



— BUREAU OF —
RECLAMATION

WaterSMART: Environmental Water Resources Projects, Drought Resiliency Projects, and Water and Energy Efficiency Grants

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

Mission Statements

The U.S. Department of the Interior protects and manages the Nation's natural resources and cultural heritage; provides scientific and other information about those resources; and honors its trust responsibilities or special commitments to American Indians, Alaska Natives, and affiliated Island Communities.

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

WaterSMART Funding Opportunities: Environmental Water Resources Projects, Drought Resiliency Projects, and Water and Energy Efficiency Grants

Reclamation's Response to Comments Regarding General WaterSMART Implementation and Comments Applicable to all Three Funding Opportunities: Environmental Water Resources Projects, Water and Energy Efficiency Grants, and Drought Resiliency Projects

Comments regarding Reclamation's proposed approach to implementing the amendments to the SECURE Water Act are presented below, following Reclamation's response to comments.

Reclamation's Response to Comments:

Several comments related to the general structure proposed by Reclamation for fiscal year 2022, which includes a new funding opportunity for WaterSMART Environmental Water Resources Projects (EWRP) and revisions to existing funding opportunities for WaterSMART Water and Energy Efficiency Grants (WEEG) and for WaterSMART Drought Resiliency Projects (DRP). Some commenters expressed concern that it may be unclear which funding opportunity is a fit for a particular proposed project. One commenter proposed an entirely different approach, including combining all three categories into one overall funding opportunity. Other commenters requested that Reclamation preserve existing categories of funding, criteria, and processes to the extent possible. Reclamation has given significant attention to the overall approach to implementing program changes, both in developing the proposed approach and in reviewing and considering these comments. The recent statutory amendments to the SECURE Water Act require that Reclamation consider substantial additional information to determine whether an increased Federal cost share (i.e., up to 75% of the project costs rather than 50% of project costs) may be provided. Reclamation believes that the proposed approach will be effective at providing this opportunity for increased Federal funding without unnecessarily complicating the process for sponsors of smaller projects and projects with other types of benefits. At the same time, Reclamation is committed to taking any possible steps to avoid confusion. Reclamation has added language to each of the funding opportunities to clarify project eligibility and to encourage applicants to contact Reclamation's program coordinators for guidance if there are any remaining questions. Reclamation is also adding Frequently Asked Questions to its website and plans to schedule webinars beginning in August 2021 to provide additional guidance on these funding opportunities. Once the FY 2022 selection process has been completed, Reclamation plans to evaluate the effectiveness of the approach and will make adjustments as necessary.

One comment concerned the new statutory provision directing Reclamation to prioritize projects with quantifiable water savings that also address drought resilience by benefitting the water supply and ecosystem. We are confident that establishment of a new funding opportunity for WaterSMART EWRP along with revisions to the WaterSMART WEEG funding opportunity will allow Reclamation to fully implement these statutory changes. In response to the comment, Reclamation has made one revision to WaterSMART WEEG criteria to more effectively highlight the

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

section related to enhancing drought resilience. Additional comments related to WaterSMART DRP and WaterSMART WEEG, including questions about the prioritization of projects and types of projects eligible for funding, are addressed more fully in those sections below.

Multiple comments concerned eligibility of applicants and cost-share. Note that Reclamation’s authority to provide cost-shared funding through these programs is limited by statute (Section 9504 of the SECURE Water Act, as amended) which specifically defines applicant eligibility and cost-sharing requirements.

Several comments are related to the timing and schedule of environmental and cultural resources compliance. Reclamation continues to work towards improving the process to ensure that compliance activities are as effective and efficient as possible.

Based in part on comments received, Reclamation has also reduced the point allocation for WaterSMART Water and Energy Efficiency Grants Criterion G (Additional Non-Federal Funding) slightly. This change is intended to acknowledge that some smaller and mid-sized entities have limited non-Federal funding available.

| Category of Comment | Commenting Agency/Commenter | Comment |
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| Eligible Applicants | Tahoe Resource Conservation District, Nicole Cartwright, Executive Director | I would like to suggest that other Special Districts be considered for eligibility, specifically Resource Conservation Districts. |
| | AquaSan Network, Inc, Carmine Iadarola | I work exclusively with private industry. I have found private industry to be very responsive to our water conservation efforts if I can show them that the proposed water smart program is efficacious. As most public entities take the lead from the developer regarding their water plans it would seem prudent to include private industry as potential participants. For example, a water provider that was short of water and needed a supply due to a water shortage, it was private industry that proposed and paid for a city wide water conservation program that included replacing clothes washers, toilets, showers, etc. and also taking potable water off of their system and replacing it with a One Water system that freed up the necessary supply for the City to continue its provision of services to new development and expand their tax base. |
| | Agency unknown/Alfred | what is the benefit to limit any participation, is water a monopoly???? limitations are not acceptable |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria:

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| Eligible Applicants | Family Farm Alliance | <p>NGO Eligibility: This is an important issue for many of our members who worry that adding non-profit conservation organizations (NGOs) as eligible recipients in WaterSMART – as proposed in some legislation in the last Congress - would provide added competition for program grants and also direct funds away from water infrastructure improvements towards environmental restoration projects that already have many other federal funding sources. Reclamation’s budget is not getting any larger, and in recent years has been pulled in many different directions -- thus taking the agency away from its essential mission of delivering water and power. We were pleased to see Senators Wyden and Merkley include a requirement in S.4189 that NGOs partner with a traditional eligible entity for projects involving land or infrastructure owned by them, rather than an NGO being able to apply for that kind of project on its own.</p> <p>The draft criteria similarly calls for non-governmental organizations (NGOs) to partner with other Category A eligible applicants (irrigation districts, states, tribes, etc. with water delivery authority) in order to be eligible for grants. The ecosystem restoration projects funded through the Environmental Water Resources Project grants also require NGOs to partner with other Category A eligible applicants, but only require NGOs to obtain support from Category A eligible applicants for restoration of natural features such as wetlands.</p> |
| Project Eligibility | Grand Valley Water Users Association | <p>Would it be beneficial to discuss project benefits with Reclamation prior to applying for any one opportunity to make sure we have selected the right funding opportunity for our project?</p> <p>When applying under the Drought Resiliency or WEEG, it is unclear how to determine if the project “primarily provide ecological benefits and values,” and should instead apply under the Environmental Water Resources Projects opportunity. How much ecological benefit is required to apply under the new Environmental grant; 60% or more? We are trying to determine what “primarily” means. Do we have to meet all of the areas of ecological benefit or just one area? If we meet only one ecological benefit, let’s say disadvantaged or underserved communities, do we have enough benefit? Or do we need at least one in each area: Climate Change, Disadvantaged or Underserved Communities, Tribal Benefits, and Ecological Value?</p> |
| Environmental Review Process | Sorenson Engineering | <p>We believe that some of the timing in terms of construction start and fund eligibility could be improved. As USBR is likely aware, these projects have many moving parts when it comes to agency approvals, construction and equipment timelines, and online dates required by power sales contracts. Currently, USBR requires that a USBR environmental approval and notice to proceed must be acquired before groundbreaking if any grant funds are to be used. The time required for this step (in light of the other timeline constraints) can be extremely burdensome for projects. Some of our irrigation partners have nearly been disqualified from funding because of needing to start construction for power sales contract purposes when this step took more time than anticipated. In contrast, the USDA REAP Program allows construction to start as long as a project has all local and federal agency permits and the applicant has submitted an</p> |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| Environmental Review Process | Sorenson Engineering , cont. | application. If the project is then deemed to qualify (and meets all other criteria and internal approvals), project funds are eligible for reimbursement in accordance with the program regardless of start date approval. If USBR were to do the same, this would allow for more fully-developed projects to apply for the WaterSMART Program. Having more fully-developed projects ensures that the Program meets its objectives of supporting successful projects and can reduce time spent by both the USBR and applicants whose projects are not as likely to make it over the finish line. |
| | Ted Trueblood Chapter of Trout Unlimited | Related to the Bureau's NEPA compliance requirements, there is a compelling need for additional Categorical Exclusions from NEPA for the type of projects under WaterSMART that should proceed based on their limited environmental footprint and effects. This is especially true for watershed management projects that entail restoration or improvement of the environment, specifically projects that improve aquatic and terrestrial wildlife habitat and ecological functions and processes. Other Federal agencies have CE authorities for smaller scale ecological restoration projects. The Bureau has an impressive body of work of habitat restoration projects for activities such as side channel habitat restoration, fish passage, and riparian and wetland improvement. That many of these projects have proceeded pursuant to an EA can be the basis to justify the simpler projects should have CE categories authorized. |
| Support | Engineering Solutions Services | I would like to express our support and excitement for all of the changes proposed in the new program guidelines as these changes would benefit all of our qualifying clients. The majority of our clients currently have critical projects designed to address drought, climate, and other environmental challenges and would directly benefit under the new program guidelines if selected. Specifically, we are very supportive of the new project eligibility under the WEEG program for High-Efficiency Indoor Appliances and Fixtures as we have been actively seeking funding for various projects that would fit under this new project category. |
| | Gateway Water Management Authority | <p>The three programs as described in the draft document: Environmental Water Resources Projects, Drought Resiliency Projects, and Water and Energy Efficiency Grants will improve water usage and quality as evidenced by a past award to GWMA. In 2014, our agency received \$1M from the Water and Energy Efficiency Grant program that resulted in replacing more than 6,000 antiquated meters in our region with state-of-the-art advanced meters. That project is estimated to be saving more than 2,600 acre-feet per year on average.</p> <p>The newly created program, “Environmental Water Resources Projects” is an excellent funding opportunity that will generate projects that focus on building a nexus between ecological restoration and water resource management. In the Gateway Region, this program would be especially beneficial to our aquatic life by intercepting water runoff and reducing and/or eliminating pollution that would otherwise discharge into the Los Angeles and San Gabriel Rivers and spread onto City beaches and ocean waters.</p> |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria:

