RECLAMATION

Managing Water in the West

Public Comments on Draft WaterSMART Grants: Fiscal Year 2019 Water and Energy Efficiency Grants Evaluation Criteria

June 2019

Reclamation's response to comments concerning Evaluation Criterion A – Quantifiable Water Savings

Multiple entities submitted comments, summarized below, regarding Criterion A. 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.

One comment pointed out that small entities with a relatively small water supply may be at a disadvantage under this criterion. While this criterion continues to focus on the overall amount of water being saved, subsequent sections of the evaluation criteria address other aspects of a project, including information specific to the applicant/area where the project is located and whether the project will make water available to achieve multiple benefits or to benefit multiple water users. In addition, note that Reclamation introduced the Small-Scale Water Efficiency Projects category of funding within WaterSMART Grants in 2017 specifically to address this concern. The Small-Scale Water Efficiency Projects Funding Opportunity Announcement (FOA) focuses on small water efficiency improvements that have been identified through previous planning efforts rather than on quantifiable water savings.

Other comments focused on the information that is requested relating to a water savings estimate. The FOA 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. Reclamation understands that this information may or may not be applicable to all projects. 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 information about reducing losses/consumption. One comment pointed out the need for information to ensure that water savings estimates are credible. While Reclamation does not request a ten-year history to receive credit for water savings, the FOA does require information sufficient to support each estimate. Reclamation may request additional documentation or detail when necessary to ensure an estimate is fully supported.

One comment suggested that more points be available under this criterion. Reclamation evaluates the number of points available under this—and each—criterion annually, depending on program priorities. For example, between 2017 and 2018 the amount of points under this criterion was raised from 25 to 30.

Category of Comment	**Comment Submitted by**	**Comment**
Evaluation Criterion A – Quantifiable Water Savings	The City of Big Bear Lake Department of Water	It is unclear if quantifiable and significant are relative to the community or weighed as a whole. Savings of 100 acre-feet is significant to a community that historically uses 1,800 af, but is miniscule in comparison to large cities who may use one million acre feet annually. Ideally, this should be scored relative to the community so that small and rural communities are not disadvantaged.
	The City of Big Bear Lake Department of Water	Water conserved may be water that is simply not produced or imported, meaning that water stays in the aquifer, stays in the reservoir or remains available for other agencies to use if transfers are reduced or eliminated. The questions are phrased in such a way that this may not be an acceptable answer. Municipal metering for example, while it can and generally does reduce leakage, also reduces consumption by influencing human behavior. Formerly wasteful behavior is not indicative of water loss, but, if modified, still results in water savings. The same is true for turf removal, smart irrigation controllers, and high efficiency nozzles as they reduce water waste, but not necessarily water loss. Water savings as a result of efficiency and conservation should also be considered.

Evaluation Criterion A – Quantifiable Water Savings	The City of Big Bear Lake Department of Water	**(3) Irrigation Flow Measurement:** **SUGGESTED CORRECTIONS:** Irrigation flow measurement improvements can provide water savings when improved measurement accuracy results in reduced spills and over-deliveries to irrigators. Applicants proposing ~~municipal metering projects~~ **irrigation flow measurement** should address the following: b. Have current operational losses been determined? If water savings are based on a reduction of spills, please provide support for the ~~amount~~ **volume** of water currently being lost to spills.
Evaluation Criterion A – Quantifiable Water Savings	Ferris, Flinn, and Medina, LLC	Generally speaking, I think this should command more points, as it is the primary objective. A check should be added such that the grant reviewer can easily determine if the conservation claims are credible. For transmission and delivery systems, entities should be required to provide a ten year history of the total water diverted into a system and the total water delivered out of a system such that system losses and efficiency can be calculated. In addition, the component of the system that is to be improved by the grant should be evaluated in terms of the quantity of water diverted through the component on an annual average basis, its efficiency and proposed conservation. For example, if a system component only transmits 1,000 acre feet per year, it doesn't seem reasonable that its improvement would result in 900 acre feet per year in conservation. Entities that have received grants in the past should identify the dollar amount of the grant and the conservation claims in the grant application. The past conservation claims should be apparent in the ten year history. I have attached a history for one of my clients, United Irrigation District, which has been very successful in their conservation projects, as evidenced by their increase in efficiency over the years. As for projects where the conservation was based on less water demand in the field, the total system demand, or amount delivered, would be reduced and apparent in the history.
Evaluation Criterion A – Quantifiable Water Savings	Metropolitan Water District of Southern California	Metropolitan has a number of comments with respect to the Criteria details. Primarily, Metropolitan is concerned about details that might potentially conflict with Metropolitan programs' terms and conditions, or arbitrarily affect point scoring. For example, Metropolitan currently provides a *regionally administered* Turf Removal program, though its member agencies have the option to administer their own programs. Site audits (item (4)d under Criteria A) may not be feasible for a Southern California regional program due to the geographic size and potential number of program participants. Also, water savings verification (item (4)e under Criteria A) is extremely challenging (and prohibitively expensive) at the regional scale – particularly for a water wholesaler that does not have direct access to customer accounts. Similar concerns can be raised for item (5) Smart Irrigation Controllers and High-Efficiency Nozzles.

