

# Infrastructure Investment & Jobs Act (IIJA) Funding Opportunities

Micah Intermill | Enterprise Director, Federal Funds Implementation

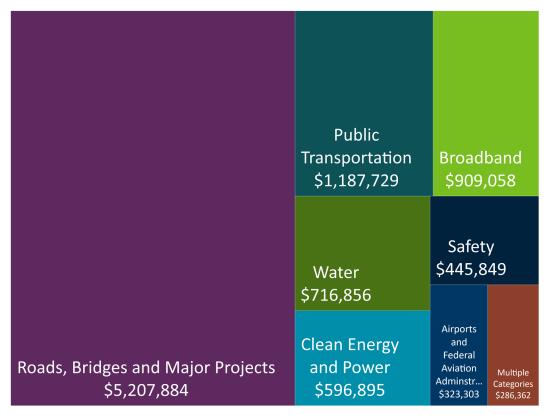
# Agenda

	Category	Agency Lead(s)
	Airports and Federal Aviation Administration Facilities	MnDOT
	Electric Vehicles, Buses, and Ferries	MnDOT
	Passenger and Freight Rail	MnDOT
	Public Transportation	MnDOT; Met Council
	Ports and Waterways	MnDOT
IIJA Funding Categories	Roads, Bridges and Major Projects	MnDOT
	• Safety	MnDOT
	Broadband	DEED
	Clean Energy and Power	Commerce
	Environmental Remediation	MPCA
	Resilience	MnDOT
	• Water	PFA
	• Other	Commerce; MPCA <sub>2</sub>

#### Projected IIJA Funding by Category - State of MN

#### Projected Funding for Minnesota (in 000s)

Category	\$ Amount	% of Total
Airports and Federal Aviation	\$323,303	3.34%
Administration Facilities	7323,303	3.34/0
Broadband	\$909,058	9.40%
Clean Energy and Power	\$596,895	6.17%
Electric Vehicles, Buses and Ferries	\$74,199	0.77%
Environmental Remediation	\$7,000	0.07%
Other	\$33,812	0.35%
Passenger and Freight Rail	\$3,123	0.03%
Ports and Waterways	\$20,518	0.21%
Public Transportation	\$1,187,729	12.28%
Resilience	\$147,710	1.53%
Roads, Bridges and Major Projects	\$5,207,884	53.83%
Safety	\$445,849	4.61%
Water	\$716,856	7.41%
Grand Total	\$9,673,936	100.00%





Resilience; Electric Vehicles, Buses and Ferries; Other; Ports & Waterways; and Environmental Remediation



#### Broadband

Bree Maki | Executive Director, Office of Broadband Development (DEED)

#### Broadband

#### • \$62.6 billion in IIJA funding

	Funding Amount (000s)	Funding Remaining (000s)
Broadband	\$62,558,541	\$6,347,904
Competitive	\$18,608,541	\$5,348,512
Affordable Connectivity Program Household Support	\$14,200,000	\$2,397,593
Affordable Connectivity Program Outreach Grants	\$71,831	
Middle Mile Grants	\$980,000	\$20,002
ReConnect Broadband Pilot Grant/Loan Combinations	\$719,715	\$1,435,463
ReConnect Broadband Pilot Grants	\$2,146,458	\$59,991
ReConnect Broadband Pilot Loans	\$490,537	\$1,435,463
Formula	\$43,950,000	\$999,392
Broadband Equity, Access, and Deployment State Grants	\$42,450,000	\$849,000
State Digital Equity Capacity Grant Program	\$1,440,000	\$144,000
State Digital Equity Planning Grant	\$60,000	\$6,392

# • \$887 million in projected IIJA allocations and awards to Minnesota

	(000s)
Broadband	\$887,127
Competitive	\$213,240
Affordable Connectivity Program Household Support	\$121,835
Affordable Connectivity Program Outreach Grants	\$650
ReConnect Broadband Grant/Loan Combinations	\$90,755
Formula	\$673,887
Broadband Equity, Access, and Deployment State Grants	\$651,839
State Digital Equity Capacity Grant Program	\$21,166
State Digital Equity Planning Grant	\$882

**Funding Projections** 

### Federal - Infrastructure Investment and Jobs Act (IIJA)

The Federal Government is making approximately \$65 billion available for broadband nationwide. There are two programs for state broadband funding through the National Telecommunications and Information Administration (NTIA) of the U.S. Dept. of Commerce:

- Broadband Equity, Access and Deployment (BEAD) funding
- Digital Equity Funding

Minnesota will receive a formula-based allocation for each program.

