



— BUREAU OF —
RECLAMATION

Inflation Reduction Act Public Law 117-169

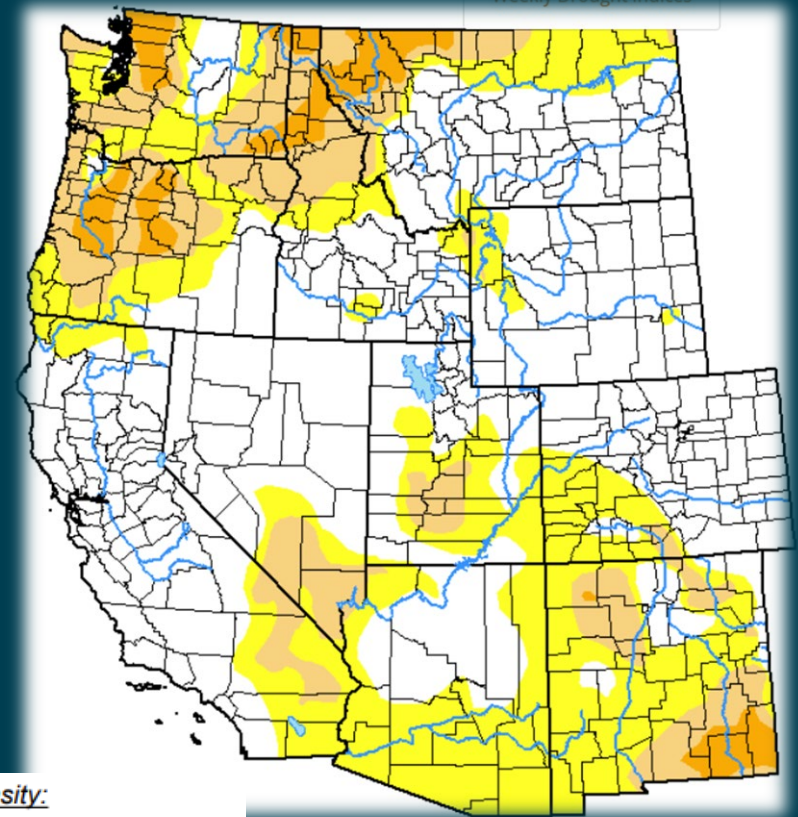
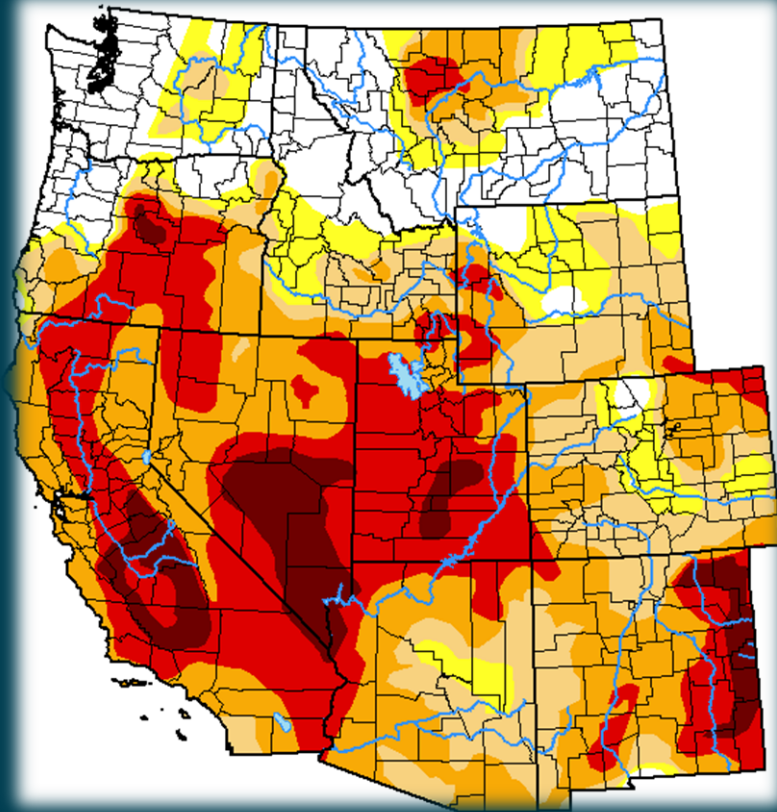
Bob Wolf
Director, Program and Budget