Reclamation's response to comments concerning Evaluation Criterion B – Water Supply Reliability

Several entities submitted comments regarding Criterion B, which provides an opportunity for applicants to explain water reliability concerns in their area, including shortages due to drought, resolving conflict, reduced deliveries, and increased demand, and how any water savings resulting from a project will be used to address those concerns.

One comment includes a concern that the criteria do not promote all of the types of projects that the SECURE Water Act lists as eligible for grants, particularly projects with multiple benefits or benefits to endangered or threatened species. In response, Reclamation notes that projects eligible for funding under Section 9504 of the SECURE Water Act are carried out through this funding opportunity and a number of other WaterSMART activities. For example, projects specifically focused on building resiliency to drought are funded under the WaterSMART Drought Response Program. Projects that facilitate water marketing are eligible for funding as Water Marketing Strategy Grants, a separate funding opportunity the WaterSMART Grants. This Water and Energy Efficiency Grants funding opportunity is intended to focus on projects that conserve water and increase water efficiency, with an emphasis on projects that achieve multiple public benefits, including helping prevent water-related crisis and providing benefits to multiple sectors. Reclamation has implemented the authority to increase the use of renewable energy by focusing on implementation of small hydropower at existing facilities.

In response to these comments, Reclamation has revised Criterion B to more clearly emphasize the priority placed on projects that will result in multiple beneficial uses and that benefit multiple users. Criterion B is set up to assess a project's overall accomplishments/benefits, stakeholder involvement/collaboration, and the issues being addressed. Language has been added to the criterion (p.38) requesting that applicants describe whether the "project will make water available to achieve multiple benefits or to benefit multiple water users" and to "address where the conserved water will go and how it will be used, including whether the conserved water will be used to offset groundwater pumping, used to reduce diversions, used to address shortages that impact diversions or reduce deliveries, made available for transfer, left in the river system, or used to meet another intended use." Projects that are intended to benefit multiple sectors and/or users will be prioritized under this criterion.

Note that planning, design, and implementation of watershed management projects with multiple benefits, including benefits to ecological resources, are eligible for funding under the WaterSMART Cooperative Watershed Management Program and the Drought Resiliency Projects FOAs, which includes an eligibility category for projects that provide protection for fish, wildlife, and the environment. Sponsors of projects that address habitat improvements in ways that do not directly involve water efficiency improvements (e.g., improving stream channels, providing fish passage, influencing water temperature or timing of flows) may wish to explore those programs as well.

Another comment also points out that some projects with multiple benefits can involve complex planning, and that it would be helpful if there were an opportunity to apply for funding of planning and design activities separately from construction activities. Reclamation understands that point and would like to note potential avenues for funding of such activities through WaterSMART. Under the Water Conservation Field Services Program, Reclamation makes funding available for pre-construction activities, including development of system optimization reviews and work to design specific water management improvements. Hypothetically, a project sponsor, working with partners, could apply for funding to complete a system optimization review, including attention to the multiple types of benefits – including endangered species benefits – that could result from various types of improvements. The project sponsor and partners could then apply for funding to design a project, or a portion of a project. Finally, the sponsor and partners could apply through WaterSMART Grants, or through the Drought Response Program, for cost-shared funding to complete construction of the identified project. Reclamation has found that separate funding opportunities for different types of projects provides greater opportunities for a range of project types.