Each program requires the state to develop a plan for how it will spend its allocation.

mn.gov/deed

### Federal - BEAD Funding

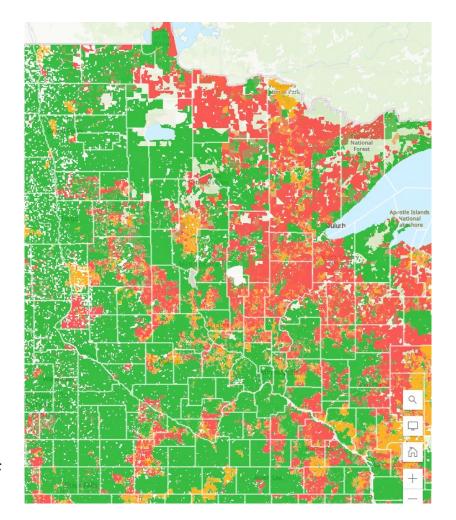
#### Minnesota's BEAD allocation is \$651,839,368

- The MN Legislature has directed that any funding from IIJA for Broadband (i.e. BEAD) flow through the existing Border-to-Border programs
- Details will be in the Initial Proposal (challenge process, eligible locations, subgrantee selection)
- The federal BEAD program has priorities that the Initial Proposals must met:
  - <u>Priority #1:</u> Service to all unserved locations (those identified on FCC maps as not having broadband service at speeds of at least 25Mbps download/3Mbps upload from broadband service provided over a wired connection or licensed fixed wireless)
  - <u>Priority #2</u>: Service to all underserved locations (those identified on FCC maps as having broadband service of at least 25/3 but not at or above 100/20 over a wired or licensed fixed wireless service)
  - **Priority #3**: Gigabit symmetrical service to Community Anchor Institutions
- We estimate that all funding available will be needed to address Priorities #1 and #2.

### Locations Eligible for BEAD Funding

#### NTIA defines eligibility--

- If a location does not have reliable broadband service of 25/3 it is unserved (red)
- If a location has reliable broadband service of 25/3 but not at or above 100/20 it is underserved (orange)
- If a location has reliable broadband service at or above 100/20 it is served (green)
- Reliable broadband service per NTIA includes wired or licensed fixed wireless service
- State eligibility for Border-to-Border and Lower Population Density grants have historically only considered wired broadband service
- We are creating the challenge process which will "challenge" areas of this map which might not be accurate (this follows guidelines issued by NTIA)—and may flip green areas to red if valid challenges are filed



Timeline from the Minnesota Five Year Action Plan submitted to NTIA in July 2023



#### Federal - Digital Equity Act: The Basics

- Nationally provides \$2.75B for digital equity programs and activities
- Three funding categories:
  - \$60M in <u>planning grants</u> to states, tribes, and territories (MN = \$881,905.10)
  - \$1.44B in *capacity grants* to states, tribes, and territories
  - \$1.25B in <u>competitive grants</u> to local governments, anchor institutions, etc.

#### 2023

MN used
 Planning Grant
 to develop
 statewide Digital
 Opportunity
 Plan due
 November 30

#### 2024 - 2028

- MN uses a
   Capacity Grant
   to implement
   the Digital
   Opportunity
   Plan
- NTIA administers one <u>Competitive</u> <u>Grant</u> round each year

## Federal – Digital Equity: Minnesota's Planning Strategy



April-June: Data Collection

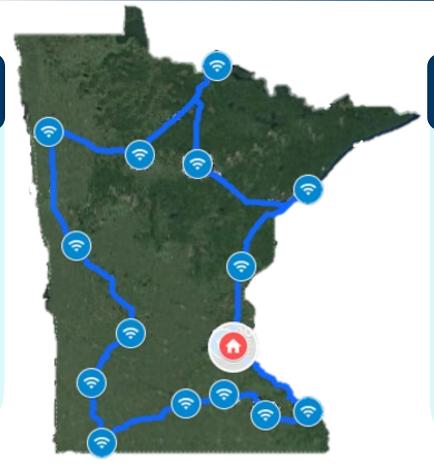
July: Writing

August-September: Public Comment



# 106 Digital Connection Committees wrangled by 1 OBD staff person

- Statewide representation with an even mix of rural and urban
- 68 non-competitive mini-grants to support data collection
- 236 data files addressing strengths, necessities, and systemic challenges
- 154 face-to-face meetings between OBD, committees, and additional planning partners



