



— BUREAU OF —
RECLAMATION

Small Storage Program

Fiscal Year 2024 Program Update

April 24, 2024

Getting Started

- Please note that cameras and microphones are muted.
- Questions and comments can be posted in the chat, or attendees can use the 'raise hand' function during the Q&A.
 - Facilitators will unmute you when the time comes to ask your question.
- A copy of the slides and a recording of the webinar will be made available on our website:
<https://www.usbr.gov/smallstorage/>



Agenda

- Overview of Small Storage Program
- Program Status
- Future Funding Opportunities
- Feasibility Study Report Requirements
 - *Needed to be eligible to apply for funding*
- Program Resources
- Questions



Small Storage Program Overview

- The Infrastructure Investment and Jobs Act, known as the Bipartisan Infrastructure Law (BIL), was enacted on November 15, 2021.
 - Provides \$100 million from Fiscal Years 2022 to 2026 to establish and implement a new competitive grant program for small water storage and groundwater storage projects.
- Small storage projects are defined by:
 - A water storage capacity of not less than **200*** acre-feet and not more than 30,000 acre-feet and must:
 - increase surface or groundwater storage; or
 - convey water, directly or indirectly, to or from surface water or groundwater storage

**as amended by Consolidated Appropriations Act of 2023 (P.L. 117-328)*



Current Status

- Two funding opportunity cycles have been completed
- Six projects in California and Utah have been funded with \$55 million in total awards
 - Four projects have received the maximum Federal cost share
- Over \$40 million remains to be awarded
- New projects will be funded under future funding opportunities



Small Storage Program Funding

- **Eligible Non-Federal Project Sponsors:**
 - A state, regional, or local authority; Indian tribe or tribal organization; or other entities such as a water district or water association within the 17 Western States, Alaska, or Hawaii
- **Funding:**
 - Awards are limited to the lesser of \$30 million or 25% of project costs
 - Funding is allocated through a competitive process
- **Future Funding Opportunities:**
 - At least two additional funding application rounds expected
 - The two rounds may fall under one notice of funding opportunity
 - Reclamation will provide more detailed information in coming months



The Secretary of the Interior must determine that:

- the feasibility study, and the process under which the study was developed, complies with Federal laws (including regulations) applicable to feasibility studies of small storage projects.
- the project is technically and financially feasible in accordance with the guidelines developed and reclamation law
- the project provides a federal benefit
- there is sufficient non-Federal funding to complete the project



How to Become Eligible for Small Storage Project Funding

- A completed feasibility study must be submitted and found to meet all requirements of Reclamation's relevant Directives and Standards

Directive & Standard	Reference
Small Surface Water and Groundwater Storage Projects Feasibility Study Review Process (CMP TRMR-127)	https://www.usbr.gov/recman/temporary_releases/cmp_trmr-127.pdf
Review Process Flow Chart (CMP TRMR-127 Appendix A)	https://www.usbr.gov/recman/temporary_releases/cmp_trmr-127-AppA.pdf



Small Storage Feasibility Study Requirements

- Report Contents:

1. Introductory Information
2. Statement of Problems and Needs
3. Small Storage Opportunities
4. Description of Alternatives
5. Economic Analysis
6. Selection of the Proposed Project
7. Risk and Uncertainty
8. Environmental Consideration and Potential Effects
9. Legal and Institutional Requirements
10. Sufficient Non-Federal Funding



Frequently asked Questions on Feasibility Study Requirements

- **Flexibility Concerning Format (Paragraph 3.A.)**
 - Existing feasibility studies and related technical information may be utilized to meet the feasibility study requirements
 - A standalone document must be submitted that follows Reclamation's requirements for the small storage feasibility report
- **Description of Alternatives (Paragraph 3.B.(4))**
 - Alternatives considered and analyzed must be included, and should support the selected alternative/proposed project
 - Lifecycle costs must be included (i.e., capital cost and operations, maintenance, and replacement over the useful life of the project)
 - Utilizing the lifecycle costs and estimated yield, provide the projected cost per acre-foot of supply
- **Economic Analysis (Paragraph 3.B.(5))**
 - The analysis should report the expected benefits relative to costs
 - The economic analysis may be scaled to complexity, risk, and cost of the project



Next Steps

Submission of Small Storage Feasibility Studies

- Approved feasibility studies are required in order to apply for future funding opportunities
- Reclamation accepts studies at any time; however, the review process can take up to 180 days. Early submissions are highly encouraged
- Project sponsors are encouraged to submit studies as early as possible, in Spring and Summer 2024, in order to be considered for FY25 funding eligibility

Notice of Funding Opportunity

- The Fiscal Year 2025 NOFO is currently under development
- Fiscal Year 2025 funding opportunity is projected to open in Fall 2024 and make at least \$25 million available, with awards in 2025
 - Will be posted to Small Storage Program Website:
 - <https://www.usbr.gov/smallstorage/>



Small Storage Program Resources

- Small Water Storage Program Website (including link to subscribe for more information):
 - <https://www.usbr.gov/smallstorage/>
 - Feasibility study requirements, program information, fact sheets, status updates, and contact information are all posted here
- Additional funding opportunities can be found at www.grants.gov
- Contacts:
 - Austin Olah, Program Manager, aolah@usbr.gov, (303) 445-2835
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Questions?



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