres of aquatic habitat for wildlife and to cover exposed lakebed and \$2 million to the Torres Martinez Desert Cahuilla Indians to expand the Tribe's technical capacity to support Salton Sea project implementation.
- Contingent upon additional conservation in California under the "Buckets" program, an additional \$178 million to support impact mitigation projects and technical capacity.



Inflation Reduction Act

Drought Mitigation in Reclamation States, Section 50233

Upper Colorado River Basin

YEAR	# Projects	Expenditures	Conserved Water
FY23	64	\$15.8M	38,000 AF
FY24	110	\$30.1M	66,000 AF
Total	174	\$45.9M	104,000 AF

Bucket I

- 2 single-year system conservation programs
- Administered by Upper Colorado River Commission

Bucket II

- In development.
- Two programs:
 - Long-term Water Conservation Projects
 - Ecosystem Restoration Projects

Funding opportunity announcements expected to begin later this summer.



Inflation Reduction Act

Drought Mitigation in Reclamation States, Section 50233

Other Basins

- **\$60 million for Rio Grande**

- [Biden-Harris Administration Delivers \\$60 Million from Investing in America Agenda for Drought Resilience in the Rio Grande Basin | U.S. Department of the Interior \(doi.gov\)](#)

- **\$81 million for South of Delta, Central Valley Project Drought Pool, San Joaquin Restoration Program**

- [Biden-Harris Administration Announces \\$81 Million from President Biden's Investing in America Agenda for Drought Resilience in San Joaquin Valley | U.S. Department of the Interior \(doi.gov\)](#)



May 10, 2024. Rio Grande Announcement, Albuquerque, New Mexico.



Inflation Reduction Act Emergency Drought Relief for Tribes Section 80004

. . . appropriated to the Commissioner of the Bureau of Reclamation . . . \$12,500,000, to remain available until September 30, 2026, for near-term drought relief actions to mitigate drought impacts for Indian Tribes that are impacted by the operation of a Bureau of Reclamation water project, including through direct financial assistance to address drinking water shortages and to mitigate the loss of Tribal trust resources . . .

None of the funds provided by this section shall be subject to cost-sharing or matching requirements.



Inflation Reduction Act

Emergency Relief for Tribes, Section 80004

Last December the Department released a NOFO providing assistance to eligible Tribes that are impacted by the operation of Reclamation water projects with near-term drought relief projects.

The goal of that funding opportunity is to assist eligible Tribes to develop, manage and protect their water and related resources to mitigate the adverse impacts of drought meeting one or more of the following:

1. Mitigate drought impacts,
2. Increase drought resiliency,
3. Reduce reliance on declining water sources,
4. Increase the efficiency of water deliveries,
5. Mitigate the loss of water and related Tribal trust resources, or
6. Address drinking water shortages.

That NOFO closed in April. We are currently reviewing applications with funding announcements expected later this summer.