# 18 Listening Sessions attended by all OBD staff

- 16 in-person + 2 virtual
- 304 attendees
- 14 DCC cohosts
- 35 hours convening
- 2,500+ miles driven
- 65 written public comments totaling 145 pages

#### Digital Equity: Where We Are Now

- The original draft of the plan is posted: <a href="https://mn.gov/deed/programs-services/broadband/adoption/">https://mn.gov/deed/programs-services/broadband/adoption/</a> (under "Read a Draft" toggle)
- A revised draft was submitted to NTIA on November 21, 2023
- What is next:
  - Updating our plan now based on feedback from NTIA
  - Waiting for NTIA to determine the funding available through the Digital Equity Capacity Grant
  - Waiting for NTIA to publish the Capacity Grant NOFO and application so we can apply

#### Federal - FCC Affordable Connectivity Program

- More than 238,000 Minnesotans currently utilize ACP
- Over 774,310 Minnesota households qualify
- Advocacy for funding ACP Extension Act (Representative Clarke and Fitzpatrick)
- More information is available on our website and on the FCC's website







### Clean Energy & Power

Dr. Pete Wyckoff | Assistant Commissioner, Federal & State Energy Initiatives (Commerce)

## Clean Energy & Power

#### • \$13.6 billion in IIJA funding

	Funding Amount (000s)	Funding Remaining (000s)
Clean Energy and Power	\$13,571,738	\$8,733,242
Competitive	\$6,411,640	\$5,050,468
Building Training and Assessment Centers	\$10,000	\$1,000
Industrial Research and Assessment Centers	\$150,000	\$150,000
National Dam Safety Program	\$155,000	\$204,146
Program Upgrading Our Electric Grid and Ensuring Reliability and Resiliency	\$5,000,000	\$3,810,104
Rehabilitation of High Hazard Potential Dams	\$596,640	\$563,000
Renew America's Schools Grant Program	\$500,000	\$322,218
Formula	\$7,160,098	\$3,682,774
Energy Efficiency and Conservation Block Grant	\$550,000	\$119,900
Energy Efficiency Revolving Loan Fund Capitalization Program	\$250,000	\$8,000
Preventing Outages and Enhancing the Resilience of the Electric Grid, Grants to States and Tribes	\$2,360,098	\$3,147,372
State Energy Program (expanded use)	\$500,000	\$74,848
Weatherization Assistance Program	\$3,500,000	\$332,655

 \$597 million in projected IIJA allocations & awards

> Funding Projections (000s)

Clean Energy and Power	\$596,895
Competitive	\$473,044
National Dam Safety Program	\$185
Program Upgrading Our Electric Grid and Ensuring Reliability and Resiliency	\$464,000
Renew America's Schools Grant Program	\$8,859
Formula	\$123,850
Energy Efficiency and Conservation Block Grant	\$7,119
Energy Efficiency Revolving Loan Fund Capitalization Program	\$1,884
Preventing Outages and Enhancing the Resilience of the Electric Grid, Grants to States and Tribes	\$30,894
State Energy Program (expanded use)	\$7,734
Weatherization Assistance Program	\$76,219

#### IIJA Funding for Clean Energy & Power

Category	Funding
Delivering Clean Power	\$21.3 billion
Clean Energy Demonstrations and Hubs	\$21.5 billion
Clean Energy Manufacturing and Workforce Development	\$8.6 billion
Energy Efficiency and Weatherization	\$6.5 billion
Other Clean Energy Programs	\$17.1 billion
TOTAL:	\$75 billion

- Total is \$75 billion,
  - Only a portion directly accessible to states as entities, but more is coming to MN via grants to companies, Tribes, etc
- Compare to IRA
  - \$110 billion in total grants
  - ~\$500 billion in low interest clean energy and manufacturing loans
  - \$700 billion-\$1.2 trillion (or more? uncapped) clean energy and manufacturing tax credits

# IIJA Clean Energy & Power Formula Funds (\$123 million in total funding)

A very quick tour....

#### Energy Efficiency and Conservation Block Grants (IIJA 40552)

Minnesota Funding: \$7.1 million

38 local governments get direct allocation

(10 most populous counties and 28 largest cities)

Remaining \$2.25 million will come directly to state

### Revolving Loan Fund (IIJA 40502)

#### Minnesota Funding: \$1.86 million

- Supports expansion of the regional Commercial Property Assessed Clean Energy (C-PACE) program
- Provides loans for energy efficiency improvements in commercial buildings
- Emphasis is on expanding access to C-PACE to businesses in Greater Minnesota.