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| <p>Support</p> | <p>Gateway Water Management Authority, cont.</p> | <p>The existing conditions within the region have several obstacles that all 3 projects could help improve. These include:</p> <ol style="list-style-type: none"> 1. Improving drought resiliency to the Los Angeles and San Gabriel Rivers tributary areas, linking underutilized open space along the rivers and in our community for water capture and infiltration. 2. Addressing areas of groundwater contamination with well development or treatment. Creating additional water savings through regional installation of advanced metering infrastructure 3. Providing wetlands for migratory birds and California Native plants, insects, and wildlife, creating a living laboratory throughout the region. 4. Modifying existing blighted lots to beautify our surroundings, through nature-based solutions for Environmental Water Resources and provide new recreational space for our community, while enhancing safety and improving the quality of life for our residents. <p>The GWMA is also focused on educational features within our disadvantaged communities especially those of environmental water resource and drought resiliency concerns. The importance of these vital waterways, and the consequences of ignoring what pollutes the regions tributary areas are substantive. Additionally, creative collection and infiltration of this precious resource is essential to the continued protection and improvement of our environment.</p> <p>Given these reasons, we support the draft eligibility and evaluation criteria for all three projects and look forward to applying for a number of these grant opportunities in the future.</p> |
| <p>General WaterSMART Program Recommendations</p> | <p>Orange County Water District, California</p> | <p>The WaterSMART Program as authorized by the SECURE Act has proven successful in helping municipal, agriculture and environmental stakeholders make necessary investments to combat challenges to water supply. Maintaining an equal distribution of resources will aid in the continued success of this popular and successful program. We believe that any revisions to the evaluation criteria should include the following:</p> <ul style="list-style-type: none"> • Each of the three categories should have the same 50% match; • No one category receives all or a majority of the funding; • Prioritizes projects that provide the greatest new water supply benefits to the greatest number of people; and • The funding criteria comports with the statutory intent of WaterSMART and is not unduly influenced by other policy priorities. |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| <p>General WaterSMART Program Recommendations</p> | <p>Family Farm Alliance</p> | <p>Finally, the Alliance is concerned that WaterSMART is becoming a very popular grant program that is quickly trying to meet multiple needs and demands with a small amount of funding. We believe the current program has worked fine, and we should try to stick with the original intent of the program and minimize adding new conditions and processes, wherever possible. Broadening the WaterSMART program to include ecosystem restoration projects could further dilute available funding for grants supporting water conservation and management improvement projects on irrigation canals and ditches– the original purpose of one of the only the grant programs available to support such projects.</p> <p>Reclamation must avoid “watering down” a great program that has been highly successful in conserving water “lost” due to aging irrigation infrastructure. These types of projects may get overlooked as the program is more broadly implemented to meet other needs. Funding levels should be bolstered to ensure WaterSMART grants programs are robust enough to help meet the larger project needs as well as the newly added eligible applicants and projects.</p> <p>We’ve also heard concerns from some that many of the questions posed in the criteria will be very difficult, if not impossible, to quantify or answer. Reclamation might consider conducting a few “test runs”, using existing successful WaterSMART projects that have already been completed, to assess how the newly proposed evaluation criteria impact the eligibility of those projects. Wherever possible, Reclamation should find ways to make the application process as simple as possible, so as encourage as many potential applicants as possible to apply.</p> |
| | <p>WaterNow Alliance</p> | <p>We appreciate that the WaterSMART program funding opportunity distinctions as between water use efficiency, drought resilience and environmental water resources are to some extent statutorily dictated. Nevertheless, from a community perspective and as a practical matter, many priority water initiatives fit into several or all of these categories. This is particularly the case for urban water use efficiency projects which provide a direct nexus to water resources management aligning with and benefiting ecological values. Similarly, water use efficiency initiatives are often the most impactful, cost-effective and affordable opportunities for addressing drought and building climate resilience – thus contributing significantly to water equity advancements -- while stabilizing water supply reliability.</p> <p>This is reflected in the substantial overlap between the types of projects that are eligible under each of the three funding categories. It can be challenging and burdensome for communities to know which of the different funding opportunities are most appropriate for their projects, and/or to submit multiple applications in response to differing eligibility criteria and scoring. For these reasons, we support the recommendations by several of our partner organizations to consider combining the three funding opportunities into one unified funding opportunity.</p> |

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| <p>General WaterSMART Program Recommendations</p> | <p>WaterNow Alliance, cont.</p> | <p>Alternatively, we respectfully recommend that Reclamation establish a simple mechanism enabling applicants to apply for multiple funding opportunities with a single submission. This could be based, for example, on the approach employed by institutions of higher learning with the Common App; applicants would fill out a single form with information common to all funding opportunities and then provide additional content/data as appropriate to address divergent criteria associated with the differing funding opportunities. Setting up such a mechanism entails numerous details beyond the scope of these comments; however, our experience working with and supporting numerous Western communities on their WaterSMART applications indicates that such an approach would provide many benefits to applicants as well as the agency. This approach could also address other aspects of the WaterSMART process ensuring greater equity and representation of under-served communities (see WaterNow recommendations of January 2021). We are happy to discuss further at your convenience.</p> |
| | <p>National Water Resources Association</p> | <p>The success of the WaterSMART program is significant. Reclamation should be applauded for working to implement it in a manner that engages its contractors, benefits communities and ecosystems, and helps the West address climate change. Originally authorized in 2009, and established within the Department of the Interior in 2010, WaterSMART had a stated goal of conserving water. Specifically, one million acre-feet of water annually by 2017. The program not only met, but exceeded this goal conserving over 1.14 million acre-feet of water annually by 2016. In addition, according to the 2021 SECURE Water Act report, the Water and Energy Efficiency Grant projects funded since 2016 are expected to save an additional 430,000 acre-feet of water per year, once completed. This shows a continuous track record of effectively promoting and achieving water conservation. It also proves that WaterSMART is already one of the most effective tools at the Department of the Interior dealing with the challenges presented by climate change. In general terms we believe that the existing WaterSMART criteria work in the current form and do not need to be amended. Our recommendation is to retain existing criteria and scoring criteria to the maximum extent possible.</p> <p>We understand that Reclamation is considering a number of revisions to WaterSMART criteria based on implementation of E.O. 14008- Tackling the Climate Crisis at Home and Abroad, and E.O. 13985 - Advancing Racial Equity and Support for Underserved Communities Through the Federal Government. NWRA members are on the front line dealing with many of the climate change issues identified in E.O. 14008. In addition, our members supply both affordable water and carbon free hydroelectric power to numerous underserved communities as identified in E.O. 13985. We believe that current WaterSMART program and associated criteria meet the goals of both E.O. 14008 and E.O. 13985.</p> <p>One of the most effective ways to make additional progress and meet the goals of E.O. 14008 and E.O. 13985 in the water and hydropower sector is by getting resources into the hands of project managers. We need to work together to ensure that WaterSMART criteria modifications do not reduce water provider participation which would reduce the effectiveness of WaterSMART.</p> |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| <p>General WaterSMART Program Recommendations</p> | <p>National Water Resources Association, cont.</p> | <p>We recognize that Reclamation is required to issue some of the proposed revisions in response to amendments to the SECURE Water Act made by P.L. 116-260. We would like to work with Reclamation to ensure that the changes proposed do not go beyond the revised statutory requirements. As noted above WaterSMART works, we recommend Reclamation minimize changes to the existing program and process to the maximum extent possible.</p> <p>We ask that Reclamation’s budget request for traditional WaterSMART grant categories are not diluted due to the addition of the Environmental Water Resources grant category.</p> |
| <p>Cost Share Requirements</p> | <p>Agency unknown/Alfred</p> | <p>New Systems require a system evaluation which is primarily in the interest of the public, as such it is not supported by investors. There are higher benefits to create a large amount of jobs as well to possess a working technology for the future without negative impacts or risks. 100% financing support for system evaluations. A system needs also to respond to certain local requirements. Alternative and Renewable systems should get maximum financing support. It is to expect that a water production will produce profits. Balance the development alternatively no grant but total development costs based on profit expectations.</p> |
| <p>Evaluation Criteria</p> | <p>Roza Irrigation District</p> | <p>Evaluation Criterion F needs to be eliminated.</p> <p>1. Climate Change: while many of the questions in this section are reasonable in terms of measuring performance of projects, this section is based on an Executive Order (14008) that is complete nonsense. There is not “a profound climate crisis”. The entire purpose of this E.O. is to move the USA closer to a one world communistic government by tying the United States to a worldwide governing body. This is all designed to make the United State dependent on a governing body outside of the United States and other nations to destroy our economy and our Country.</p> <p>2. Disadvantaged our Underserved Communities: E.O. 13985 is complete nonsense. There is not systemic racism in this country. The governing laws of this nation are designed to prevent inequalities due racism. E.O. 13985 is actually designed to promote division among persons and groups within our nation so that these people and groups will fight amongst themselves....creating the perceived need to the federal government to step in and “help” them. In the long run, money makes its way to wealthy elites and the poor and middle class people whom this E.O. says it is going to help end up worse off.</p> |
| <p>Eligibility and Evaluation Criteria</p> | <p>Defense Fund, Theodore Roosevelt Partnership</p> | <p>The WaterSMART criteria must reflect and implement the statutory changes to the SECURE Water Act, codified at 43 U.S.C. §§ 10362, 10364, passed in December of 2020. As currently proposed, the revised criteria make strides toward capturing the new statutory and Executive Order directives. However, we are concerned that they do not fully implement the scope of the statutory changes,</p> |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria:

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| <p>Eligibility and Evaluation Criteria</p> | <p>Defense Fund, Theodore Roosevelt Partnership, cont.</p> | <p>particularly with regard to a basin-scale approach to drought resilience and prioritizing multi-benefit projects. As a result, below we propose changes to address three primary aspects of the proposed criteria:</p> <ol style="list-style-type: none"> 1. The WEEG criteria do not clearly prioritize projects with environmental benefits; 2. The Drought Resiliency Projects criteria do not ensure that funded projects will not be contrary to statutory purposes; and, 3. Environmental Water Resources Projects criteria may create confusion among applicants with projects addressing primarily irrigation or municipal water supply concerns. <p>We propose for your consideration an alternative approach that would combine WEEG, DRP Resiliency Projects, and EWR into a single funding opportunity. To accommodate the finance and accounting burden on Reclamation staff of one funding announcement, the project award announcements and/or the timing for getting the awards under contract could be staggered. We believe that these combined criteria are the most efficient way to respond to the 2020 statutory amendments to the SECURE Water Act. They also ensure that projects providing drought preparedness achieve one or more of the purposes of water savings and/or environmental benefit.</p> <p>(Note: Commenter submitted proposed criteria for their recommended approach. These criteria are here.)</p> |
| <p>Application Process</p> | <p>Sorenson Engineering</p> | <p>We've found that the grants.gov website can be somewhat difficult to use and would appreciate an option to submit applications by email.</p> |
| | <p>Trout Unlimited, The Nature Conservancy, Environmental Defense Fund, Theodore Roosevelt Conservation Partnership</p> | <p>We appreciate and support the incorporation of the funding opportunity for projects with environmental benefits, and for projects that meet the other requirements to receive an increased federal cost-share of up to 75%, in the Environmental Water Resources (EWR) criteria. However, we are concerned that the separation of the Environmental Water Resources Projects into a separate funding opportunity will create confusion among, and place additional burdens on, applicants. With three different funding opportunities available, it may not be clear to applicants which opportunity is the one where they would have the best possibility of success. This lack of clarity is exacerbated by the current structure which results in an absence of sufficient environmental value criteria in the other two funding opportunities. Because of this, applicants with multi-benefit projects or projects that do not have environmental benefits as their primary focus could be deterred from applying to any of the three funding opportunities. In addition, after application submission, there is no mechanism for redirection to a different funding opportunity (e.g., from WEEG to EWR) that Reclamation believes would be a better fit for the project type. Even if there were, that would require the applicant to rewrite the application to address the evaluation criteria specific to the new funding opportunity. This essentially doubles (or even triples) the workload necessary to apply and most</p> |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| <p>Application Process</p> | <p>Trout Unlimited, The Nature Conservancy, Environmental Defense Fund, Theodore Roosevelt Conservation Partnership, cont.</p> | <p>applicants will not have the capacity to undertake such an effort. Together these create an undue burden on applicants that we fear will deter some from applying in the first place or continuing with their application if it is redirected.</p> <p>In order to address these concerns, we recommend, first, a robust and required pre-application consultation with Reclamation staff, and, second, technical support throughout the application process. The pre-application consultation would ensure that the applicant submits their proposed project to the correct funding opportunity and would alleviate the confusion and burden on the applicant. Technical support throughout the process would help applicants understand what the evaluation criteria questions are asking and what kind of information the review committee needs to receive. We also recommend that in addition to providing technical support Reclamation provides a standardized methodology for quantifying water savings for different types of projects, where applicable, so that applicants understand what the criteria are asking and projects of the same type across applications are using standardized methodologies.</p> |
| <p>Water Equity</p> | <p>WaterNow Alliance</p> | <p>Water Equity Comments and Recommendations: WaterNow strongly supports Reclamation’s inclusion of the “Disadvantaged and Underserved Communities Criteria” for each of the funding opportunities. We urge Reclamation to consider also that advancing equity goes beyond evaluating the merits of a particular project and requires that <i>the WaterSMART program itself is accessible and available to these communities</i> which are often most in need of WaterSMART funding. To this end, we make the following observations and several recommendations:</p> <p>1. Additional Non-Federal Funding Points. While we appreciate the rationale behind awarding additional points to WEEG projects that provide higher levels of non-federal financial support, the practical impact of this scoring is to make it harder for under-resourced communities to compete for WaterSMART funds. It is already a reach for many mid-sized Western communities (and certainly smaller ones) to meet the 50% cost share for the WEEG program. We are particularly concerned that this Criterion was increased from 4 to 6 points. We recommend eliminating this Criterion and reallocating these points to the Sustainability/Underserved Communities criteria. If that is not feasible, we recommend significantly reducing the number of points allocated in this category.</p> <p>2. Climate Crisis Criteria: WaterNow strongly supports the inclusion of the “Climate Crisis Criteria” and applauds Reclamation for elevating the critical connection between water management and climate change. We concur that many of the questions posed pursuant to this Criterion are aimed at the appropriate scale; e.g., Will the proposed project establish and use a renewable energy source? Similarly - Will the project result in lower greenhouse gas emissions? However, we are concerned that the framing of some of the questions may be overbroad. For example, it may be very difficult for many otherwise highly meritorious projects to provide “specific details” on “how the project will address the impacts of climate change and help combat the climate crisis” given the massive scale of the climate crisis in relation to the limited scope of most WaterSMART projects. This is an area where guidance from Reclamation</p> |