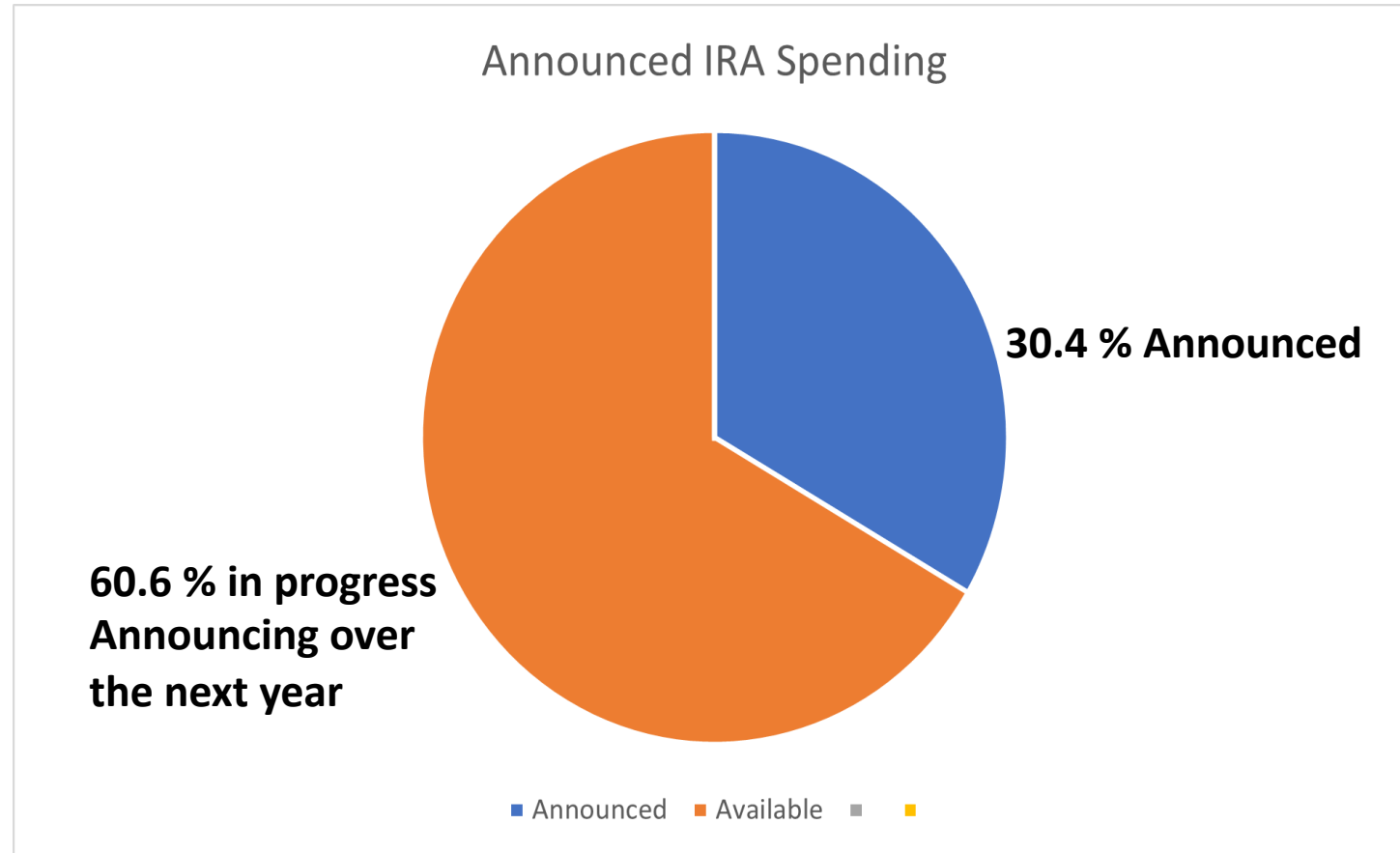


Inflation Reduction Act Summary

Reclamation's \$4.6 Billion IRA Program

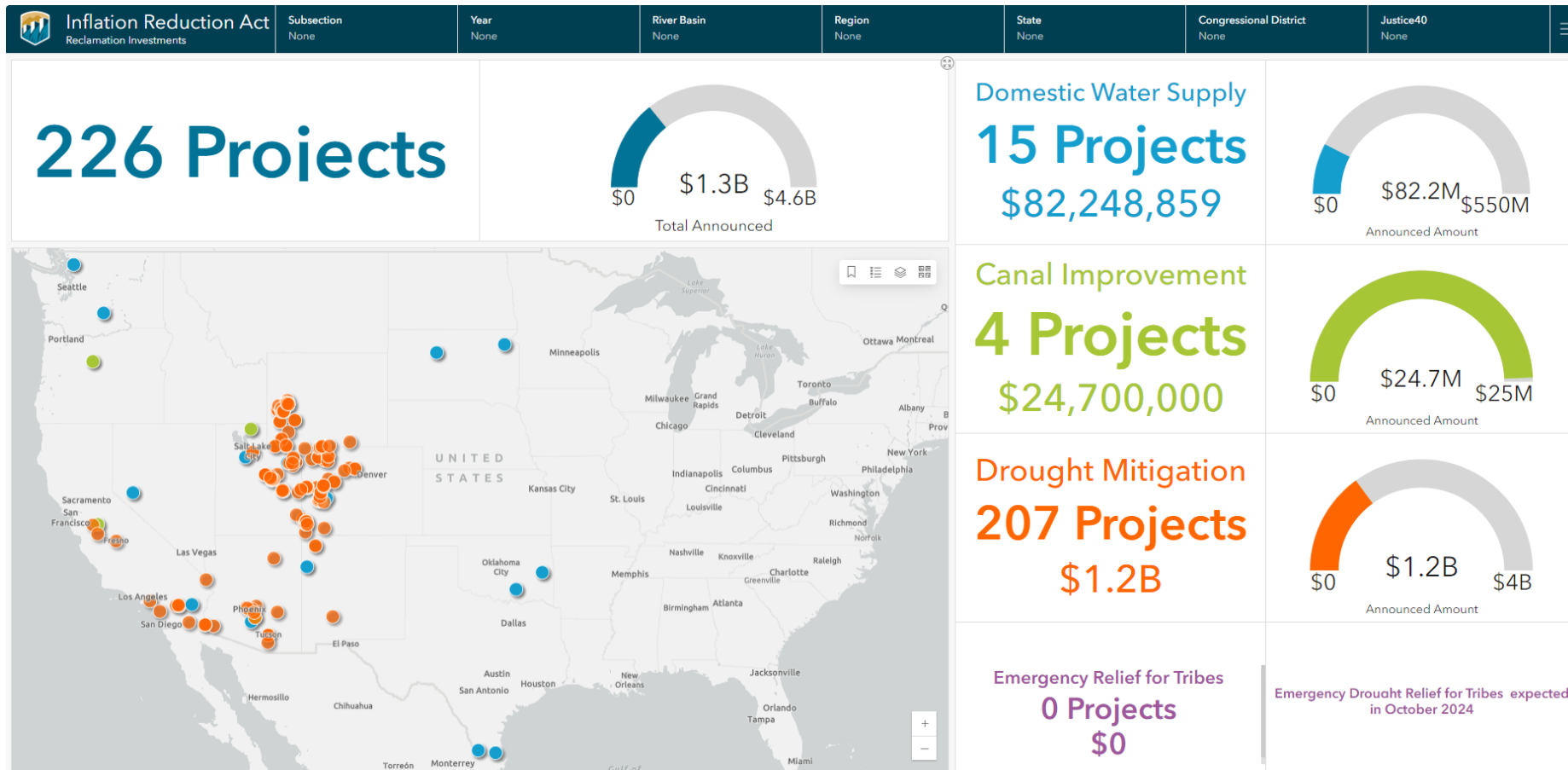
- Domestic Water Supply announced \$84 million in funding.
- Canal Improvements announced \$25 million in funding.
- Drought Mitigation announced \$1.2 billion in funding
- Emergency Relief for Tribes will announce funding this Fall.

\$3.2 Billion Yet to be Announced.



Inflation Reduction Act

Reclamation Adding New Dashboard to its IRA Webpage



<https://www.usbr.gov/inflation-reduction-act/>



BIL funding awards to date

- BIL funding has been awarded to 537 projects, part of an ever-growing tally
- More than \$4.1 billion from BIL allocated at the project level
- Just since last IRA/BIL update in early March 2024, Reclamation has announced \$1.1 billion in BIL funding to specific individual projects
- These March-June announcements covered 112 different projects across 14 Program areas – see events or press releases (www.usbr.gov/bil)



May 2024: Aurora, Colorado, North Campus Collector Well Drought Resiliency Project. BIL allocation of \$5 million from fiscal year 2023 WaterSMART.