### Expanded State Energy Program Funding (IIJA 40109)

Minnesota Funding: \$7.7 million over five years

Four Topic Areas of work:

- Energy access: improve access to energy information
- Technical assistance and finance resources
- Energy security planning and assistance for communities
- Energy Security Action Plan

#### Strengthening the Reliability and Resiliency of Minnesota's Electrical Grid (IIJA 40101d)

- Minnesota Funding will total \$31 million
  - ~\$17M to award in Round 1, up to \$2M per eligible entity
- Program Goals: Strengthen the reliability and resiliency of Minnesota's electric grid via administration of utility grants program

# IIJA Weatherization Assistance Program Supplement

- MN is receiving \$76 million over five years.
  - \$60 million for direct service—enough to weatherize approximately 4600 homes
- Additionally, Commerce will:
  - Build the service provider network
  - Strengthen the contractor network

# Commerce tracks all Clean Energy & Power IIJA and IRA grant funding with a MN Nexus

- Leads on both formula funding and competitive funding opportunities (usually in collaboration with other entities)
- Supports competitive funding applications where Commerce does not lead
- Currently:
  - Leading on \$1.64 billion in grant proposals and formula grants (\$623 million awarded, mostly IIJA)
  - Tracking additional \$1.60 billion in other grant proposals
  - Collaborating with MMB Federal Funds Implementation Unit

### Clean Energy & Power: IIJA Competitive Grant Activity

- Resilient and Efficient Codes (RECI) (\$5.3 million)
- JTIQ GRIP Grant (\$464 million)
- GRIP Program has also awarded two competitive grants to MN entities
  - Xcel (\$100 million)
  - Allete/MN Power (\$50 million)

# \$464 million Commerce-led JTIQ Grant: Example of Interregional Transmission Planning

\$464 million federal award for a \$1.8 billion transmission infrastructure investment in the upper Midwest.

#### **Anticipated Outcomes and Benefits:**

- Unlock approximately 30GW of new generation, mostly wind and solar
- Targeted training and workforce development for disadvantaged communities



### Minnesota/North Dakota chosen for IIJA hydrogen hub funding

BUSINESS

#### Xcel, Minnesota vie for billions in federal funds to create 'clean' hydrogen hub

The proposal would jump-start several hydrogen projects in North Dakota and Minnesota, including Xcel using renewable power to make hydrogen for a potential fertilizer plant in Morris.

By Mike Hughlett Star Tribune MAY 20, 2023 - 8:00AM



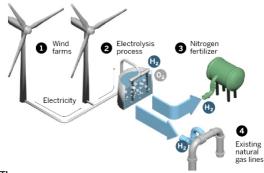
MIKE CIHAK, UNIVERSITY OF MINNESOTA

University of Minnesota research that pioneered turning wind into ammonia will be used in a new process that would use wind power to produce hydrogen.

- Up to \$925 million
- Two Minnesota "nodes" run by Xcel Energy

#### CLEAN HYDROGEN FROM RENEWABLES

Xcel plans to use renewable energy — particularly wind — to convert electricity into hydrogen, which can be used for several clean energy processes.



#### The process

- 1. Electrical power is tapped from wind and farms.
- 2. The electricity powers a process called electrolysis, which splits water into oxygen and hydrogen gas.
- The clean-burning hydrogen gas would be used to make nitrogen fertilizer.
- 4. It would also be added to existing natural gas lines to augment fuel sources for consumers and used as a supplement at Xcel's gas-fired power plants.

Source: Xcel Energy | By Mark Boswell, Star Tribune

Xcel Energy, Heartland Hydrogen Hub tapped by DOE as regional hydrogen hub

Published on October 16, 2023 by Dave Kovaleski

2/23/2024 26

# Leveraging more IIJA and IRA \$ for Clean Energy & Power I: State Competitiveness Fund

Category	Funding
State grants to develop grant writing capacity	\$6 million
State grants to leverage Federal grants	\$100 million
State grants to leverage Federal tax credits and loans	\$75 million (coming soon)

- Will soon announce 25 capacity grants
- Finalizing second round of grants to match grants (report to legislature this week)
  - Anticipate approx. 70% of fund reserved, leveraging \$788 million in federal funds (~12:1 Fed:State)

# Leveraging more IIJA and IRA \$ for Clean Energy & Power II: Minnesota Climate Innovation Finance Authority (MnCIFA)

Category	Funding
State Funding	\$45 million
Expected	\$10s to \$100s of
Federal Funding	millions