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| <p>Water Equity</p> | <p>WaterNow Alliance, cont.</p> | <p>elucidating what you are looking for with greater specificity would be valuable. In addition, we recommend that Reclamation provide some form of standardized methodology(ies) for quantifying reduction impacts associated with various types of water use efficiency and other management strategies.</p> <p>3. NGO Eligibility Criteria. We appreciate that all of the funding opportunities under review (DRP, WEEG, EWR) have been updated to include non-profits in partnership with traditionally eligible entities as eligible grantees. This is an important contribution to advancing equity goals because it will substantially improve the ability of lesser- and under-resourced cities and utilities to develop appropriate projects, as well as their ability to apply for grant funding, enabling broader implementation of climate and drought preparedness initiatives for everyone, and not just those communities with significant resources.</p> <p>4. Public Comment Period: We commend Reclamation for providing this public comment opportunity period for review of the draft eligibility and evaluation criteria (see WaterNow’s January 2021 Recommendations). We encourage USBR to solicit public comments on the WaterSMART program more broadly to include the application process and other logistical considerations. Our experience working with communities of all sizes has made clear that worthy projects going to the heart of the WaterSMART mandate can be stymied by aspects of the application process. A public conversation with Colorado Basin communities most in need of WaterSMART support would go a long way to advancing the equity mandates recognized in the Draft.</p> |
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WaterSMART Environmental Water Resources Projects

Reclamation’s Response to General Comments and Eligibility Requirements Applicable to EWRP

Comments (non-specific to a draft criterion) regarding the proposed new EWRP funding opportunity are presented below, following Reclamation’s response to comments.

Reclamation’s Response to Comments:

Several comments suggested that it would be helpful to applicants to include more specific information about eligible project types. Generally, Reclamation’s approach is to describe broad categories of eligible projects, rather than developing comprehensive lists of project types, to allow applicants to propose projects that might not have been contemplated in the past. Specific types of projects are included as examples of eligible projects. In response to the comment, however, Reclamation has added information to clarify that municipal and industrial efficiency improvements that benefit ecological values are eligible under this funding opportunity.

One comment asked for clarification of some statutory terms (e.g., service area). Reclamation plans to update Frequently Asked Questions available on its website to provide additional guidance to applicants.

One comment suggested an additional requirement be included for non-profit conservation organizations proposing to improve the condition of a natural feature. Reclamation has drafted the eligibility requirements for this funding opportunity to be consistent with the language included in recent amendments to the SECURE Water Act without going beyond those requirements. Note, however, that all applicants must provide detailed information concerning the collaborative process used to identify the project, including explaining the involvement of a group of stakeholders with diverse interests and describing how the project fits within a strategy or plan that has broad support.

| Category of Comment | Commenting Agency/Commenter | Comment |
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| Applicant Eligibility | Boise River Enhancement Network | Terminology is used that isn’t commonly understood. Specifically, the terms ‘water or power delivery authority’ and ‘service area.’ Using language a lay person can understand or providing a convenient definition would be helpful. For example, BREN partners on our project with City of Boise. The City has water rights, but they aren’t an irrigation district or canal company that clearly deliver water. Do they have power delivery authority? They are a great partner because they own land, and most projects require land. |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria:

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| Applicant Eligibility | Boise River Enhancement Network, cont. | <p>If projects are meant to be collaborative to receive 75% match, Category A applicants need to demonstrate support of partners just like Category B applicants. Those partners could be other entities that fall into Category A or non-profit conservation groups. The draft doesn't list any collaboration requirements for Category A entities – so they can presumably apply by themselves and get the 75% match. Not very collaborative.</p> <p>Category C is very confusing. Why would the non-profit need to get the OK of any Category A applicants in the service area? If there were Category A applicants, it wouldn't be a Category C application. Did you mean a Category A entity? Also, do you mean any or all Category A applicants (entities) in the service area? Not understanding what is meant by service area, it appears this could be extremely burdensome to the Category C applicant. It could take months. There are dozens of Category A entities in the lower Boise River Watershed and objection by one would eliminate the effort. If this remains the rule for nonprofits, Category A applicants should also be required to demonstrate no nonprofit conservation organizations in the service area object.</p> |
| Applicant Eligibility | National Water Resources Association | <p>Revise the section discussing Category C applicants to read: “Nonprofit conservation organizations submitting an application for a project to improve the condition of a natural feature such as wetlands on Federal land without a Category A partner must demonstrate that <i>any</i> (strike) (add) <i>all</i> Category A applicants in the service area have been notified and do not object to the project.” We believe <i>any</i> should be struck and replaced with “all.”</p> |
| Application Process | Association of California Water Agencies (ACWA), Madeline Voitier | <p>Recommends that Reclamation make the application process more workable for eligible applicants. The proposed application process would be cumbersome, which could deter eligible applicants from applying or discourage applicants from seeking the full 75% cost-share funding option.</p> |
| | Salt River Valley Water Users' Association and the Salt River Project Agricultural Improvement and Power District (SRP) | <p>SRP recommends streamlining existing evaluation criteria in section A.3 and reducing the number of questions asked within each category to reduce the informational burden on grant applicants and more concisely determine which projects should be funded.</p> |
| Project Eligibility | USDA-NRCS-WNTSC | <p>The eligible projects examples seem to only focus on surface water, which may deter groundwater recharge projects for habitat. Perhaps provide examples of groundwater recharge/environmental/watershed management. For Example- Stream restoration to improve groundwater recharge to improve sage grouse habitat by raising water table and improving riparian habitat.</p> |
| | McAllen Public Utility | <p>Recommend adding the following projects to the list: AMI, Brackish Groundwater Wells, Geothermal wells for alternate power generation, and any Alternate Source Projects.</p> |
| | Ted Trueblood Chapter of Trout Unlimited | <p>In part 2 examples of eligible projects, "Water management or infrastructure improvements to mitigate drought-related impacts to ecological values" I think the ecological value of hatcheries seems a stretch. Fish hatcheries exist to promote and support recreational fishing activities not ecological values. A simple adjustment to address this you could consider in the bold type inserting “and Recreation” between “ecological” and “values.”</p> |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| Project Eligibility | WaterNow Alliance | <p>We appreciate that water conservation and efficiency projects are eligible under the new Environmental Water Resources funding opportunity and concur with this approach. We recommend that the criteria be revised to clarify that the full range of water saving mechanisms are eligible for funding -- rather than being implied under the catchall “other conservation and efficiency projects that result in quantifiable and sustained water savings and benefit ecological values,” because:</p> <p>(1) their exclusion when other mechanisms are listed gives rise to the impression that they may not be favorably considered; and</p> <p>(2) they are often more directly tied to environmental benefits than operational improvements such as SCADA. We respectfully request that water use conservation and efficiency mechanisms under the EWR funding opportunity be expanded to include:</p> <ul style="list-style-type: none"> • Turf removal or conversion • Installation of low-water landscaping • Smart or weather-based irrigation controllers • High efficiency nozzles • Soil moisture meters • Rain gauges • Wind sensors • Freeze sensors • Master shut-off valves and flow sensors (integrated w/ smart controller) • Pressure regulating devices • Conversion of overhead irrigation system to drip irrigation • Irrigation audits, in coordination with other outdoor efficiency measures • Residential grey water and rain catchment systems • High-efficiency indoor appliances and fixtures |
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Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria:

