



United States Department of the Interior

BUREAU OF RECLAMATION
2800 Cottage Way
Sacramento, CA 95825-1898



IN REPLY REFER TO:

CGB-3300
1.3.11

To: Central Valley Project Water Contractors

Subject: Cost Allocation for Central Valley Project (CVP) Reserved Works Extraordinary Maintenance (XM) Bipartisan Infrastructure Law (BIL) Projects

Dear Water Contractor:

This letter provides notification of Reclamation's intent to allocate costs for BIL reserved works projects in accordance with XM cost allocation practices for the CVP.

BIL authorized \$3.2 billion for XM of Reclamation facilities. BIL funds are available for reserved and transferred works facilities and will be administered through the Aging Infrastructure Account (AIA), a revolving fund created to sustain investment in XM. Reclamation's FY 2023 Spend Plan authorizes \$649 million from the AIA through a competitive funding process with the application period open from October 3, 2022, until December 1, 2022.

XM costs for CVP reserved works projects, fully or partially funded by BIL AIA, will be allocated in accordance with XM cost allocation practices for the CVP, regardless of the funding source. Ability-to-pay relief and aid to irrigation are not available for the repayment of XM costs, per Reclamation Manual Directives and Standards, PEC 05-03.

Please contact Robert Ward at rward@usbr.gov or (916) 978-5359 if you have any questions.

Sincerely,

MICHELLE
WILLIAMS

Digitally signed by
MICHELLE WILLIAMS
Date: 2022.11.30
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Michelle Williams
Deputy Regional Director