- Minnesota's new "Green Bank"
- Statutory Direction: "To accelerate the deployment of clean energy projects, greenhouse gas emissions reductions projects and other qualified projects through the strategic deployment of public fund in the form of grants, loans, credit enhancements and other financing mechanisms..."
- Launched: November 2023
- First investments expected Spring 2024
- Expect funding through IRA "Greenhouse Gas Reduction Fund" (\$20 billion pool)
- Hope to co-invest with Department of Energy Loan Program Office (LPO)

# Priority areas for potential joint investments by MNCIFA/DOE Loan Programs Office (IRA)

- Decarbonization of existing buildings
- Transportation pollution reduction
- Emission reduction technologies for industry and agriculture
- Distributed power generation and storage

RESPOND TO RFI by March 15 <a href="https://mn.gov/commerce/business/rfp.jsp">https://mn.gov/commerce/business/rfp.jsp</a>

- Maximum DOE investment = 80%; Minimum MNCIFA investment ~1%
  - Coinvest with other gov entities, banks, private companies, philanthropies

### **Looking Forward**

Remember – most of the federal support for Clean Energy is not in the form of grants:

- \$185 billion in total IIJA/IRA grants
- ~\$500 billion in low interest clean energy and manufacturing loans (IRA)
- \$700 billion-\$1.2 trillion (or more? <u>uncapped</u>) clean energy and manufacturing tax credits (IRA)

For non-taxable entities—including the state-- the tax credits can be <u>direct pay</u>: effectively grants a project is guaranteed to get

The KEY to supporting infrastructure projects that the state normally bonds for? IRA loans and tax credits

#### IRA funds increases DOE Loan Authority



- 1) Innovative Clean Energy Loan Guarantees (\$80 billion)
  - "Innovative" Requirement waived if a State Green Bank also contributes to a project
- 2) Energy Infrastructure Reinvestment Program (\$250 billion)
  - Support utilities in transition to clean
- 3) Advanced Vehicle Manufacturing (\$40 billion)
- 4) Tribal Energy Loan Guarantee Program (\$20 billion)
- 5) CO<sub>2</sub> transportation infrastructure (\$20 billion)

## **Expanded Tax Credits**

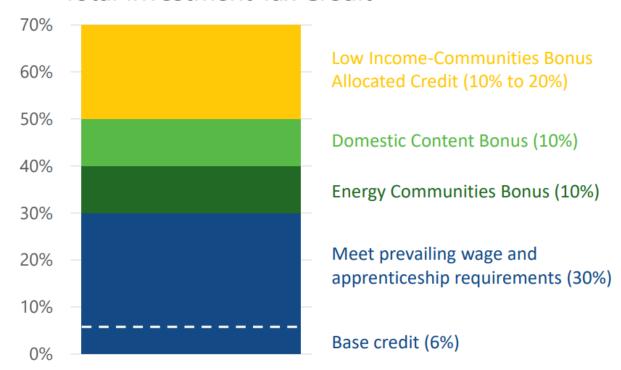
#### Tax credit provisions incentivize low- & no-carbon energy

- Wind and solar
- Stand-alone energy storage projects
- Expanded to include geothermal (and district energy), fuel cells, biomass, landfill gas, hydropower, combined heat and power

#### Tax Credit Adders & Stacking

#### **Clean Energy Layer Cake**

Total Investment Tax Credit



A hypothetical 1 MW community solar facility costing \$1 million could earn a **70% tax credit** worth \$700,000

If it is owned by a tax-exempt entity, this could be a **direct cash payment** from the IRS

Applies to clean electricity investment and production tax credits, available till at least 2032

Slide Credit: Paul Donohoo-Vallet, US DOE

Idea credit Paul Horn, Inside Climate News





#### **Environmental Remediation**

Martha Faust | Supervisor, MPCA Brownfields Community Outreach & Engagement Unit

#### **Environmental Remediation**

#### • \$15.3 billion in IIJA funding

	Funding Amount (000s)	Funding Remaining (000s)
<b>Environmental Remediation</b>	\$15,269,661	\$10,745,973
Competitive	\$1,975,000	\$806,459
Brownfields projects	\$1,200,000	\$806,459
Orphaned well site plugging, remediation, and restoration - Initial state grants	\$775,000	\$30,000
Formula	\$13,294,661	\$9,909,514
Abandoned Mine Reclamation Fund	\$11,294,661	\$9,839,514
Orphaned well site plugging, remediation, and restoration - State formula grants	\$2,000,000	\$70,000