October 17 and October 18, 2023







Drought Monitor Western United States

Valid July 26, 2022

Valid July 26, 2023



Intensity:

-  None
-  D0 Abnormally Dry
-  D1 Moderate Drought
-  D2 Severe Drought
-  D3 Extreme Drought
-  D4 Exceptional Drought

A close-up photograph of a hand holding a clear glass under a chrome faucet. Water is flowing from the faucet into the glass. The background is a tiled wall. The text 'Sec. 50231 Domestic Water Supply Projects' is overlaid on the right side of the image.

**Sec. 50231
Domestic
Water Supply
Projects**



Sec. 50231

Domestic Water Supply Projects

“... \$550,000,000, to remain available through September 30, 2031, for grants, contracts, or financial assistance agreements for disadvantaged communities ... for 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 in a State or territory...”.



Sec. 50231

Domestic Water Supply Projects

Reclamation is also working with other Federal agencies to accomplish a whole of government approach to solving the drinking water crises in the West. This includes:



[Link to CRS Report mentioned, Federally Supported Projects and Programs for Wastewater, Drinking Water, and Water Supply Infrastructure 10.pdf \(SECURED\) \(congress.gov\)](#)



Sec. 50231

Domestic Water Supply Projects

Program is under development.

Current Opportunities:

- WaterSMART Notice of Funding Opportunity: Planning and Project Design Grants for FY 2023 and FY 2024 is currently open with two closing dates of 10/17/23 and 4/2/24.
- WaterSMART Notice of Funding Opportunity: Drought Response Program, Drought Resiliency Projects for FY 2024, closes on 10/31/23.



Sec. 50232

Canal Improvement Projects

... appropriated to the Secretary ...

\$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...





Sec. 50232 Canal Improvement Projects



Sec. 50232

Canal Improvement Projects

The generation of power from solar energy is rapidly expanding as a major form of renewable energy in the United States. In relation to water canal facilities, solar panels can be installed next to or above the canals.



One of the early solar panel projects in Gujarat, India.



Sec. 50232

Canal Improvement Projects

Eligibility - Applicants

- Canals associated with a Reclamation project that are operated and maintained by a Transferred Works Operator.
- Canal facilities associated with an authorized Reclamation project.

Eligibility - *Projects*

- Projects that study, demonstrate, apply, and construct photovoltaic (PV) solar panels over Reclamation canals.
- Selected project will be used as a pilot or demonstration for Reclamation.
- Project shall include the physical planning, design, and construction of the solar panel technology over the Reclamation canal.



Sec. 50232

Canal Improvement Projects

- On Friday, July 28, 2023, Reclamation distributed an internal call for proposals to the regions that describes project eligibility and criteria.
- Project proposals will be due from Reclamation regional directors no later than October 30, 2023. Selections will follow a process of initial screening for eligibility, technical sufficiency evaluations, and management reviews.
- Cooperative agreement(s) are anticipated to be awarded around September 2024.
- Proposed projects are to place solar panels over canals associated with Reclamation projects as a pilot or demonstration for Reclamation.



Sec. 50233 Drought Mitigation



Section 50233

DROUGHT MITIGATION IN THE RECLAMATION STATES.

"\$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. . ."