BIL funding opportunities status:

- Environmental Water Resources Projects NOFO application period closes June 25, 2024 – per project max of \$5 million.
- Cooperative Watershed Management Program NOFO application period closes September 3, 2024 – per project max of \$300,000.
- Title XVI Water Recycling NOFO application period closes September 30, 2024– per project max of \$30 million.
- Large Scale Water Recycling NOFO application period closes November 26, 2024 – per project max of 25% of total project, no dollar cap.
- Desalination construction NOFO application period closes September 30, 2024– per project max of \$30 million.
- Aging Infrastructure fiscal year 2025 application period open thru July 19, 2024.



It's worth your time to apply



April 2024: Blue River Habitat Restoration Project, Colorado. BIL allocation of \$2 million from fiscal year 2023 Aquatic Ecosystem Restoration Program round 1.

- BIL-funded projects are in all 17 Reclamation states + the territories.
- Funding opportunities are opened for multiple rounds, reflected in the NOFOs opening pages.
- Some BIL NOFOs are implementing more than one BIL authority.
- Examples: AERP multi-benefit; Planning and Design multi-benefit; EWRP nature-based; Applied Science nature-based.
- More announcements in June and rest of 2024.



How much of BIL is left?

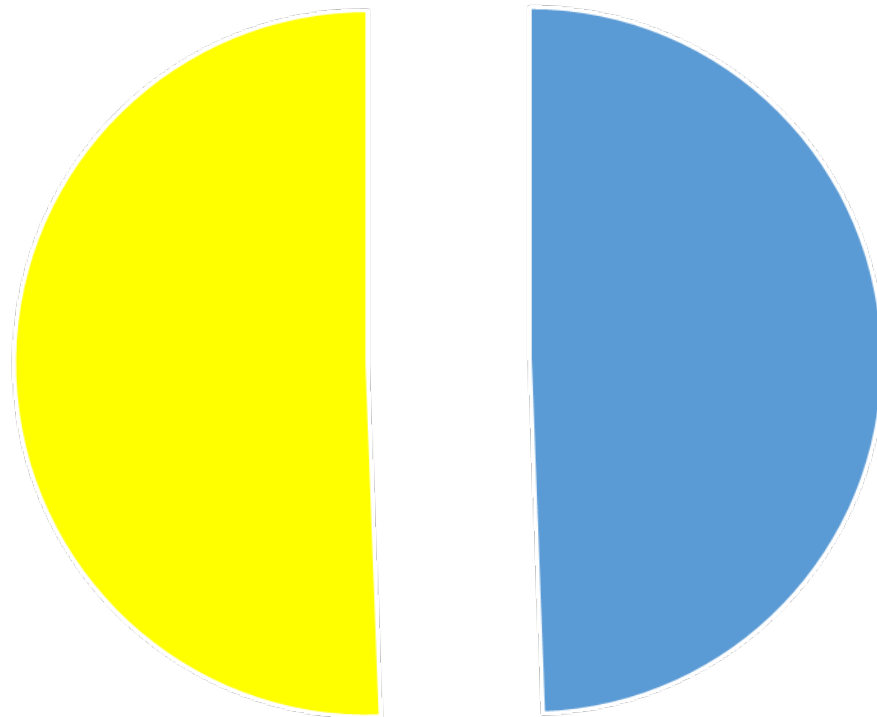
- At the *Program* Level, see the chart
- \$6.64 billion of BIL's \$8.3 billion has been allocated in Spend Plans (including FY 2025)
- Five Spend Plans at \$1.66 billion each, four already published
- We're at the mid-point in BIL execution (FY's 2022-2026)
- Spend Plans allocate at the *program* level



■ Allocated via Spend Plans + Addenda
■ Remaining to be allocated



How much of BIL is *really* left?