• \$7 million in projected IIJA allocations and awards to Minnesota

	Funding Projections (000s)
<b>Environmental Remediation</b>	\$7,000
Competitive	\$7,000
Brownfields projects	\$7,000

#### **Environmental Remediation**

- FY22: \$2M for Communitywide assessments at Brownfields Sites
  - 5-year grant will fund 64 environmental site assessments and up to 15 specific cleanup plans in four target areas: Lake Street corridor/West Broadway corridor/University Avenue corridor/City of Cass Lake. *Expended or encumbered: \$1,510,624*
- FY22-23: \$1.06M to Enhance Community Engagement
  - Grant is focused on increasing staff capacity for community engagement on Brownfields projects, specifically in underserved communities. *Expended or encumbered: \$867,724*
- FY23-24: \$869,260 to Enhance Community Engagement
  - Supplemental funds to enhance community engagement. Expended or encumbered: \$436,355

#### **Environmental Remediation**

- Minnesota will continue to pursue funds to expand our outreach to underserved communities and advance community cleanups
- Significant funding available to other levels of government.
  - MPCA continues to promote these opportunities with local governments across MN
- These are opportunities to ensure that community needs are included in the redevelopment of properties in their neighborhoods and that our underserved communities receive additional support



#### Resilience

Amber Dallman | Sustainability & Public Health Director (MnDOT)

#### Resilience

	Funding Amount (000s)	Funding Remaining (000s)
Resilience	\$18,161,122	\$5,842,537
Competitive	\$9,861,122	\$5,777,525
Aquatic ecosystem restoration and protection projects	\$250,000	\$207,062
Building Resilient Infrastructure and Communities (BRIC; Robert T Stafford Act Section 203(i))	\$3,095,000	\$849,909
Community Wildfire Defense Grant Program	\$1,000,000	\$819,265
Ecosystem - Fish Passage	\$200,000	\$127,071
Flood Mitigation Assistance Grants (National Flood Insurance Act Sec 1366)	\$3,600,000	\$2,788,499
Habitat Restoration	\$703,192	\$180,608
Hazard Mitigation Revolving Loan Funds/Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act (Robert T Stafford Act, Sec 205)	\$500,000	\$450,000
Mineral Security Projects - National Geological and Geophysical Data Preservation Program	\$24,523	\$14,913
Multi-benefit projects to improve watershed health	\$100,000	\$48,847
National Coastal Resilience Fund	\$288,407	\$220,146
Pollution Prevention Grants	\$100,000	\$71,205
Formula	\$8,300,000	\$65,013
Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Program	\$7,300,000	
State and Local Cybersecurity Grant Program	\$1,000,000	\$65,013

- \$18.2 billion in IIJA funding
- \$148 million in projected IIJA allocations & awards to Minnesota

Funding Projections (000s)

	(/
Resilience	\$147,710
Competitive	\$8,223
Building Resilient Infrastructure and Communities (BRIC; Robert T Stafford Act Section 203(i))	\$5,483
Community Wildfire Defense Grant Program	\$891
Mineral Security Projects - National Geological and Geophysical Data Preservation Program	\$331
National Coastal Resilience Fund	\$98
Pollution Prevention Grants	\$1,420
Formula	\$139,487
Promoting Resilient Operations for Transformative, Efficient, and Costsaving Transportation (PROTECT) Program	\$121,341
State and Local Cybersecurity Grant Program	\$18,147
	20

#### Resilience

- PROTECT program is ~\$23 million annually for federal FY22-26
- Program benefits include that Minnesota's transportation system is better prepared for
  - Heavy rain and flooding
  - Extreme temperatures
  - Freeze-thaw changes
  - Winter weather



## PROTECT Funding Targets

	FY2025	FY2026		FY2025	FY2026
District 1	1,750,000	1,500,000	ATP 1	800,000	600,000
District 2	1,125,000	1,000,000	ATP 2	500,000	400,000
District 3	2,500,000	2,125,000	ATP 3	1,200,000	900,000
District 4	1,625,000	1,500,000	ATP 4	600,000	400,000
District 6	1,750,000	1,500,000	ATP 6	1,000,000	700,000
District 7	1,500,000	1,250,000	ATP 7	700,000	500,000
District 8	875,000	750,000	ATP 8	500,000	400,000
Metro	11,250,000	9,625,000	ATP M	6,400,000	4,800,000