A separate comment expressed concern that too many points have been allocated to this criterion. The point allocations under the evaluation criteria are evaluated and revised annually, depending on program priorities. A main focus of the program is water supply reliability, including projects that will make water available for multiple beneficial uses and will benefit multiple entities, and points are allocated accordingly.

One comment expressed concern that some projects selected for FY 2018 funding appeared to include activities that could increase the recipient's consumptive use of water, based on a review of the project descriptions made available on Reclamation's website. In response to this comment, Reclamation has revisited those project descriptions. We believe that more detailed project descriptions would have better captured the various types of benefits expected to result from selected projects and would have helped to alleviate the concern expressed in the comment. Many of the projects cited as potential increases in a recipient's consumptive use included information in their applications to explain that the project is intended to reduce demands on groundwater, to allow for reduced diversions, or to allow for additional water to remain in reservoirs – important points that in some cases were missing from the summary information made available on the website. In addition, many entities explain through application materials that they frequently receive less than their full water allocations (e.g., due to drought conditions), and that projects undertaken through the program can assist in meeting existing demands and providing flexibility in times of shortage, without increasing consumptive use. We do not believe that such details are apparent in the brief descriptions made available to the public. Beginning in 2019, Reclamation intends to include more detailed descriptions of each project selected to help better explain the benefits expected to result, with an emphasis on the uses of water conserved through completed projects.

As a related point, the comment includes a concern that Criteria A and B include a significant number of points but do not refer to the statutory limitation on increased irrigated acreage and consumptive use contained in Section 9504(a)(3)(B) of P.L. 111-11 (42 USC § 10364(a)(3)(B)). Beginning with passage of the SECURE Water Act in 2009, Reclamation implemented a number of specific procedures to ensure that the statutory limitation on irrigated acreage and consumptive use is communicated and to ensure that each grant recipient agrees not to increase irrigated acreage or consumptive use in their operations, as determined by State law. Procedures include the following: 1) The permanent, publicly available Reclamation Manual Directives and Standards *WaterSMART* (WTR 12-01) require that each financial assistance agreement executed under the program include a term that complies with this requirement; 2) Reclamation highlights this statutory requirement in each year's FOA, including in both the "Eligible Projects" section and in a separate section that describes requirements for any project selected for award; 3) Each application review committee is specifically instructed to consider this limitation during the review process and to seek clarification from applicants where necessary; 4) the statutory requirement is highlighted again when each successful applicant is notified that its project has been selected for funding; and 5) the statutory language is included as a term in all financial assistance agreements. All successful projects go through this process and Reclamation is confident that the procedures in place are consistent with the requirements under P.L. 111-11.

In response to the comment, however, Reclamation has added an additional reference on p.37 of the FOA, consistent with language elsewhere in the FOA, communicating that "an agreement will not be awarded for an improvement to conserve irrigation water unless the applicant agrees to the terms of Section 9504(a)(3)(B) of Public Law 111-11." We agree that this statutory section should be made clear in the criteria section of the FOA. In addition, Reclamation has reorganized some of the language in Criterion B to clarify that for applicants that they are asked to explain clearly where the conserved water will go/how it will be used.