- 1. Compensation for a temporary or multiyear voluntary reduction in diversion of water or consumptive water use.*
 - 2. Voluntary system conservation projects that achieve verifiable reductions in use of or demand for water supplies or provide environmental benefits in the Lower Basin or Upper Basin of the Colorado River.*
 - 3. Ecosystem and habitat restoration projects to address issues directly caused by drought in a river basin or inland water body.*
- Drought conditions have had critical impacts in the Colorado River Basin, which experienced its driest 23-year period in over 1,200 years through 2022.**
 - Given urgent need and prioritization in the law, Reclamation is investing most of the funding in the Colorado River Basin.**
 - Most of the funding invested in the Colorado River Basin will be for long-term solutions to continued drought and aridification.
 - Reclamation is also focused on supporting other basins through investments out of Section 50233.**



Lower Colorado River Basin - Buckets

1A: Fixed-price agreements for short-term water conservation to shore up elevations in Lakes Powell and Mead.

- \$330/acre-feet (a.f.) for 1 year; \$365/a.f. for 2 years; \$400/a.f. for 3 or more years.
- 11 Executed Agreements have been announced for up to 785,864 a.f.; additional agreements in development.

1B: Proposed-price agreements for short-term water conservation (economic justification required).

- One agreement currently in development.

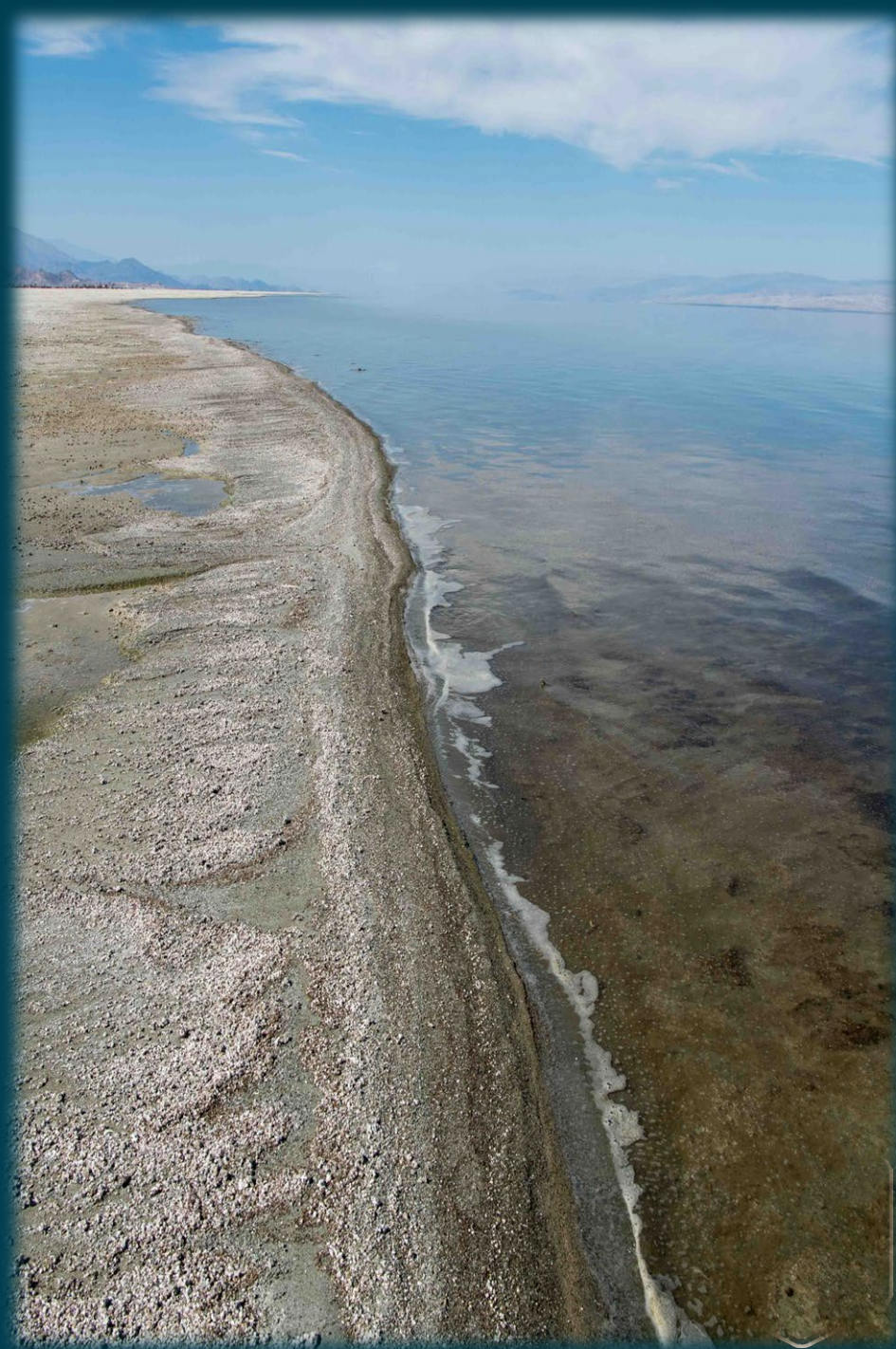
2: Funding for long-term durable system efficiency improvements that result in verifiable water savings in the Colorado River System.