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| Project Eligibility | Salt River Valley Water Users' Association and the Salt River Project Agricultural Improvement and Power District (SRP) | <p>SRP is generally supportive of the three categories of projects that will be considered under the environmental water resources project grant. According to the SECURE WATER Act , grant funds can be used to make improvements to federal facilities. SRP requests that the Bureau provide additional clarity that grant funds can be used for projects that are located on the Bureau’s facilities as long as they meet all of the grant criteria.</p> <p>The current draft categories of eligible projects includes “other watershed management projects that will address water supply needs, water quality concerns, and restoration needs in the watershed”. SRP requests that the Bureau provide additional clarity and certainty that forest thinning and hazardous fuel reduction projects that benefit Reclamation watersheds, water supplies and water quality qualify for the environmental water resources grant funding. We believe that inclusion of this more specific language will ensure that critical forest thinning and hazardous fuel reduction projects are clearly eligible and a priority to receive grant funding.</p> |
| Cost Share | Family Farm Alliance | <p>We agree with the requirements for ecosystem restoration projects to meet in order to be eligible for 75% federal cost share. These requirements include:</p> <ul style="list-style-type: none"> • Increase water supply reliability for ecological values (but does not diminish project eligibility if other needs, like irrigated agriculture, benefit from the project); • Developed as part of a collaborative process; • Provide benefits consistent with an established strategy or plan to increase supplies for consumptive and non-consumptive ecological values. <p>Applications who meet these requirements must be capable of cost sharing 25 percent or more of the total project costs.</p> |
| | Salt River Valley Water Users' Association and the Salt River Project Agricultural Improvement and Power District (SRP) | <p>SRP supports the newly included cost-sharing requirements noted under section A.2. The 75% federal cost-share contribution for eligible projects will provide increased opportunities for more costly projects to receive funding. We applaud the Bureau’s efforts to revise these requirements to increase the federal cost-share from 50% to 75% for Category A and B applicants.</p> <p>We also support the existing requirement that the project must be developed as part of a collaborative process by a watershed group or by a water user and one or more stakeholders with diverse interests. We believe this requirement will strengthen the project outcomes and improve shared water conservation and management goals.</p> |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| Cost Share | Ted Trueblood Chapter of Trout Unlimited | The criteria in A.2. where projects are shown to be collaborative and watershed-based such as CWMP-based projects could get a more attractive cost-share ratio seems reasonable. |
| | Grand Valley Water Users Association | Will there be a different award ceiling for the 75/25 grant? For example, if the total project cost is \$4M and the award ceiling for a 50/50 grant is \$2M, will the award ceiling be higher than \$2M for a 75/25 grant? There were no award ceilings listed. |
| | Boise River Enhancement Network | <p>The Boise River Enhancement Network (BREN) is a 2014 recipient of Phase 1 funding and a 2017 recipient of Phase 2 funding. We appreciate the opportunity to comment on the revised eligibility and evaluation criteria and the Bureau of Reclamation’s work to improve the program.</p> <p>It’s good news the SECURE Water Act has been amended to authorize Reclamation to contribute up to 75% of the cost of certain projects. Project costs from planning and design to construction have skyrocketed in many areas of the west making valuable enhancement work out of reach. Additional help from Reclamation will allow communities to move forward with projects more quickly and with less time and money spent fundraising.</p> <p>The Boise River Enhancement Network supports creation of the WaterSMART Environmental Water Resources Projects program. We like the emphasis on collaborative projects that deliver environmental benefits and agree with the proposal to offer a 75% match for projects meeting the criteria.</p> <p>“The majority of project benefits must be for the purpose of advancing one or more components of an established strategy or plan to increase the reliability of water supply for consumptive and non-consumptive ecological values.” How does majority get measured?</p> <p>Also, the Phase 1 plan that BREN completed was not required to “increase the reliability of water supply for consumptive and non-consumptive ecological values.” This requirement appears to dismiss the hard planning work BREN did to collaborate and secure widespread support for the Boise River Enhancement Plan. It appears to actually eliminate BREN from eligibility for the 75% cost share. While a Category A applicant can get 75% cost share without having any partners and without notifying and demonstrating that nonprofit conservation groups don’t object.</p> |
| Support | Salt River Valley Water Users' Association and the Salt River Project Agricultural Improvement and Power District (SRP) | The Bureau’s draft list of eligible applicants includes Category A and B applicants. Category A applicants include various governmental entities and other organizations with water or power delivery authority, and Category B applicants include non-profits. SRP is supportive of the eligible applicants the Bureau outlined within Attachment A. SRP is also supportive of the included partnership requirement for non-profit organizations (under Category B) to receive the 75%/25% cost-share funding. The partnership requirement will strengthen collaborative water management efforts across sectors. |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria:

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| Support | Ted Trueblood Chapter of Trout Unlimited | I appreciate the effort to make some changes that will improve opportunities for watershed-based organizations and conservation groups to participate in the WaterSMART program. The expanded eligibility is an improvement. Also, the 75% cost share by the Bureau is welcome news. |
| Point Allocations | McAllen Public Utility | Recommend changing the points available for Criterion E: Performance Measures from 5 to 10 and for Criterion F: Department of the Interior and Reclamation Priorities from 10 to 5. |
| Environmental Compliance | Boise River Enhancement Network | “Has the applicant included an amount equal to 5 percent of the total project costs in their project budget to cover costs associated with environmental and cultural resource compliance?” This seems unrealistically low. Reclamation told us the EA would cost much more than 5% of total project costs, in fact it was more than 50% of the grant award from Reclamation. We were able to enlist the help of volunteers who wrote the EA for the project greatly reducing the cost Reclamation charged us. |
| Evaluation Criterion A – Benefits to Ecological Values | ACWA, Madeline Voitier | <i>(Follow up to comment from above in regard to application process)</i> For example, proposed Sub-Criterion A.1 – Benefits to Ecological Values has four bulleted prompts to provide general information on how your project will benefit ecological values while proposed Sub-Criterion A.2 would require far more extensive information in order to qualify for funding. Proposed Sub-Criterion A.2 includes four project-type options with 18 bulleted prompts that would require answering up to 41 detailed questions. Many of these questions would be difficult to quantify, such as calculating the exact amount of estimated water savings (in acre-feet per year) that are expected to result directly from the project or estimating the project’s long-term water quality improvements including magnitude and geographic extent. Due to variable weather conditions in the West, it would be difficult to provide sufficient answers to meet these criteria. To obtain better use of the program, ACWA recommends that Reclamation simplify the Environmental Water Resources Projects proposed Sub-Criterion A.2 questions to allow for easier use of this new funding opportunity. |
| | Ted Trueblood Chapter of Trout Unlimited | Sub-criterion A.1 and A.2 at initial examination collectively requests too much information. For example, within sub-criterion A.2, project benefits for watershed management projects, the request appears rather open-ended, asking for information on quantitative estimates of how much various components may result from a project, and then asks for exhaustive background on methods on arriving at certain estimates. No guidance is provided for what will make for an acceptable method and sources for estimates. Assuming the Bureau will impose page limits on applications, the proposed criterion and details could easily crowd out other important information will throw everything at the wall to see what sticks. I suggest you require basic metrics of ecosystem elements of interest for the project. If there is an ideal example of the information you are looking for it should be included in future funding opportunity announcements. |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| <p>Evaluation Criterion A – Benefits to Ecological Values</p> | <p>Salt River Valley Water Users' Association and the Salt River Project Agricultural Improvement and Power District (SRP)</p> | <p>SRP recommends that the benefits to multiple water uses should be included in sub-criterion A.2 Quantification of Specific Project Benefits by Project Type. Sub-criterion A.1 should solely focus on the ecological benefits and Sub-criterion A.2 should focus on the water related benefits. The Bureau also asks the applicant to “explain the roles of any partners in the process and attach any relevant supporting documents” in the project benefits for water efficiency projects under Sub-criterion A.2, SRP suggests that question be moved to the stakeholder support section. Under the Project Benefits for Watershed Management Projects, SRP recommends that benefits to species and habitat questions be moved to Sub-criterion A.1 ecological benefits. Again, SRP believes that Sub-criterion A.2 should focus on the water related benefits. Finally, SRP recommends that the Bureau develop a Sub-criterion A.3 that allows the applicant to discuss any other project benefits that are not ecological or water benefits. For example, a social benefit of a forest restoration project is reduced wildfire risk to local communities.</p> |
| | <p>National Water Resources Association</p> | <p>Sub-Criterion A.2 discusses a number of water savings for “ecological values”. We recognize that Reclamation needs to incorporate new authorities authorized by Sec.1106 of P.L. 116-260. However, we would like to work with you to ensure this section does not go beyond the statutory requirements. As an example we are concerned about references to instream flows as a potential condition of funding under Sub-Criterion A.2. Instream flow conditions or requirements can be controversial and are not referenced in P.L. 116-260. At this point NWRA does not support Sub-Criterion A.2. We welcome the opportunity to discuss this with you further. If Reclamation is not able to grant an extension to the comment period, we request the removal of Sub-criterion A.2.</p> |

Reclamation’s Response to Comments Regarding EWRP Evaluation Criterion B – Collaborative Project Planning

Criterion B evaluates the extent to which the proposed project was developed as part of a collaborative process and advances an existing plan or strategy. Comments regarding Criterion B are presented below, following Reclamation’s response to comments.

Reclamation’s Response to Comments:

One comment suggested that examples of strategies or plans described in this section would be helpful. Examples of some types of strategies, such as completed Basin Studies or Cooperative Watershed Management Plans, are available at www.usbr.gov/watersmart. Once applications under this new category of funding have been selected, Reclamation will make the plans submitted as part of those applications available for the public.

| Category of Comment | Commenting Agency/Commenter | Comment |
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| Evaluation Criteria B-Planning | Ted Trueblood Chapter of Trout Unlimited | Criterion B should make clear that watershed plans can and should be periodically updated to reflect changed conditions in a watershed and project ideas that emerge over time. Older watershed plans may not have specifically identified projects but instead desired conditions. So, there should be some recognition that project ideas can lead to amended watershed plans and how one supports the other. |
| | Salt River Valley Water Users' Association and the Salt River Project Agricultural Improvement and Power District (SRP) | For Evaluation Criterion B, the Bureau asks applicants to describe the strategy or plan for the proposed project. SRP recommends that the Bureau provide examples of documents that would meet the strategy or plan criteria and the level of detailed required, and where possible allow submittal of other compliance documentation to meet the criteria. For example, allow the submittal of National Environmental Policy Act Environmental Impact Statements or Environmental Assessments as a strategy. |

Reclamation’s response to comments Regarding EWRP Evaluation Criterion C – Stakeholder Support

Criterion C evaluates the level of stakeholder support for the proposed project and to extent to which the project will complement, and not duplicate, other ongoing efforts. Comments regarding Criterion C are presented below, following Reclamation’s response to comments.

Reclamation’s Response to Comments:

One comment concerned letters of support and collaboration with conservation organizations. This criterion asks applicants to address whether the project is supported by a diverse set of stakeholders, including those representing environmental concerns. Information provided by applicants is considered by Reclamation’s reviewers. The criterion also asks whether entities carrying out other water management efforts in the area support the potential new project.

| Category of Comment | Commenting Agency/Commenter | Comment |
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| Evaluation Criterion C-Collaboration with Conservation Organizations | Ted Trueblood Chapter of Trout Unlimited | I interpret that a Category B applicant (e.g., Ted Trueblood Chapter or Boise River Enhancement Network) would need partnership support from a Category A partner. Short of a partnership, nonprofit conservation organizations are also eligible under Category C where at a minimum a letter of support from a category A entity. Missing is reciprocity: It seems that a Category A entity should also produce evidence of support of a watershed or conservation organization? I understand that the law may allow eligibility for Category A without a requirement to cooperate or collaborate with conservation organizations. Perhaps an incentive can be built into the scoring in evaluation criterion C where points are added (or subtracted) on an application by a Category A entity depending on a showing of collaboration with conservation organizations on environmental water resource projects. Lack of collaboration should result in points deducted. A simple added bullet point under evaluation criterion C, to make it explicit that the Bureau wants to see Category A entities collaborating with conservation organizations, and will score accordingly, should do it. |
| Evaluation Criterion C-Letters of Support | Ted Trueblood Chapter of Trout Unlimited | Criterion C the elements in the bullet points appear complete except for the role of letters of support and whether such would count towards a page limit in an application or if they can be added. Also, see above comments concerning Category A applicants making a showing of cooperating with conservation organizations on environmental water resource projects. |

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| <p>Evaluation Criterion C-Other On-going Water Management Activities</p> | <p>Salt River Valley Water Users' Association and the Salt River Project Agricultural Improvement and Power District (SRP)</p> | <p>In Evaluation Criterion C the Bureau asks the applicant “Will the proposed project complement other ongoing water management activities by state, Federal, or local government entities, non-profits, or individual landowners within the area?”</p> <p>This evaluation criteria more directly speaks to anticipated benefits of the project, rather than the amount of stakeholder support for the project. SRP recommends the Bureau integrate this question into Evaluation Criterion A Project Benefits to avoid duplicative responses.</p> |
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Reclamation’s Response to Comments Regarding EWRP Evaluation Criterion D – Readiness to Proceed

Criterion D provides an opportunity for applicants to explain the proposed project’s implementation plan. Comments regarding Criterion D are presented below, following Reclamation’s response to comments.