## Resilience | PROTECT Projects

#### 23 PROTECT projects about \$47M in FY24

#### Resilience Project Types

- Bridge reconstruction & elevation of roads in at-risk flood zones
- Culvert replacements
- Drainage area enhancements
- Landslide protection measures
- Floodplain conservation/preservation
- Drought-tolerant/fire- resistant landscaping & implementation of clear zones







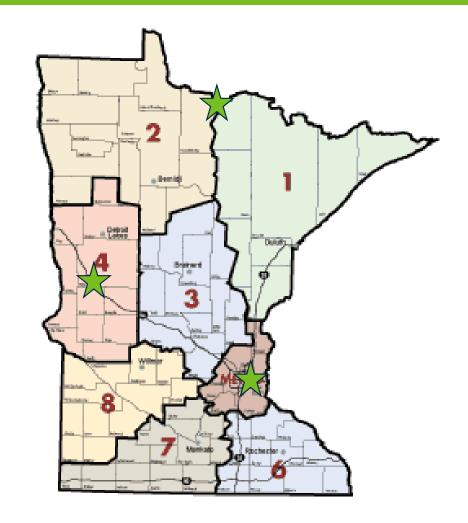
### PROTECT Competitive Resilience Funding

#### **Planning**

 BridgeWatch is a statewide data system to monitor bridges

#### **Capital Projects**

- I-94 Snow Fences from Moorhead to Alexandria
- Trunk Highway 11 Rainy River Slide near Loman



#### State and Local Cybersecurity Grant Program

- \$18 million in federal funds + \$5.5 million in state general fund match (Ch. 62, 2023) over four years through 12/31/2026
- Funding priorities determined by <u>Minnesota Cybersecurity Task Force</u>
- Investments must meet cybersecurity risk reduction criteria defined by CISA
- 80% of funds must benefit local governments (i.e. non-State entities)
- 25% of funds must benefit rural entities
- First two programs deployed in 2023: 1) expanded cyber navigator team; 2) enhanced cyber defenses for local governments, schools, tribal nations;
- Two additional programs launching in 2024: 3) cybersecurity risk assessments; 4) vulnerability management.



#### Water

Jeff Freeman | Executive Director, Minnesota Public Facilities Authority

#### Water

	Funding Amount (000s)	Funding Remaining (000s)
Water	\$55,276,000	\$6,008,866
Competitive	\$6,850,000	\$3,735,295
Aging Infrastructure Account	\$3,200,000	\$2,275,530
Small water storage and groundwater storage projects	\$100,000	\$80,100
Underground Injection Control Grants: Class VI Wells	\$50,000	\$5,610
Water Recycling and Reuse Projects	\$1,000,000	\$690,224
Water storage, groundwater storage, and conveyance projects	\$2,100,000	\$578,000
WaterSMART Grants	\$400,000	\$105,832
Formula	\$48,426,000	\$2,273,571
Clean Water State Revolving Funds: emerging contaminants	\$1,000,000	\$46,000
Clean Water State Revolving Funds: Existing Program	\$11,713,000	\$530,036
Drinking Water State Revolving Funds: emerging contaminants	\$4,000,000	\$188,500
Drinking Water State Revolving Funds: Existing program	\$11,713,000	\$532,536
Drinking Water State Revolving Funds: Lead service line replacement	\$15,000,000	\$705,000
Emerging Contaminants in Small or Disadvantaged Communities Grant Program	\$5,000,000	\$271,500

- \$55.3 billion in IIJA funding
- \$717 million in projected IIJA allocations and awards to Minnesota

Funding Projections (000s)

Water	\$716,856
Formula	\$716,856
Clean Water State Revolving Funds: emerging contaminants	\$17,528
Clean Water State Revolving Funds: Existing Program	\$205,462
Drinking Water State Revolving Funds: emerging contaminants	\$57,839
Drinking Water State Revolving Funds: Existing program	\$169,378
Drinking Water State Revolving Funds: Lead service line replacement	\$194,860
Emerging Contaminants in Small or Disadvantaged Communities Grant Program	\$71,790

### PFA Clean Water State Revolving Fund

- CWSRF Existing Program \$202M over five years (low interest loans and PF grants)
  - Eligible projects include replacement of aging wastewater infrastructure and system improvements
    - Principal forgiveness grants based on affordability criteria, energy efficiency, and green infrastructure (stormwater treatment)
  - IIJA Year 1 \$32.7M received, committed to 2024-25 projects through the 2024 IUP process