Category of Comment	Comment Submitted by	Comment
Evaluation Criterion B – Water Supply Reliability	The City of Big Bear Lake Department of Water	**SUGGESTED CORRECTION:** • Will the project make water available to address a specific water reliability concern? Please address:. . . Describe where the conserved water will go/how it will be used. Will the project directly address a heightened competition for finite water supplies and over-allocation (e.g., population growth)? ~~Will it be left in the river system?~~ Will it be left in the water supply system. Describe how the project will address the water reliability concern~~?~~**.** Will the project benefit ~~Indian~~ **Native American (or) American Indian** tribes?
Evaluation Criterion B – Water Supply Reliability	Ferris, Flinn, and Medina, LLC	In my opinion, there are too many points allocated to this criterion. It is very subjective and awards points based on grant writing skills.
Evaluation Criterion B – Water Supply Reliability	American Rivers, The Nature Conservancy, Trout Unlimited, Audubon, Environmental Defense Fund, and the Theodore Roosevelt Conservation Partnership	**Proposed Criteria Do Not Promote All Eligible Projects.** We are concerned that the proposed criteria are **not serving to promote all of the types of projects that the SECURE Water Act lists** as being eligible for grants in 42 USC § 10364(a). The proposed criteria (which are the same as the 2018 criteria) make grants available for "planning, designing or constructing any improvement" to assist eligible applicants conserve water (1A), increase water efficiency (1B) and/or help prevent water related crisis or conflict (1Hii). But the statute goes far beyond these three types of projects in describing program eligibility. To allow all eligible projects to compete for grant funding, we offer the following recommendations. First, eligible projects need not consist of the full combination of planning, designing and construction. The statute allows the Secretary to assist "the eligible applicant in planning, designing, **or** constructing any improvement . . ." 42 USC § 10364(a)(1) (emphasis added). **The criteria should allow for phased projects, with planning and designing being separately and sensibly funded**, before undertaking construction. The criteria would lay out options for such phasing, and the method for scoring the planning and designing for a phased project, so that the WaterSMART program better promotes **all** types of eligible projects. In particular, because projects which address more than one area of eligibility at a time—"multi-benefit projects"—are more complex to plan and design, providing planning and designing funding may incentivize multi-benefit project outcomes. Second, the statute lists separate, and co-equal with water conservation, two categories of projects to improve fish and wildlife habitat: those that "prevent the decline" of ESA listed and candidate species, and also those that accelerate their recovery. 42 USC §

		10364(a)(1)(F) and (G). While proposed Criterion B, Water Supply Reliability, lists species benefits as one of six possible ways to improve water supply reliability, even this mention **does not truly create a path for a project with species' benefits to access WaterSMART funding on an equal footing with projects that exclusively conserve water or increase water use efficiency**. **While we preferred the 2017 criteria that awarded points directly for improving habitat resilience, we believe that offering funding for a planning and design phase of projects providing aquatic habitat benefits in addition to water conservation—promoting "multi-benefit" projects—may also be an effective way to increase WaterSMART's portfolio of such projects over the long term.** Third, the statute lists as eligible projects those that "enhance water management, including increasing the use of renewable energy in the management and delivery of water," 42 USC § 10364(a)(1)(D). Enhancing water management by increasing the use of renewable energy to manage and deliver water describes a much broader category than projects that implement new hydropower, for which proposed Criterion C awards 18 points. The term "renewable energy" appears nowhere in the proposed criteria. To conform to the statutory language, we suggest that Reclamation modify the proposed criteria in three ways. First, substitute the phrase "renewable energy" in the description of Criterion C everywhere they currently use the word "hydropower." Second, in the initial paragraph, replace the phrase "ensure energy is available to meet our security and economic needs" with language from the statute: "enhance the management and delivery of water." Third, in the bulleted list at the end of this section, again add a bullet that states, "anticipated enhancements of water management as a result of the project." Finally, just as the statute anticipates that projects that prevent water-related conflict should compete for grants (1Hii), it envisions projects that "address climate-related impacts to the nation's water supply and thereby increase ecological resiliency" as eligible for grants. (1Hi). The proposed criteria never mention either climate-related impacts or ecological resiliency (although Criterion B does mention drought resilience). Again, we urge you to consider readopting the 2017 Criterion B, Water Sustainability, as one means to fix this omission.
Evaluation Criterion B – Water Supply Reliability	American Rivers, The Nature Conservancy, Trout Unlimited, Audubon, Environmental Defense Fund, and the Theodore Roosevelt Conservation Partnership	**WaterSMART's Statutory Authorization Prohibits Consumptive Use of Conserved Water in Applicant's Operation.** We are gravely concerned that proposed Criterion B awards 18 points for water supply reliability, and Criterion A awards 30 points for water conservation, without mentioning the statute's limitation that projects which result in the conservation of irrigation water in agricultural operations may **not** result in the conserved water being used "to increase the total irrigated acreage of the applicant" or "otherwise increase the consumptive use of water in the[applicant's] operation" under the law of the State where the operation is. 42 USC § 10364(a)(3)(B). Because it would be illegal for the applicant to expand their use with the conserved water, we respectfully ask that the criteria quote this section of the statute, so that neither prospective applicants nor reviewers forget this important limitation, and ask applicants to explain the safeguards in place to ensure that the project does not increase consumptive water use with the conserved water created by projects funded through these grants. Under Criterion A, we recommend that a fourth question be added to the three existing questions. The added, fourth question would ask an applicant to, "**Describe the intended, non-consumptive use of the conserved water:** Please provide your plan for