Reclamation’s Response to Comments:

The comment received on this criterion points out the relationship between environmental compliance and the readiness of any project to proceed toward construction. This is an important point, and has been incorporated into the bulleted list of information requested under this criterion section. Other sections of the funding opportunity, including Section H, provide more detailed information concerning environmental compliance so that applicants include those steps as they develop project schedules.

| <p>Category of Comment</p> | <p>Commenting Agency/Commenter</p> | <p>Comment</p> |
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| <p>Evaluation Criterion D-NEPA Compliance</p> | <p>Ted Trueblood Chapter of Trout Unlimited</p> | <p>Criterion D needs to make clear that Bureau decisions to fund WaterSMART projects require compliance with NEPA. My experience with one CEMP project is more than half the \$100,000 award would have been needed to prepare an EA and a FONSI but we were able to avoid that scenario when Trout Unlimited led efforts to draft a "sweat equity" EA which partially mitigated the compliance costs and limited it to \$17,000. I understand that the Bureau now plans to absorb the NEPA compliance costs, to a point. Even if costs can be absorbed does the Bureau have the capacity to process NEPA compliance documents for grant award decisions in a timely manner so that "readiness to succeed" implementation plans can be fulfilled.</p> |

WaterSMART Drought Resiliency Projects

Reclamation's Response to General Comments and Eligibility Requirements Applicable to DRP

Comments (non-specific to a draft criterion) regarding the funding opportunity for DRP are presented below, following Reclamation's response to comments.

Reclamation's Response to Comments:

One comment expressed concerns related to funding of new groundwater wells and raised questions about the statutory authority for funding projects to develop new water supplies under the SECURE Water Act. The comment proposed that Reclamation remove new groundwater wells from the Drought Resiliency Projects funding opportunity going forward. In response, Reclamation notes that diversification of water supplies is an important tool to increase drought resiliency. Diversifying water supplies includes using groundwater as a critical resource to guard against impacts of drought to ensure adequate and safe supplies of water for public health and livelihood. For example, conjunctive use, including aquifer recharge and recovery, is an essential water management tool for managing water supplies, especially in time of scarcity. All wells funded through the Drought Program have either been coupled with a recharge component, drilled by entities that participate in active groundwater recharge programs or are located in areas of natural recharge from nearby lakes or rivers, or are essential to meet public health and safety requirements during times of drought or system interruptions. Reclamation has also reviewed the SECURE Water Act. The SECURE Water Act authorizes Reclamation to provide assistance to eligible entities to carry out any activities including construction of infrastructure to plan for or address the impacts of drought or to otherwise address climate related impacts or water related crisis. We do believe that through use of eligibility requirements and selection criteria, including criteria already in place for the program, funding can be made available for sustainable groundwater well projects consistent with the statutory authority and the overall purposes of WaterSMART. After reviewing the materials submitted by the commenter, Reclamation has added language in Section E.1.1 to the funding opportunity to emphasize that wells funded under this program are intended to support communities and other entities facing water supply shortages due to drought and for public health and safety concerns. Reclamation has also added language to clarify that any applicant proposing a project that includes a new groundwater well must provide sufficient responses to all questions included in the criteria section (Section E.1.1) so that Reclamation may assess the extent to which the project fits within the program and authority prior to any funding decision.

Multiple comments suggested a redistribution of points for the draft criteria, and comments also included suggestions for a sustainability criterion. The DRP criteria was revised to include a Sustainability and Supplemental Benefits criterion that now includes the Presidential and Department of Interior Priority criterion, consistent with the WEEG sustainability criterion (See Section E.1.2). The Project Benefits criterion was reduced to 30 points (from 40 points), and the Sustainability and Supplemental Benefits criterion is allocated 20 points. Other criteria points remain unchanged.

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria:

| <p>One comment requested a comparison between the FY 2021 and FY 2022 evaluation criteria. Revisions from the FY 2021 to FY 2022 evaluation criteria include revisions to the point allocations and removal/addition of certain criterion, including adding a criterion for Presidential and Department of the Interior Priorities. Please note that previous years' funding opportunities are posted and available on the Reclamation website: https://www.usbr.gov/drought/foa.html.</p> | | |
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| Category of Comment | Commenting Agency/Commenter | Comment |
| Project Eligibility | Family Farm Alliance | The criteria for Drought Resiliency Projects includes projects that increase reliability of water supplies (system improvements/ wells and aquifer recharge/small off-stream storage/etc.) and improving water management (decision support tools/modeling/markets/measurement). These types of projects all are consistent with the Alliance's long-held position that a successful water shortage strategy must include a "portfolio" of water supply enhancements and demand management actions that includes water reuse, recycling, desalinization, conservation, water-sensitive land use planning, and water system improvements. New infrastructure and technologies can help stretch water for all uses. |
| | Trout Unlimited, The Nature Conservancy, Environmental Defense Fund, Theodore Roosevelt Partnership | groundwater supplies across the West are vulnerable to drought. New groundwater pumping is still favored by DRP's Resiliency Projects grants in drought-prone regions, despite the fact that those locations are where the Drought Monitor map indicates that groundwater is impacted by drought. The DRP's Resiliency Projects criteria, at B-6, specifically ask how projects will make new water supplies available as an allowable project purpose. New and increased groundwater pumping projects represents the project type most funded by DRP, with 28 groundwater pumping projects funded out of 100 total projects over the life of the program. |
| Point Allocations | McAllen Public Utility | <p>Recommend changing the points available for the following evaluation criteria:</p> <ul style="list-style-type: none"> • Criterion B: Drought Planning and Preparedness from 15 to 20 • Criterion C: Severity of Actual or Potential Drought Impacts to be Addressed by the Project from 15 to 20 • Criterion E: Nexus to Reclamation from 10 to 5 • Criterion F: Presidential and Department of the Interior Priorities from 10 to 5 |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| <p>Authority</p> | <p>Trout Unlimited, The Nature Conservancy, Environmental Defense Fund, Theodore Roosevelt Partnership</p> | <p>We believe that folding drought resilience into the multi-benefit criteria for municipal, irrigation, or environmental-benefit projects also solves the problem that we identify regarding a lack of statutory authority in the SECURE Water Act to fund the Drought Response Program’s (DRP’s) Drought Resiliency Projects that develop new sources of water supply that might, if continued long-term, exacerbate drought conditions. The projects funded through DRP’s Resiliency Projects are well-planned and -executed investments in developing new water supply and water delivery infrastructure; however, these projects do not fit under the SECURE Water Act. Other Reclamation programs may be a better fit for developing new groundwater supply and related water infrastructure. As detailed below, the SECURE Water Act’s purposes are water-use reduction and efficiency, environmental benefit, or water management incorporating renewable energy. Maintaining consistency around WaterSMART’s purposes is key to maintaining the broad and effective coalition of agricultural, municipal, and conservation interests that all support continued, robust funding for WaterSMART.</p> <p>The Drought Response Program’s (DRP’s) Resiliency Projects shares the same statutory authorization as the WEEG program. However, the largest category of projects funded under the DRP’s Resiliency Project grants over the life of the program (2015-2021) is groundwater pumping. Prior to the 2020 SECURE Water Act amendments, drought resiliency projects would have only been authorized under the statute if they had met one of the other statutory purposes in 42 U.S.C. §10364(a)(1), for example, to conserve water, increase water efficiency or “address any climate-related impact to the water supply of the United States that increases the ecological resiliency to the impacts of climate change.” Id, subsection (H)(i) (emphasis added). Because new groundwater pumping does none of these, we believe that use of WaterSMART funds for these projects was not statutorily authorized.</p> <p>Activities “to enhance water management, including increasing the use of renewable energy in the management and delivery of water” is also an allowed project purpose. It has been appropriately broadly construed to include monitoring and measurement capacity to more efficiently use water, also an explicit project purpose. The 2020 amendments add a provision to allow funding for activities that “plan for or address the impacts of drought;” however, given that development of a permanent or long-term new water supply through groundwater pumping is contrary to the other purposes of WaterSMART—to conserve water, build ecological resilience to the impacts of climate change, and provide environmental benefit—we urge Reclamation not to award grants for new groundwater pumping through WaterSMART. Rather, the Reclamation States Emergency Drought Relief Act of 1991 authorizes Reclamation to provide loans to fund groundwater pumping in short-term, emergency, drought situations. 43 U.S.C. § 2213 (emphasis added). Reclamation is also authorized to undertake such emergency drought actions itself. 43 U.S.C. § 2211.</p> |
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Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria:

