

Small Storage Program

Water storage is an important component of building resiliency in the face of growing water demands and climate variability. The Bipartisan Infrastructure Law (BIL), Public Law 117-58, enacted in November 2021, authorized \$100,000,000 for small surface water storage and groundwater storage projects in accordance with Section 40903, which established the Small Storage Program. This section clarifies eligibility and requirements for planning, design, and construction funding for small storage projects.

Overview

The BIL authorized \$100 million for small surface water storage and groundwater storage projects in accordance with the requirements of Section 40903. This competitive grant program is an opportunity for non-Federal project sponsors to apply for Federal cost-shared funding of eligible non-Federal small surface water and groundwater storage projects in the 17 Western States, Alaska, and Hawaii. Awards for eligible projects are determined through a competitive process. The first Notice of Funding Opportunity (NOFO) was released in 2022, and a second was released in 2023. A third NOFO is projected to be released in Fall 2024.

Eligible Projects

Non-Federal sponsors of small surface water storage and groundwater storage projects that have completed a small storage feasibility study which has been found to meet all the requirements of Temporary Reclamation Manual Release CMP TRMR-127 by the posting date of the NOFO (or as otherwise stated in the NOFO). The law requires that for an eligible project to receive funding, the Secretary of the Interior must determine that: the project is technically and financially feasible, it provides a Federal benefit, and sufficient non-Federal funding is available to complete the project. The project must meet the following minimum eligibility requirements:

- water storage capacity of not less than 200 acrefeet and not more than 30,000 acre-feet; and
- increases surface water or groundwater storage; or
- conveys water, directly or indirectly, to or from surface water or groundwater storage.

Funding and Timing

The BIL provides the \$100,000,000 over 5 years for eligible projects. The Federal cost share of any eligible project cannot exceed the lesser of:

- 25% of the total project cost; or
- \$30 million per project.

As of April 2024, Reclamation has awarded \$55 million to six projects located in California and Utah.

Evaluation Criteria

Applications are evaluated against the criteria in the NOFO. The evaluation criteria incorporates the prioritization outlined in Section 40903 of the BIL. Please see www.usbr.gov/smallstorage for more information.

Next Steps

Reclamation strongly encourages non-Federal sponsors to submit small storage feasibility studies for review in the Spring and Summer of 2024. For questions regarding the requirements of CMP TRMR-127, project eligibility, or program status, please reach out to the contacts below.

Additional Information

https://www.usbr.gov/smallstorage Email bor-sha-smallstorage@usbr.gov

Austin Olah, Small Storage Program Manager aolah@usbr.gov

Hannah Taub, Small Storage Program Coordinator htaub@usbr.gov