■ Allocated to specific projects ■ Remaining to be allocated

- At the *Project* level, see the chart
- \$4.1 billion of \$8.3 billion distributed at the project level
- Spend Plan addenda show selected, and allocate at the project level
- You can find all at www.usbr.gov/bil



Other recent BIL announcements

- Aging Infrastructure 2024 project selections (\$520 million) per BIL Section 40904 on 5/16/24
- Storage and Conveyance 2024 project selections (\$242 million) per BIL Section 40902 on 5/30/24
- Large Scale Water Recycling 2023 project selections (\$180 million) per BIL Section 40905 on 5/28/24
- Desalination, Recycling, CWMP and Rural Water also during June/July
- These recent announcements and more listed online at www.usbr.gov/bil



2024: Ainsworth Main Canal Extraordinary Maintenance Project, Pick-Sloan Missouri Basin Project, Nebraska. BIL allocation of \$450,000 from BIL Aging Infrastructure Extraordinary Maintenance.

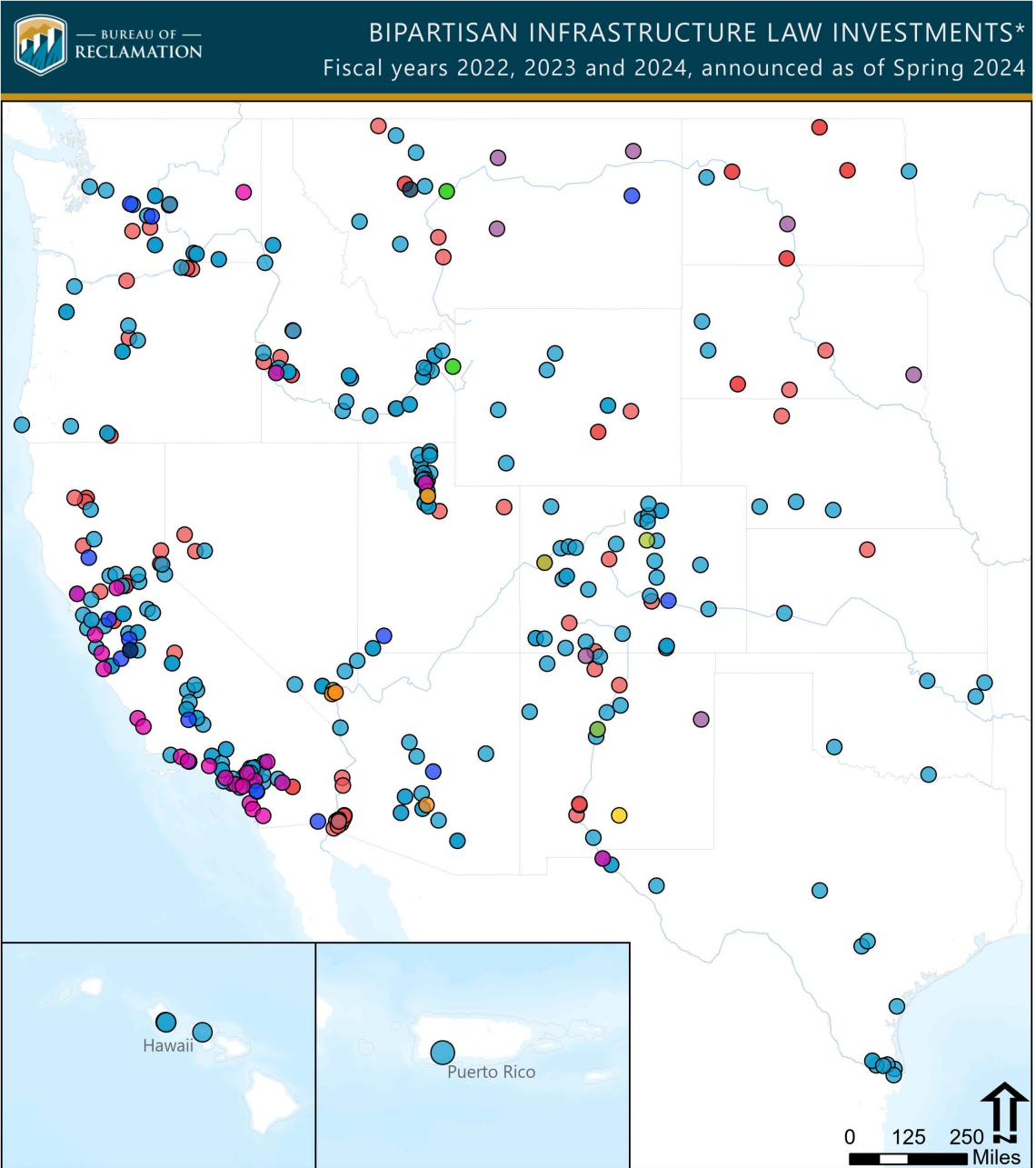


Where are BIL projects?

- Aging Infrastructure
- Colorado River Programs
- Dam Safety Program
- Desalination
- Drought Contingency Plans
- Rural Water Projects
- Storage and Conveyance
- WaterSMART Grants
- Water Recycling
- Watershed Management Projects

**Bipartisan Infrastructure Law also known as Infrastructure Investment and Jobs Act, IIJA*

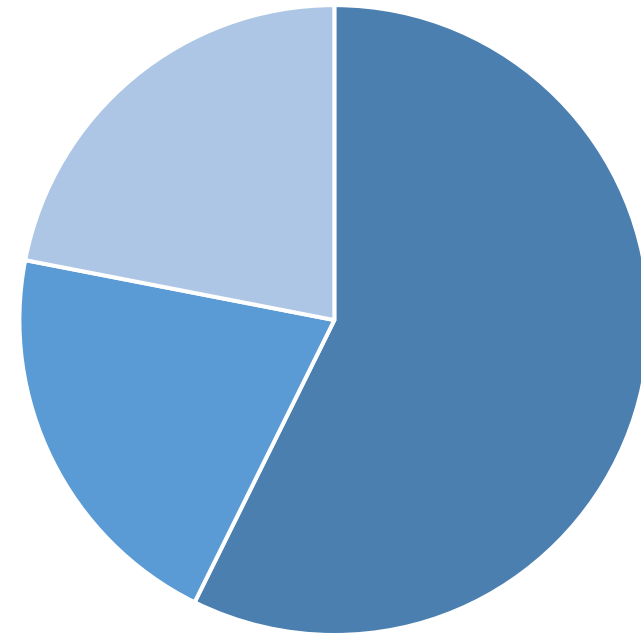