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| <p>Authority</p> | <p>Trout Unlimited, The Nature Conservancy, Environmental Defense Fund, Theodore Roosevelt Partnership, cont.</p> | <p>The projects funded through DRP’s Resiliency Projects are well-planned and -executed investments in water supply and water delivery infrastructure; however, they do not fit under the SECURE Water Act. Other Reclamation programs may be a better fit for these kinds of water infrastructure projects. The SECURE Water Act’s purposes are water-use reduction, environmental benefit, or water management incorporating renewable energy, and building ecological resilience to climate change. Rather than address planning for, or executing, projects that reduce water consumption, the DRP’s Resiliency Projects criteria questions explicitly encourage applications for increasing water supply. There is simply no statutory authority for funding projects to develop new water supplies under the SECURE Water Act—even with its 2020 amendments—other than through water trading, water conservation, water-use efficiency, water treatment, or environmental restoration. New groundwater pumping to supply water indefinitely (or until that resource is exhausted) does not fit into any of these categories.</p> |
| <p>Evaluation Criteria</p> | <p>WaterNow Alliance</p> | <p>The Draft provides that drought resiliency can be defined as “the capacity of a community to cope with and respond to drought.” The Draft further clarifies that Reclamation will fund projects under the DRP funding opportunity that build resiliency to drought by (1) increasing the reliability of water supplies; and (2) improving water management. Without question efforts to increase efficiency of water use, particularly at larger scale, are key strategies for Western communities to improve their capacity to cope with and respond to drought. We therefore recommend that the criteria be revised to recognize and prioritize funding support for water use efficiency initiatives. Numerous examples abound of communities across the Colorado Basin that have relied chiefly, and with considerable success, on water use efficiency investments to address near term water shortage crises as well as build long-term drought resilience. Many others are still working to address average demand of over 200 GPCD, a rate of consumption that is unsustainable in the West in light of climate change.</p> <p>We appreciate and strongly agree with the inclusion of new evaluation language that WaterNow and others have recommended regarding the inclusion of green stormwater infrastructure solutions such as rain gardens, cisterns, and bioswales under the category of development of alternative supplies,” as well as inclusion of residential grey water and rain catchment systems. In keeping with the legislative mandate to emphasize natural features and nature-based solutions, and the overall priority of addressing climate change and social equity, we recommend revising the evaluation criteria scoring toward more points to these greener more environmentally sustainable alternative supply options. To this end, we also recommend that Reclamation include a new Sustainability Benefits Criterion for the DRP funding opportunity, similar to that established for the WEEG program. We support the proposal developed by several of our partner organizations to reallocate points to a “Sustainability Benefits” category.</p> |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| Evaluation Criteria | National Water Resources Association | How does the revised scoring criteria compare to current scoring criteria? |
| | Trout Unlimited, The Nature Conservancy, Environmental Defense Fund, Theodore Roosevelt Partnership | We recommend adding a Sustainability Benefits criterion worth 30 points. This criterion would incorporate all of the questions currently within the proposed Evaluation Criterion F: Presidential and Department of Interior Priorities. These include the questions under the headings of Climate Change, Disadvantaged or Underserved Communities, Tribal Benefits, and Ecological Value. In addition, Reclamation should add questions here to guide applicants to eligible projects that demonstrate how the proposed groundwater recharge or demand-management activities to reduce consumptive water use contribute to sustainable water management goals. |

Reclamation’s Response to Comments Regarding DRP Criterion A-Project Benefits

Criterion A evaluates the extent to which the project is expected to provide drought resiliency benefits. Comments regarding Criterion A are presented below, following Reclamation’s response to comments.

Reclamation’s Response to Comments:

One comment suggests that Reclamation eliminate questions regarding making additional water supplies available. Development of water resources is a critical diversification tool essential for drought preparedness and resiliency. While additional supplies were not eliminated from the Project Benefits criterion, Reclamation has reduced the point allocation for Project Benefits, from 40 points to 30 points. A Sustainability and Supplemental Benefits criterion has also been added. Please see response to DRP general comments above for more detail.

| Category of Comment | Comment Submitted by | Comment |
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| Evaluation Criterion A: Project Benefits | Trout Unlimited, The Nature Conservancy, Environmental Defense Fund, Theodore Roosevelt Partnership | We recommend reducing the number of points to 20 for Project Benefits so that the Sustainability Benefits criterion accounts for the most points. We recommend eliminating the Project Benefits question that asks, “Will the project make additional water supplies available?” (The related sub-questions should also be eliminated, including the questions regarding such specifics as the estimated quantity in acre-feet as the average annual benefit over ten years of the new water supply, the proportion of the new water supply in relation to existing supply, and a series of questions about wells, such as “What is the estimated capacity of the new well(s), and how was the estimate calculated?” “How much water do you plan to extract through the well(s)?”). Instead, the 2020 statutory purposes should be asked as the project benefits criterion: “What are the proposed activities to assist States and other water users in complying with interstate compacts or reducing basin water-supply imbalances?” Sub-questions that encourage groundwater recharge or reductions in consumptive water use should follow to help guide applicants to eligible projects. |

Reclamation’s Response to Comments Regarding DRP Evaluation Criterion F – Presidential and Department of the Interior Priorities

Criterion F provides an opportunity for applicants to explain the extent that the project demonstrates support for the Biden-Harris Administration’s priorities, including Presidential Executive Order 14008: Tackling the Climate Crisis at Home and Abroad and Executive Order 13985: Advancing Racial Equity and Support for Underserved Communities Through the Federal Government. Comments regarding Criterion B are presented below, following Reclamation’s response to comments.

Reclamation’s Response to Comments:

A commenter sought clarification on how the Presidential and Department of the Interior Priorities will be implemented. This section was moved into the Sustainability and Supplemental Benefits criterion. Applicants are encouraged to address applicable sections of this criterion as they relate to the proposed project. The Application Review Committee will evaluate how well the proposal supports this criterion and score accordingly.

The commenter also expressed concern that certain questions would discourage rural applicants from applying. Reclamation wants to ensure that no eligible entity is discouraged from applying; therefore, language was added to the funding opportunity to clarify that project types listed under this criterion section are listed as possible examples and are not intended to be an inclusive or required list of project types. Applicants should include all relevant information about the proposed projects linkage to climate change adaptation and resiliency.

| Category of Comment | Commenting Agency/Commenter | Comment |
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| Evaluation Criterion F-Presidential and DOI Priorities | National Water Resources Association | <p>How will this section be implemented and how does it compare to current funding criteria?</p> <p>Page B11. In reference to E.O. 13985 and E.O. 14008 this section states: “Does the proposed project include green or sustainable infrastructure to improve community climate resilience such as reducing the urban heat island effect, lowering building energy demands, or reducing the energy needed to manage water? Does this infrastructure complement other green solutions being implemented throughout the region or watershed?” We recommend removing the reference to “urban heat island”. Reclamation projects serve both urban and rural areas. A reference to an urban heat island could inadvertently reduce access to grant funding to rural projects.</p> |

WaterSMART Water and Energy Efficiency Grants

Reclamation's response to comments regarding the overall implementation of the WEEG

Comments (non-specific to a draft criterion) regarding the funding opportunity for WEEG are presented below, following Reclamation's response to comments.

Reclamation's Response to Comments:

Multiple comments addressed the organization of the evaluation criteria and the point allocation and eligibility considerations. Reclamation reviews and revises the funding opportunity annually, making updates to address ongoing priorities and stakeholder feedback. Currently, the funding opportunity is open to a variety of project types, including projects that are implementing renewable energy, which do not result in quantifiable water savings (i.e., Criterion A). The funding opportunity includes the points available under each individual evaluation criterion, providing applicants the necessary information on program priorities prior to applying.

Multiple comments addressed including cooling system upgrades as an eligible activity. Reclamation agrees that these are valuable projects that can result in water and energy savings. These types of projects, including cooling tower retrofits, have been specifically included as eligible projects (see section C.3.1.1.).

One comment sought to clarify whether a project focused on bringing a mothballed hydropower facility back online was eligible. Section C.3.1.2. has been revised to specifically include "Bringing existing mothballed hydropower capacity back online through facility investment" as an eligible activity. These types of projects are able to increase the production of renewable energy, oftentimes quickly and with less cost and impact than installing new capacity.

Another comment suggested clarifying multiple points regarding the "Irrigation Measures" category of eligible project types. First, this category has been renamed "Landscape Irrigation Measures" to better convey the types of eligible projects that are within that category. In addition, the funding opportunity has been updated to specifically state that rebates and direct-install programs are eligible within this category. Lastly, the types of projects listed under the "Landscape Irrigation Measures" section are not exhaustive and other types of projects that fit the intent and purpose of the funding opportunity may also be considered for funding.

Several comments focused on the point allocation under the evaluation criteria. Based on the comments received, Reclamation revised the point allocations with respect to Criterion A: Quantifiable Water Savings (from 26 to 28 points) and Criterion G: Additional Non-Federal Funding (from 6 to 4 points). Reclamation evaluates the number of points available under each criterion annually, depending on program priorities. For example, between 2017 and 2018 the number of points under Criterion A: Quantifiable Water Savings was raised from 25 to 30.

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria:

Please note that projects that include a renewable energy component are eligible to receive up to 20 points. These projects typically do not receive points for quantifiable water savings and are therefore at a slight disadvantage relative to those projects with significant water savings.

As set forth in general comments related to all three funding opportunities, one comment concerns the new statutory provision directing Reclamation to prioritize the that projects with quantifiable water savings that also address drought resilience by benefitting the water supply and ecosystem. We are confident that establishment of a new funding opportunity for WaterSMART Environmental Water Resources Projects along with revisions to the WaterSMART Water and Energy Efficiency Grants funding opportunity will allow Reclamation to fully implement these statutory changes. In response to the comment, Reclamation has made a revision to Criterion C (Sustainability Benefits): considerations under the heading of Enhancing Drought Resiliency within Criterion C have been moved into the introductory section. Language has also been revised to explain the section more clearly, and avoid any mistaken impression that only a small portion of points under the criterion have been allocated to drought resiliency.

One comment concerned the inclusion of projects that involve installation of high efficiency indoor fixtures among eligible projects. This language has been included in the funding opportunity to address continuing questions about such projects, which were eligible for funding as WaterSMART Water and Energy Efficiency Grant projects in previous years. Reclamation anticipates only a small number of applications that involve such projects, and the benefits of any proposed projects will be reviewed fully, along with other project types, to ensure that projects selected for funding meet program goals.

One comment requested a comparison between the FY 2021 and FY 2022 evaluation criteria. Revisions from the FY 2021 to FY 2022 evaluation criteria include revisions to the point allocations and removal/addition of certain criterion, including adding a criterion for Collaboration and removing the specific criterion for Presidential and Department of the Interior Priorities. Please note that previous years' funding opportunities are posted and available on the Reclamation website: <https://www.usbr.gov/watersmart/weeg/foas.html>

| Category of Comment | Commenting Agency/Commenter | Comment |
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| Project Eligibility | Municipal Water District of Orange County, California | <p>For the past several decades, water conservation programs have targeted inefficient toilets, replacing millions of high-water-using models. Additionally, the 1995 National Energy Policy Act began requiring plumbing manufacturers to make, and homeowners who were remodeling to buy, toilets that used 1.6 or less gpf. These efforts have been extremely successful and have replaced approximately 80% of inefficient stock with efficient models.</p> <p>Industrial and institutional projects, such as cooling tower retrofits and water-using processes improvements, have large water savings potential. Cooling towers, on average, account for 40 percent of a building's water demand, and a water savings study released by California Urban Water Agencies found that improving the management of a single cooling tower can save</p> |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| Project Eligibility | Municipal Water District of Orange County, California, cont. | <p>hundreds of thousands of gallons. Industrial projects typically require an approach outside the scope of an appliance or fixture replacement, such as adjusted cycles. It would be most impactful and the best use of BOR funds to target the 3.5 or greater gpf toilets that have not yet been replaced passively through legislation or actively through conservation programs. Additionally, it is critical to require verification that ensures BOR funding is not used to replace prevalent, already efficient 1.6 or lower gpf toilets.</p> <p>To capitalize on the large water and energy saving opportunities within this sector, expanding eligibility to include industrial and institutional savings projects is prudent.</p> |
| | Southern Nevada Water Authority | <p>Southern Nevada has the benefit of capturing and reusing nearly all of water used indoors. As such, the greatest opportunity for water conservation is reducing losses from consumptive uses, or those water uses that cannot be captured and reused again. In Southern Nevada, outdoor irrigation and evaporative cooling represent the community's largest consumptive uses. As its currently designed, the WEEG program already supports grass conversion programs, which has been invaluable to SNWA.</p> <p>Regarding Attachment C, WEEG, the expansion of eligibility to include "High-Efficiency Indoor Appliances and Fixtures" as a Water Conservation Project is a welcome addition and there remains potential to further expand the Water Conservation Project eligibility by adding a Cooling Projects category. Las Vegas' average temperatures range between 90 - 100 degrees for six months of the year, which requires significant water use to maintain comfortable indoor temperatures in larger buildings and warehouses that rely on evaporative cooling systems. While data quantifying the volume of water dedicated to commercial-scale cooling in the Las Vegas Valley is still being analyzed, estimates indicate that more than 30,000 acre-feet per year are consumptively used between water-cooled HVAC systems and large evaporative cooling units. Providing rebate or incentive programs for cooling retrofit programs has the potential for quantifiable and sustained water savings for communities throughout the West who are facing rising temperatures resulting from climate change.</p> |
| | Family Farm Alliance | <p>It appears that the Water and Energy Efficiency Grant program will continue to focus on on-the-ground improvement projects that address water conservation and efficiency and result in quantifiable water savings. Proposed criteria for Water and Energy Efficiency projects include the past projects like water conservation/automation/piping/renewable energy/etc. We are concerned that the addition of indoor water efficient appliances are now eligible for WaterSMART grants. Some of these projects could be expensive project with relatively little water conserved.</p> |