		monitoring, measuring, and/or managing the non-consumptive use of the conserved water." Also, under Criterion A, we recommend an additional question, "g," be added to the list of questions for each type of infrastructure improvement (other than turf removal): "g. How will the non-consumptive use of the conserved water be verified?" Under Criterion B, we recommend adding three references to "non-consumptive" use among the sub-questions under the bullet, "Will the project make water available to address a specific water reliability concern? Please address: . . ." We recommend that the sub-questions be modified as follows: "Describe where the conserved water will go/how it will be used non-consumptively. Provide a description of the mechanism that will be used, if necessary, to put the conserved water to the intended, non-consumptive, use. Indicate the quantity of conserved water that will be used for the intended purpose, and describe its non-consumptive use, including, for example, a reduction in diversions, an increase in stream or river flows, a reduction in groundwater pumping, or, a reduction in reliance on water imported from another basin or source." This is an important consideration because, among the 2018 WaterSMART Water and Energy Efficiency Grants, the publicly-available grant summaries for nearly half (25 out of 54), state that all or some of the conserved water will become available to existing users within the applicant's operation. Together, these projects account for almost half of the total projected water conservation attributed to, and more than half of the funding made available through, the 2018 WEEG grants: 45,648 acre-feet of conserved water available for new consumptive use through awards totaling $13,215,000. Projects that reduced groundwater pumping, reduced river diversions, increased instream flows, or reduced municipal reliance on imported water accounted for 28 of 54 grants, conserving 48,471 acre-feet of water through awards totaling $12,029,000. (One project, advanced metering by the City of San Diego, both reduced the city's reliance on imported water and provided conserved water to existing users, so was excluded from either category). See attached spreadsheet of 2018 project awards. This new requirement in the criteria to verify and manage the non-consumptive use of the conserved water may be challenging for some applicants. To address this need, we recommend that, in every relevant grant award, Reclamation set aside 10% of the WaterSMART funding for technical assistance to help project proponents plan how they will verify and manage what happens to the water their project conserved, and to implement the management and monitoring of the non-consumptive use of the conserved water. If prospective applicants need assistance in formulating a plan for how to use the water their projects will conserve, Reclamation should encourage them to apply for the planning grants, suggested above in #1. These recommendations -- for providing consistency with the authorizing statute, asking applicants to describe their intended, non-consumptive use of conserved water, as well as technical assistance for planning to manage and tracking the water conserved -- will, we believe, better ensure statutory compliance as a threshold condition to being awarded points under Criteria A or B.

Reclamation's response to comments concerning Evaluation Criterion C – Implementing Hydropower

Criterion C allows applicants to describe the extent to which the project increases the use of hydropower. The main purpose of this criterion is to encourage projects that result in a new hydropower component.

Several comments suggested making points available for projects that would result in energy savings/efficiency and one comment (included above under Criterion A) suggested allowing for other types of renewable energy components in addition to hydropower. While Reclamation acknowledges the value of various types of renewable energy components for project sponsors, as well as energy efficiencies gained through improved water management, this FOA is intended to assist water managers as they take advantage of existing opportunities to increase hydropower capacity.

Another comment focused on repairing and/or upgrading existing hydropower infrastructure. The criterion focuses primarily on the installation of new hydropower capacity, as regular operation and maintenance (i.e., repairing or rebuilding existing infrastructure) is not an eligible project activity. Upgrading existing infrastructure to increase capacity may be considered under this criterion.