Additional BIL/IIJA-funded project-level allocations will be announced during fiscal and calendar 2024.



A word on BIL “obligations”

- Of BIL’s \$8.3 billion, \$4.1 billion is committed to specific projects as of June 6, 2024.
- Of that \$4.1 billion, \$1.9 billion is “obligated”.
- Obligation: A definite commitment that creates a legal liability on the government for payment of goods and services.

Appropriated (\$8.3B), Committed (\$4.1B),
Obligated (\$1.9B)



■ Appropriated ■ Committed ■ Obligated



Authorized, selected, obligated, expended

- “Obligations” are just one part of the life-cycle.
- Appropriated – Selected – Obligated/Committed - Expended
- Federal funding also involves requirements on the part of recipients.
- Recipients and agencies need time to negotiate agreements.
- Funding is being allocated to projects; it’s important to understand the context for that information in terms of the complete process.



Thanks for your participation!

- IRA resources: <https://www.usbr.gov/inflation-reduction-act> or e-mail us at usbr.ir.act@usbr.gov
- BIL resources: <https://www.usbr.gov/bil> - see the FAQ's or e-mail us at usbr.bil@usbr.gov
- WaterSMART: <https://www.usbr.gov/watersmart/>
- Small Storage Program: <https://www.usbr.gov/smallstorage>



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