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| <p>Project Eligibility</p> | <p>Family Farm Alliance, cont.</p> | <p>Also, there are other “smart water” programs at the U.S. Environmental Protection Agency (EPA) that promote water conservation in appliances (such as the Energy STAR program for energy efficiency). Because consumers already typically purchase water-efficient appliances anyway, it is difficult to see the rationale behind another subsidized program funded by WaterSMART, for purposes that appear to be far removed from traditionally-funded, irrigation-focused projects. We urge that Reclamation take heed of these concern and address them appropriately in the project grant application evaluation process.</p> |
| | <p>WaterNow Alliance</p> | <p>The list of eligible WEEG projects includes six categories: (1) canal lining/piping; (2) municipal metering; (3) agricultural irrigation flow measurement;(4) SCADA systems; (5) irrigation measures; and (6) high-efficiency indoor appliances and fixtures. As an initial matter, we applaud Reclamation’s reinstatement of high-efficiency indoor appliances and fixtures on the list of eligible projects per our prior recommendations. This is a critical piece of drought and climate resilience and will benefit many communities across the West. We suggest that Reclamation specifically also include indoor EPA WaterSense-labeled fixtures and appliances in this category.</p> <p>We recommend renaming the “irrigation measures” category to “outdoor water usage,” or something similar to avoid confusion and clarify that this category is intended specifically to address the need to reduce water used currently in connection with outdoor landscaping and other non-agricultural irrigation uses of water. We appreciate the statement in the Draft that these measures are “typically promoted by water entities through rebates or direct programs.” We respectfully recommend strengthening this somewhat and clarifying to say: <i>Consumer rebate and/or direct installation programs to promote outdoor water use efficiency programs are eligible for WaterSMART funding.</i> We recommend that this language be included in the high efficiency indoor appliances section as well. We recommend also clarifying that in addition to “turf removal, Smart irrigation controllers (weather or soil-moisture based), and high-efficiency nozzles (sprinkler heads)” the list of eligible projects in this category specifically includes:</p> <ul style="list-style-type: none"> • Turf conversion • Installation of low-water landscaping • Soil moisture meters • Rain gauges • Wind sensors |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| | WaterNow Alliance, cont. | <ul style="list-style-type: none"> • Freeze sensors • Master shut-off valves and flow sensors (integrated w/ smart controller) • Pressure regulating devices • Conversion of overhead irrigation system to drip irrigation • Irrigation audits, in coordination with other outdoor efficiency measures • Residential grey water and rain catchment systems <p>This clarification will be important for communities hesitant to apply for support for such programs since few WaterSMART grants have been awarded for these activities, giving rise to the concern that they may not be favored in the process.</p> |
| Project Eligibility | National Water Resources Association | <p>Page C2 Canal Lining Piping – What does “new proven” mean in this context? Canal lining materials such as concrete, geomembrane etc., have proven effective at water conservation. Please clarify that these types of infrastructure improvements are still eligible under this section.</p> <p>o Page C2 High-Efficiency Indoor Appliances and Fixtures. NWRA supports water conservation rebates. However, we do note that current IRS guidance subjects these rebates to customer taxation if a certain rebate threshold is exceeded. We encourage the Biden Administration to work with the IRS to issue guidance clarifying that water conservation rebates should be treated in a similar manner to energy conservation rebates.</p> |
| | Alliance for Water Efficiency | <p>We enthusiastically support a number of USBR’s proposed changes, including: <u>Revising eligibility to include projects that install high-efficiency indoor appliances and fixtures that can provide water savings for municipal water entities.</u> Indoor water efficiency projects continue to provide cost-effective water savings while also helping customers save money and limiting the need for long-term water capacity expansion, and we applaud USBR’s proposal to make these projects eligible. Water Smart grants can help water agencies implement these projects, with water bill savings for customers.</p> |
| | EPA Water Sense | <p>The U.S. Environmental Protection Agency’s (EPA’s) WaterSense® program thanks the Bureau of Reclamation for the opportunity to comment on the Draft Eligibility and Evaluation Criteria presented for the Bureau of Reclamation’s WaterSMART program. WaterSense is a voluntary EPA partnership program that labels water-efficient products and services and promotes efficient water use throughout the United States. The WaterSense label is intended to easily identify products</p> |

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| <p>Project Eligibility</p> | <p>EPA Water Sense, cont.</p> | <p>and services that use 20 percent less water, save energy, and perform as well as or better than standard models on the market. WaterSense has developed specifications for various plumbing and irrigation product categories, including tank-type toilets, flushometer-valve toilets, urinals, showerheads, lavatory faucets and faucet accessories, landscape irrigation spray sprinkler bodies, weather-based irrigation controllers, and most recently, soil moisture-based irrigation controllers. WaterSense has also developed additional specifications for homes and irrigation professional certification programs.</p> <p>WaterSense’s goal in submitting comments to the Bureau of Reclamation is to encourage the reference to and subsequent use of WaterSense labeled products through the WaterSMART Water and Energy Efficiency Grants as a means to achieve the Bureau of Reclamation’s water conservation goals. WaterSense labeled products are third-party certified for water efficiency <u>and</u> performance. Ensuring performance is vital for maintaining the WaterSense program’s integrity. If end users are satisfied with the performance of WaterSense labeled products, they are less likely to replace them with less efficient models and are more likely to pursue other water-efficient products in the future. Assuring performance also provides confidence that the products can achieve their intended use efficiently and that consumers will not be required to operate the product more than previously required by a less efficient model, which could negate water savings.</p> <p>WaterSense encourages the Bureau of Reclamation to also consider referencing ENERGY STAR certified appliances in its WaterSMART Water and Energy Efficiency Grants. ENERGY STAR certified products, including water-using appliances such as dishwashers and clothes washers, similarly undergo third-party certification to ensure consumer confidence. Water utilities across the country rely on the WaterSense and ENERGY STAR labels to help them readily identify and rebate/direct install appliances and fixtures that will provide lasting water and energy savings.</p> <p>(Note: EPA submitted specific recommendations for eligible project types specific to WaterSense and ENERGY STAR. EPA’s support for these recommendations and these recommendations are available here.)</p> |
| <p>Support</p> | <p>Ferris, Flinn & Medina</p> | <p>The WaterSMART Grant Program is fantastic. Through this program our firm has assisted our South Texas water district clients in conserving tens of thousands of acre feet, cost effectively, while extending the life of critical infrastructure by an additional 50 years. Additionally, the program has resulted in significant energy savings as well. The current water status in the Falcon/Amistad Reservoir system is very low with US Share currently at 40% of conservation level while Mexico's share is at 7% of conservation level. This program will continue to help the Lower Rio Grande Valley utilize its finite surface water resource more efficiently.</p> |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| Evaluation Criteria | Alliance for Water Efficiency | <p>We enthusiastically support a number of USBR’s proposed changes, including:</p> <ol style="list-style-type: none"> 1. <u>Adding an evaluation criterion and points for planning and implementation.</u> USBR proposes awarding points for proposals linked to water plans, and we encourage USBR to look, in particular, for drought preparedness plans and water conservation/efficiency plans. AWE’s Water Efficiency and Conservation State Scorecard identifies state-level planning requirements. 2. <u>Adding an evaluation criterion and points for collaboration.</u> We support this proposed change as it can encourage applicants to include a variety of stakeholders in developing and implementing projects. 3. <u>Adding an evaluation criterion and points for sustainability.</u> We support the inclusion of sustainability in the evaluation process and note that water efficiency comprehensively addresses the water, energy, and climate change/resiliency concerns identified in the Sustainability section because water efficiency not only enhances water reliability, it’s also a cost-effective way to save energy. And by reducing energy use, water efficiency reduces emissions of heat-trapping carbon dioxide that contribute to climate change. We also strongly support this section’s emphasis on encouraging benefits for underserved, disadvantaged, and tribal communities. |
| | National Water Resources Association | How does the revised scoring criteria compare to current scoring criteria? |
| | Trout Unlimited, The Nature Conservancy, Environmental Defense Fund, Theodore Roosevelt Conservation Partnership | <p>The WEEG Criteria Do Not Clearly Prioritize Projects with Environmental Benefits.</p> <p>To implement the new, 2020 statutory changes, the WEEG criteria must incorporate Congress’ explicit directive that among projects “intended to have quantifiable water savings under this subsection, the Secretary shall give priority to projects that enhance drought resilience by benefitting the water supply and ecosystem.” 42 U.S.C. § 10364(a)(3)(G) (emphasis added). This requires that a meaningful number of points be awarded for environmental benefits among WEEG projects, apart from the increased federal cost-share for qualifying projects under the Federal Share subsections, found at 42 U.S.C. §§ 10364(a)(3)(E)(i)(I) and (II).</p> <p>To reflect the statute, the revised criteria must substantially increase the points available for environmental benefits. As proposed, environmental benefits are only awarded points under “Enhancing Drought Resiliency,” listed as one of five components of “Sustainability Benefits” that collectively may receive twenty (20) points out of 100.</p> |