Category of Comment	**Comment Submitted by**	**Comment**
Evaluation Criterion C – Implementing Hydropower	The City of Big Bear Lake Department of Water	Recommend including: Will the project benefit **or negatively impact any** species (e.g., federally threatened or endangered, a federally recognized candidate species, a state listed species, or a species of particular recreational, or economic importance). Please describe the relationship of the species to the water supply, and whether the species is adversely affected by a Reclamation project. Suggest requiring additional data on whether the project will benefit or negatively impact the ecological system, environment, recreational opportunities, or economy of the project area. As reported by the U.S. Energy Information Administration, *"A dam that creates a reservoir (or a dam that diverts water to a run-of-river hydropower plant) may obstruct fish migration. A dam and reservoir can also change natural water temperatures, water chemistry, river flow characteristics, and silt loads. All of these changes can affect the ecology and the physical characteristics of the river…."* Applicants should explain how a hydropower project will mitigate potential issues. Consider funding increased capacity at current dams and run-of-the-river projects.
Evaluation Criterion C – Implementing Hydropower	Cortaro Marana Irrigation District & Cortaro Water Users' Association	My comment would be that given the low levels of the reservoirs and therefore reduced power generating capacity, I'm disappointed that there is no provision once again for the energy efficient part of the program that could help reduce electrical usage. I believe this will be especially critical in the drought stricken southwest area of the US in the coming years.
Evaluation Criterion C – Implementing Hydropower	East Columbia Basin Irrigation District	USBR has eliminated any credit/points for projects where energy conservation occurs as a result of water conservation. ECBID believes local communities and energy-supplying utilities benefit when energy is conserved and therefore made available for other uses. ECBID requests the criteria restore some possible points for energy conservation.

Evaluation Criterion C – Implementing Hydropower	Jorge Arroyo, P.E.	I am curious why the proposed evaluation criteria does not [explicitly] consider energy savings that may be gained by the project.
Evaluation Criterion C – Implementing Hydropower	Sorenson Engineering	We appreciate the opportunity to provide comments on the Water SMART Water and Energy Efficiency Grant funding opportunity evaluation criteria. We specialize in developing hydroelectric power and have designed many projects for small irrigation districts. We understand that one of the criterion used is the implementation of hydropower. It is our experience that the goals of the WaterSMART program to sustainably develop energy and natural resources would be served by including funding for not only new hydro development, but for rebuilding or repairing existing hydro infrastructure. Hydroelectric power is arguably the oldest renewable energy resource and have a history of running for significant periods of time. There are projects still in operation in the United States that are over 100 years old. Some existing projects, however, have broken down or are otherwise not operating or are operating well below capacity. Allowing grant funding for rebuilds, repairs, and upgrades would ensure that these resources are being utilized to their full capacity. The inclusion of these types of projects are low-impact (because there are likely to be no new diversions or other significant impacts to the water ways) and provide significant value to surrounding communities.
Evaluation Criterion C – Implementing Hydropower	Ferris, Flinn, and Medina, LLC	Hydropower is very worthwhile, so much so, that I believe it should have its own grant program, much like Title XVI-Water Reclamation and Reuse. Truthfully, South Texas is flat, thus our area has almost no opportunity for hydropower. An entity that conserves water and has hydropower would be able to apply for both grants, if they were separate. It seems there would be other regions with the same disadvantage.