- Closed August 18; BOR Currently reviewing proposals with the goal of making initial announcements this year.
- Announcements expected to be on a rolling basis with more capital-intensive or technically-complex proposals expected to take longer.



Lower Colorado River Basin – 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 State of CA to support the Colorado River System.
- The State of CA, the Imperial Irrigation District (IID), the Coachella Valley Water District (CVWD), and the Reclamation executed an agreement funded by the IRA for up to \$250 M.
 - \$20 M for impact mitigation projects; \$2 M to support technical capacity of the Torres Martinez Tribe (located in the Salton Sea area).
 - Contingent upon conservation by IID and CVWD under the “Buckets” program, an additional \$228 million to support impact mitigation projects and technical capacity.



Upper Colorado River Basin - Buckets

- **Bucket 1: Agreements for voluntary reductions in Colorado River diversions.**
- **\$125M available through 2026.**
 - 1A: Fixed-price \$150 a.f.
 - 1B: pricing thresholds negotiated with Upper Colorado River Commission and informed by state crop pricing data from USDA and Colorado State University.
 - In 2023: 64 agreements for \$15.8 million.
 - 2024 program currently in development.
- **Bucket 2: Funding for long-term solutions to continued drought and aridification.**
 - Funding opportunity currently in development. Expected to be released for submissions later this year. Proposals will likely be due early 2024.



Other Basins

- Project proposals solicited through Reclamation regional offices.
- Proposals were accepted through Aug 25, 2023.
- Reclamation received over 100 project proposals; proposals are in review.
- Selections expected this year.





Sec. 80004 Emergency Drought Relief for Tribes

Sec. 80004

Emergency Drought Relief for Tribes

... 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.



Sec. 80004

Emergency Drought Relief for Tribes

- Reclamation's Native and International Affairs office is drafting a Request for Proposals to provide direct grants to tribes that meet the legislative requirements.
- Public release of the RFP is expected in the first quarter of Fiscal Year 2024.
- No cost share requirement



Upcoming Milestones

- **Drought Mitigation:**

- Salton Sea: additional awards expected. Total awards expected be \$250M.
- LCB Bucket 1: additional agreements currently in development.
- LCB Bucket 2: initial announcements expected this year. Announcements will be on a rolling-basis.
- UCB Bucket 1: a 2024 iteration for the program is in development.
- UCB Bucket 2: a funding opportunity is in development; expected to be open for proposals later this year.
- Other Basins: Project submissions are under review

- **Domestic Water Supply:**

- WaterSMART Notice of Funding Opportunity: Planning and Project Design Grants for FY 2023 and FY 2024 is currently open with two closing dates of 10/17/23 and 4/2/24.
- WaterSMART Notice of Funding Opportunity: Drought Response Program, Drought Resiliency Projects for FY 2024, closes on 10/31/23.
- Additional opportunities are under development.

- **Canal Improvements:**

- Cooperative agreement(s) are anticipated to be awarded around September 2024.

- **Emergency Relief for Tribes:**

- Funding announcement to be issued in the first quarter of FY 2024 to provide drought relief to Tribes. Affected by Reclamation projects

For more information, contact:
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