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| <p>Evaluation Criteria</p> | <p>Trout Unlimited, The Nature Conservancy, Environmental Defense Fund, Theodore Roosevelt Conservation Partnership, cont.</p> | <p>In contrast, the “Renewable Energy” component alone may receive twenty (20) points. This is the case even though the statute authorizes grant funding for renewable energy projects in limited circumstances, i.e., “. . . to enhance water management, including increasing the use of renewable energy in the management and delivery of water.” 42 U.S.C. § 10364(a)(1)(D) (emphasis added).</p> <p>It would more appropriately reflect the statute to provide Environmental Benefits, standing alone as its own criterion, twenty (20) points, and then also make “Renewable Energy” one of the five components of the “Sustainability Benefits” criterion (along with more efficient and flexible management of water supplies) for the collective twenty (20) points. In moving the “Renewable Energy” element, the criteria should clarify that the renewable energy project being funded must be incorporated into the management and delivery of water. The current questions at pages C-8 and C-9 do not make clear this threshold requirement.</p> <p>We also recommend removing Criterion G: Additional Non-Federal Funding and allocating its 6 points to the new Environmental Benefits criterion, increasing the point allocation to 26 points. This will help under-resourced applicants’ projects score more highly as it is often difficult for these communities—including small- to mid-sized municipalities, small irrigation districts, and Tribes—to meet the 50% cost-share, let alone provide additional match funding, while fulfilling the statutory directive to prioritize funding for projects with environmental benefits.</p> |
| <p>Point Allocations</p> | <p>McAllen Public Utility</p> | <p>Recommend changing the points available for the following evaluation criteria:</p> <ul style="list-style-type: none"> • Criterion A: Quantifiable Water Savings from 26 to 30 • Criterion D: Complementing On-Farm Irrigation Improvements from 10 to 6 |
| | <p>Ferris, Flinn & Medina</p> | <p>The evaluation criteria should weigh more heavily on conservation of water and energy. Requiring a calculation of the cost per acre foot conserved, in comparison to the local spot market value of water, would help the reviewers evaluate the financial feasibility of the proposed projects.</p> |
| | <p>Alliance for Water Efficiency</p> | <p>AWE has significant concerns about the proposed shift in evaluation scoring away from water savings and reliability towards renewable energy and energy efficiency.</p> |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| <p>Point Allocations</p> | <p>Alliance for Water Efficiency</p> | <p>While we support the goals/directives from the SECURE Water Act and the president that USBR is responding to, we believe the scoring changes may result in grants for energy projects with little or no impact on water savings and water sustainability. An analysis by AWE found that, between 2000 and 2020, federal spending on energy efficiency and renewable energy has outpaced spending on water efficiency and water reuse by approximately 80 to 1. The Water Smart Water and Energy Efficiency Grant program is one of the few reliable sources of federal funding for water efficiency, but the proposed changes could result in an even smaller federal investment in water efficiency.</p> <p>The proposal would award up to 10 points for energy efficiency and up to 20 points for renewable energy benefits, which is almost as many points awarded to water savings (up to 26). And because the Sustainability criterion (up to 20 points) can also award points for energy benefits, scoring can be further skewed to energy. In the FY 2020-21 Request for Proposals, water savings and reliability accounted for 38 percent of the possible points (see below), and the proposed rule changes reduce this to 26%. Under these proposed changes it seems feasible that, for example, grant proposals to install solar panels at water treatment plants could compete for grant dollars with projects that actually deliver significant water savings and reliability. AWE believes the Water Smart Water and Energy Efficiency grant program should only fund projects that both enhance water savings/reliability and energy efficiency, with water benefits being prioritized given that Water Smart is first and foremost a water program.</p> <p>With this in mind, we propose a change to the scoring criteria that shifts 15 points from Renewable Energy/Energy Efficiency to Water Savings. See track changes below. We think this is appropriate given the redundancy between the Renewable Energy criterion and the Sustainability criterion (both can award points related to energy) and given the importance of aligning with the principles described above.</p> <table border="1" data-bbox="962 976 2279 1328"> <tr> <td colspan="2">FY 2020-21 points/evaluation:</td> <td colspan="2">USBR proposed changes (AWE edits in track changes):</td> </tr> <tr> <td>Water Savings – 30</td> <td></td> <td>Water Savings – 41</td> <td></td> </tr> <tr> <td>Water Reliability – 18</td> <td></td> <td>Renewable/energy efficiency – 5</td> <td></td> </tr> <tr> <td>Implementing Hydropower – 18</td> <td></td> <td>Sustainability – 20</td> <td></td> </tr> <tr> <td>On farm irrigation – 10</td> <td></td> <td>On farm irrigation - 10</td> <td></td> </tr> <tr> <td>Dept of Interior priorities – 10</td> <td></td> <td>Planning and implementation – 10</td> <td></td> </tr> <tr> <td>Implementation results – 6</td> <td></td> <td>Collaboration – 6</td> <td></td> </tr> <tr> <td>Non-federal funding – 4</td> <td></td> <td>Non-federal funding 4</td> <td></td> </tr> <tr> <td>Nexus to reclamation – 4</td> <td></td> <td>Nexus to reclamation – 4</td> <td></td> </tr> </table> | FY 2020-21 points/evaluation: | | USBR proposed changes (AWE edits in track changes): | | Water Savings – 30 | | Water Savings – 41 | | Water Reliability – 18 | | Renewable/energy efficiency – 5 | | Implementing Hydropower – 18 | | Sustainability – 20 | | On farm irrigation – 10 | | On farm irrigation - 10 | | Dept of Interior priorities – 10 | | Planning and implementation – 10 | | Implementation results – 6 | | Collaboration – 6 | | Non-federal funding – 4 | | Non-federal funding 4 | | Nexus to reclamation – 4 | | Nexus to reclamation – 4 | |
| FY 2020-21 points/evaluation: | | USBR proposed changes (AWE edits in track changes): | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Water Savings – 30 | | Water Savings – 41 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Water Reliability – 18 | | Renewable/energy efficiency – 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Implementing Hydropower – 18 | | Sustainability – 20 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| On farm irrigation – 10 | | On farm irrigation - 10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Dept of Interior priorities – 10 | | Planning and implementation – 10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Implementation results – 6 | | Collaboration – 6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Non-federal funding – 4 | | Non-federal funding 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Nexus to reclamation – 4 | | Nexus to reclamation – 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Reclamation’s Response to Comments Regarding WEEG Criterion A-Quantifiable Water Savings

Criterion A provides an opportunity for applicants to describe and provide support for the quantifiable water savings that is expected to result from the project. Comments regarding Criterion A are presented below, following Reclamation’s response to comments.

Reclamation’s Response to Comments:

One comment focused on the information that is requested relating to a water savings estimate. The funding opportunity describes the information that will be most helpful for the Application Review Committee to fully conduct their analysis and review of all water savings estimates. Project-specific questions are included in the Evaluation Criteria section and the Performance Measures section provides additional project-specific guidance on pre- and post-project benefit quantification. An applicant may include additional information for consideration regarding water savings that goes beyond the types of information suggested in this criteria section. Entities are encouraged to provide as much detail and supporting documentation for a water savings estimate as is available, which may include results from similar types of projects undertaken in nearby areas. A specific water savings estimate, as opposed to an estimated range of water savings, allows for more consistent evaluating and scoring.

Another comment inquired if specific language was new to this year’s funding opportunity. Each year, Reclamation reviews and revises the criteria section in all funding opportunity to ensure applicants are providing sufficient information to fully understand the benefits of a proposed project. By inquiring about current seepage losses and any associated benefits, Reclamation is able to better evaluate the full impact and benefit of a project.

| Category of Comment | Comment Submitted by | Comment |
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| Water Savings Quantification | WaterNow Alliance | <p>A consistent challenge for WEEG applicants, in our experience, is determining how best to quantify water savings for different types of projects. We respectfully recommend revising the criteria to include a standardized methodology (or a selection of accepted methodologies) for this purpose, particularly in light of the detailed questions included in the evaluation criteria regarding quantification.</p> <p>In addition, we respectfully recommend that Reclamation eliminate the statement requiring a “specific quantifiable water savings estimate” and instead allow applicants to provide a reasonable range of potential water savings. The types of programs most likely to be effective do not lend themselves to this type of precision and we are concerned that this criteria may have the counter-productive effect of discouraging the best water saving projects. Specifically, With outdoor landscaping accounting for 50%-80% of total urban water use in many Western communities, WaterSMART funding is vital for lawn conversion to native and low-water landscaping, smart irrigation controllers, onsite reuse, greywater systems and other localized decentralized programs designed to keep the West beautiful while relieving pressure on strained municipal water systems.</p> |

Public Comments Received for Fiscal Year 2022 Draft Eligibility and Evaluation Criteria

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| Water Savings Quantification | WaterNow Alliance | <p>Indeed, these programs are among the most impactful investments the federal government could be making if the goal is to save real water at a meaningful scale.</p> <p>We appreciate the benefits of municipal metering and support Reclamation’s support for such projects. However, the information provided by metering leads to significant water savings primarily when utilities and their consumers are in a position to act on that information and adopt conservation measures. But determining water savings from various types of rebate and incentive programs critical to achieving Reclamation’s and Congress’ water saving and drought resilience goals is not reasonably feasible with absolute precision and precluding applicants from providing a reasonable range of savings may well discourage highly beneficial projects from receiving support. For these reasons, we recommend that Reclamation revise the Criteria to allow a reasonable estimated range of water savings and provide guidance about what such an acceptable estimate range would look like, and further that such estimates be may be based on evidence of how similarly situated projects elsewhere have performed.</p> |
| | National Water Resources Association | This section states in part: “Are there any known benefits associated with where the current losses are going? For example, is seepage water providing additional habitat for fish or animal species?” Clarify if this is an existing or new consideration. |

Reclamation’s response to comments Regarding WEEG Evaluation Criterion C – Sustainability Benefits

Criterion C prioritizes projects that address a specific water and/or energy sustainability concern(s), including enhancing drought resilience, addressing the current and future impacts of climate change, and resolving water related conflicts in the region. Comments regarding Criterion C are presented below, following Reclamation’s response to comments.

Reclamation’s Response to Comments:

The evaluation and scoring of proposals is based on the evaluation criteria and point allocation described in the funding opportunity. Reclamation assesses the overall impact of a particular criterion and the associated benefits to enhancing drought resiliency and increasing water sustainability. Projects that address the criteria most directly will have the best chance of selection.

| Category of Comment | Commenting Agency/Commenter | Comment |
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| Point Allocation | WaterNow Alliance | With regard to the WEEG scoring criteria, WaterNow commends Reclamation for the inclusion of the new Sustainability Benefits criteria. Consistent with the concept of rewarding water strategies that promote long-term sustainability of water supplies and ecosystem health, we recommend that the scoring criteria be revised to provide additional points for municipal outdoor irrigation efficiency programs to improve their chances of success for the reasons outlined above. |

Reclamation’s Response to Comments Regarding WEEG Evaluation Criterion H – Nexus to Reclamation

Criterion H provides an opportunity for applicants to explain how the proposed project is connected to a Reclamation project or Reclamation activity. Comments regarding Criterion H are presented below, following Reclamation’s response to comments.

Reclamation’s Response to Comments:

In determining the point allocation, Reclamation assesses the overall impact of a particular criterion and the associated benefits to enhancing drought resiliency and increasing water sustainability. The points allocated to this criterion are based on these considerations and while Reclamation does provide additional consideration to projects/applicants with a nexus to Reclamation, the overall weight given to the criterion is lower than other sections of the evaluation criteria.

| Category of Comment | Commenting Agency/Commenter | Comment |
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| Nexus to Reclamation | National Water Resources Association | We recommend increasing the points awarded to this section. Grant recipients should have a nexus to Reclamation projects. Much of Reclamation’s budget is offset by funding from Reclamation contractors. Because of this priority should be given to funding projects with a Reclamation nexus. |