Reclamation's response to comments concerning Evaluation Criterion E – Department of the Interior Priorities Criterion E allows applicants to describe how the proposed project will address the Department of the Interior priorities. Both comments focused on the applicability of the priorities in relation to the project types eligible for funding – specifically, that some of the priorities are not related to the types of projects eligible under the funding opportunity announcement. Reclamation acknowledges that not all of the Department of the Interior priorities may be applicable to all projects. Applicants are encouraged to address the priorities that best align with their proposed project. Applicants are not required to address all of the priorities in order to receive maximum credit under this criterion.		
Category of Comment	**Comment Submitted by**	**Comment**
Evaluation Criterion E – Department of the Interior Priorities	East Columbia Basin Irrigation District	Many of the priorities described have nothing to do with most typical water conservation projects. While ECBID may not disagree with any particular priority listed, our projects often do not involve advancing them in any meaningful way. (Examples: streamlining regulatory processes, ensuring access to mineral resources, timber programs/healthy forests)
Evaluation Criterion E – Department of the Interior Priorities	American Rivers, The Nature Conservancy, Trout Unlimited, Audubon, Environmental Defense Fund, and the Theodore Roosevelt Conservation Partnership	**Criterion for Department of the Interior Priorities not Specific to WaterSMART.** New since last year is a criterion which awards points to projects that meet any of the five Department of the Interior priorities. We appreciate that the Department, and therefore Reclamation, has an interest in creating consistency broadly across its many programs, and that a shared set of priorities helps accomplish that goal. Yet, several of these departmental-level priorities are outside the statutorily-defined purpose of this grant program, as reflected in the statutory list of eligible projects. For example, it is unlikely that any WaterSMART grant applicant will be proposing a project that will "ensure access to mineral resources, especially the critical and rare earth minerals." Making ten percent of a project's score dependent on goals that are at best indirectly related, seems like a poor way to distinguish excellent projects deserving of financial governmental support. As an alternative, we propose that Reclamation award Criterion E's ten points to those projects that meet the two relevant department-wide priorities: modernizing infrastructure and creating a conservation stewardship legacy through using science to identify best practices to manage water resources and adapt to changes in the environment. For example, as highlighted above, WaterSMART's statutory authorization envisions projects "to address climate related impacts to the nation's water supply and thereby increase ecological resiliency" (1Hi), which is well aligned with the Department of the Interior priority 1a ("Utilize science to identify best practices to manage land and water resources and adapt to changes in the environment").

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

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

One comment focused on the eligibility of indoor appliances/fixtures. Reclamation understands the value of indoor appliance/fixture replacement/upgrade projects for many municipal water agencies; however, this program's focus is on municipal improvements that can be made directly by applicants to water delivery systems, as well as improvements that reduce outdoor water use. As a result, these types of indoor improvement projects are not considered eligible under the FY 2019 FOA.

Finally, another comment expressed support for the revisions that were made to the 2018 funding opportunity announcement, specifically the removal of certain evaluation criteria.

Category of Comment	Comment Submitted by	Comment
	Metropolitan Water District of Southern California	Reclamation's current organization of the Evaluation Criteria Points is confusing and appears to assign unequal weight to different project types. If this is intentional, it might be helpful for Reclamation to more clearly explain the rationale for the Criteria. The note on Page 2 says: "Since the FOA is open to a variety of project types, Evaluation Criteria A-D may not apply to every project…" and goes on to explain how some projects may lack components, which could reduce the number of points attainable for those projects (note: *FOA* is not defined in the document). Metropolitan suggests revising the Evaluation Criteria Points A-D. Since all projects should have Quantifiable Water Savings, Criteria A should apply to all projects. Applicants should be able to identify the ***category*** that their project most likely falls into. All projects would then be able to score points depending on the Criteria detail that Reclamation identifies on pages 3-13. In other words, applicants would declare their project to be either 1) Water Supply Reliability, 2) Implementing Hydropower, or 3) Complementing On-Farm Irrigation Improvements (the current Criteria B, C, and D). The projects would all have access to the combined 46 points, which would be awarded based on the Criteria detail. This should allow for more equal consideration of all proposed projects.
	Metropolitan Water District of Southern California	The draft does not provide any detailed information regarding the exclusion of funding for indoor appliances and fixtures. For Metropolitan – and our member agencies and the many retail water providers in our service area – replacement of inefficient indoor fixtures and appliances is still a significant component of water use efficiency programs. Many municipalities likely have yet to reach significant saturation of more efficient water-using devices. This may also be the case for disadvantaged communities in Metropolitan's service area, which are referenced under Evaluation Criterion B. The effect of excluding indoor devices may be even more pronounced for these communities. Metropolitan requests that Reclamation remove this exclusion. If Reclamation wishes to maintain the exclusion, additional discussion of the rationale for the exclusion would be helpful.
	Ferris, Flinn, and Medina, LLC	The remaining criteria total 24 points (criteria E- H). They are all worthy objectives; however, I think they are worth too many points. Perhaps they could be consolidated into one or two items that earn fewer points to make the grant writing and reviewing process less cumbersome.

	East Columbia Basin Irrigation District	ECBID supports the removal of the following criteria that were removed for the 2018 funding opportunity announcement: Water Sustainability Benefits Expected to Result from the Project; Energy-Water Nexus; Addressing Adaptation Strategies in a WaterSMART Basin Study.