• Loans: \$16.0M

Principal Forgiveness Grants: \$16.0M

• Technical Assistance: \$654K

- IIJA Year 2 \$38.3M expected Summer 2024, will be committed to projects through the 2025 IUP
- CWSRF Emerging Contaminants \$17.4M over five years (PF grants)
  - MPCA exploring potential eligible uses
  - IIJA Year 1 (\$1.7M) and Year 2 (\$3.9M) Clean Water EC funds temporarily transferred to Drinking Water EC

## PFA Drinking Water State Revolving Fund

- DWSRF Existing Program \$155M over five years (low interest loans and PF grants)
  - Eligible projects include replacement of aging drinking water infrastructure and system improvements
    - Principal forgiveness grants based on affordability criteria
  - IIJA Year 1 \$27.5M received, committed to 2024-25 projects through the 2024 IUP process

• Loans: \$13.5M

• Principal Forgiveness Grants: \$13.5M

• Technical Assistance: \$549K

- IIJA Year 2 \$31.8M expected Summer 2024, will be committed to projects through the 2025 IUP
- DWSRF Emerging Contaminants \$57.8M over five years (PF grants)
  - Eligible projects include drinking water treatment for manganese and PFAS
  - IIJA Year 1 \$13.3M received (includes \$1.7M transfer from CW), committed to projects through the 2024 IUP

Principal Forgiveness Grants \$12.6M

• Set-asides (TA, PWSS, Admin) \$700K

IIJA Year 2 - \$15.5M expected Summer 2024, will be committed to projects through the 2025 IUP

## PFA Drinking Water State Revolving Fund

- DWSRF Lead Service Line Replacement \$195M over five years (loans and PF grants)
  - Projects must result in replacement of both public and privately owned portion
  - Federal funds will be combined with state appropriations to replace the full service line at no cost to property owner or city
  - IIJA Year 1 \$43.3M received, committed to projects through the 2024 IUP process

• Loans: \$15.1M

• Principal forgiveness grants: \$21.2M

• Set-asides (LSL inventories, TA, Admin): \$7.0M

• IIJA Year 2 – \$37.9M expected Summer 2024, will be committed to projects through the 2025 IUP

### State Match for CWSRF/DWSRF Funds

- IIJA CWSRF/DWSRF Match Requirements
  - CWSRF/DWSRF Existing Programs (5 years): 10%/10%/20%/20%/20%
  - Emerging Contaminants and Lead Service Line Programs: no match required
- CWSRF/DWSRF existing programs base capitalization: 20% match required
- 2023 State Match Appropriation: \$41M
  - Required state match for federal IIJA Yr 1-3 and SRF base funds through 2024 (\$248M total)
- 2024 State Match Request: \$39M
  - Required state match for federal IIJA Yr 4-5 and SRF base funds through 2026 (\$196M total)



### Other IIJA Programs

Micah Intermill | Enterprise Director for Federal Funds Implementation

## Other IIJA Programs

	Funding Amount (000s)	Funding Remaining (000s)
Other	\$2,606,776	\$1,201,156
Competitive	\$1,334,501	\$987,903
Coastal Zone Management	\$240,032	\$189,900
Coastal and Estuarine Land Conservation Program/Technical Assistance	\$96,623	\$56,777
Colorado River Endangered Species Recovery and Conservation Programs	\$50,000	\$22,500
Ecosystem - Delaware River Basin Conservation Act	\$26,000	\$16,839
Ecosystem - Klamath Basin	\$162,000	\$136,110
Ecosystem - Sagebrush-Steppe	\$50,000	\$27,187
Marine Debris Program	\$159,434	\$100,566
Marine Debris Program through National Sea Grant College Program	\$58,287	\$31,016
Pacific Coastal Salmon Recovery	\$304,383	\$19,711
Restoring Fish Passage	\$87,742	\$312,258
State Grants to Minimize Streambed Disturbances (Temporary Water Crossing Structures)	\$50,000	\$47,048
State Manufacturing Leadership	\$50,000	\$27,991
Formula	\$1,272,275	\$213,253
Gulf Hypoxia Action Plan	\$60,000	\$9,900
Low Income Home Energy Assistance Program (LIHEAP)	\$500,000	\$203,353
Secure Rural Schools	\$712,275	

- \$2.6 billion in IIJA funding
- \$34 million in projected IIJA allocations and awards to Minnesota

Funding Projections (000s)

Other	\$33,812
Formula	\$33,812
Gulf Hypoxia Action Plan	\$4,175
Low Income Home Energy Assistance Program (LIHEAP)	\$5,954
Secure Rural Schools	\$23,682



# Thank You