

Effective 5/3/2023

Effective until 5/1/2024

73-10-34.5 Grant money for existing secondary water metering to facilitate full metering --

Other grants.

(1) As used in this section:

- (a) "Applicant" means a secondary water supplier or group of secondary water suppliers that applies for a grant under this section.
- (b) "Board" means the Board of Water Resources.
- (c) "Division" means the Division of Water Resources.
- (d) "Project" means the purchase or installation of a meter for a secondary water system that as of May 4, 2022, provides secondary water service that is not metered.
- (e) "Secondary water" means the same as that term is defined in Section 73-10-34.
- (f) "Secondary water connection" means the same as that term is defined in Section 73-10-34.
- (g) "Secondary water supplier" means the same as that term is defined in Section 73-10-34.

(2)

- (a) The board may issue grants in an amount appropriated by the Legislature in accordance with this section to an applicant to fund projects for meters on secondary water systems that before May 4, 2022, provide secondary water service that is not metered.
- (b) The board may not issue a grant under this section to fund:
 - (i) metering of secondary water for service that begins on or after May 4, 2022; or
 - (ii) the replacement or repair of an existing secondary water meter.
- (c) Notwithstanding the other provisions of this section, the board may issue a grant under this section to a secondary water supplier to reimburse the secondary water supplier for the costs incurred by the secondary water supplier that are associated with installing meters on a secondary water system on or after March 3, 2021, but before May 4, 2022, except that the grant issued under this Subsection (2)(c):
 - (i) shall be included in calculating the total grant amount under Subsections (3)(a) through (c);
 - (ii) may not exceed 70% of the costs associated with a project described in this Subsection (2)(c), including installation and purchase of meters; and
 - (iii) shall comply with Subsection (6).

(3)

- (a) A secondary water supplier with 7,000 secondary water connections or less is eligible for a total grant amount under this section of up to \$5,000,000.
- (b) A secondary water supplier with more than 7,000 secondary water connections is eligible for a total grant amount under this section of up to \$10,000,000.
- (c) If a secondary water supplier applies for a grant as part of a group of secondary water suppliers, the total grant amount described in Subsection (3)(a) or (b) applies to each member of the group and is not based on the number of secondary water connections of the entire group.
- (d)
 - (i) Subject to the other provisions of this section, a grant may not exceed the following amounts for the costs associated with a project, including installation and purchase of meters:
 - (A) for calendar year 2022, 70% of the costs of a project;
 - (B) for calendar year 2023, 70% of the costs of a project;
 - (C) for calendar year 2024, 65% of the costs of a project;
 - (D) for calendar year 2025, 60% of the costs of a project; and
 - (E) for calendar year 2026, 50% of the costs of a project.

- (ii) Beginning with calendar year 2027, a grant under this section shall consist of providing a meter or funding to obtain a meter, which may not exceed the following for costs associated with the project:
 - (A) for calendar year 2027, 40% of the costs of a project;
 - (B) for calendar year 2028, 30% of the costs of a project;
 - (C) for calendar year 2029, 20% of the costs of a project; and
 - (D) for calendar year 2030, 10% of the costs of a project.
 - (e) A secondary water supplier may pay the secondary water supplier's portion of the costs of a project through a loan from the board under Section 73-10-34 by filing a separate application with the board.
 - (f) A meter purchased with grant money received under this section shall allow for data communication between the meter and other devices designed to manage use of secondary water that is:
 - (i) open and available to an end user; and
 - (ii) open so that it can integrate with third-party providers.
- (4)
- (a)
 - (i) To obtain a grant under this section, an applicant shall submit an application with the division during a period of time designated by the board.
 - (ii) If there remains money described in Subsection (2) after the grants for applications submitted during the time period described in Subsection (4)(a) are awarded, the board may designate one or more additional time periods so that the entire amount described in Subsection (2) is awarded by December 31, 2024.
 - (b) An application submitted to the division shall include:
 - (i) a detailed project cost estimate including meter costs and installation costs;
 - (ii) a total number of pressurized secondary water connections in the applicable secondary water supplier's system;
 - (iii) the number of meters to be installed under the grant;
 - (iv) a detailed estimated secondary water use reduction including:
 - (A) average lot size calculations;
 - (B) average irrigated acreage; and
 - (C) estimated water applied before the project versus after completion of the project;
 - (v) the timeline for purchase and installation of meters under the project;
 - (vi) an agreement to:
 - (A) provide an educational component for end users as determined by the division by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, either on a monthly statement or by a customer specific Internet portal that provides information on the customer's usage more frequently than monthly; or
 - (B) bill according to usage using a tiered conservation rate and provide an educational component described in Subsection (4)(b)(vi)(A); and
 - (vii) additional information the board considers helpful.
- (5)
- (a) The division shall:
 - (i) review and prioritize an application submitted under Subsection (4); and
 - (ii) recommend to the board which applicants should be awarded a grant under this section.
 - (b) In prioritizing applications under this Subsection (5), the division shall rank the applicants on the basis of the following weighted factors:

- (i) 60% weight based on the ratio of estimated water use reduction divided by total state investment;
 - (ii) 20% weight based on an applicant facing current or potential water shortages when installation of meters and subsequent water use reductions will result in delaying or eliminating the need for new water development; and
 - (iii) 20% weight based on a project's accelerated construction schedule, prompt start, and prompt finish.
- (6) As a condition of receiving a grant under this section, the recipient shall enter into an agreement with the board to use the grant money. The agreement shall:
- (a) be executed by no later than December 31, 2024; and
 - (b) require that the grant money be spent by December 31, 2026, and the project completed under the terms of the grant.
- (7) Notwithstanding the other provisions of this section, the board may issue a grant to a secondary water supplier:
- (a) that installed meters on secondary water connections before May 4, 2022;
 - (b) that has not otherwise received a grant under this section;
 - (c) for the purpose of water conservation; and
 - (d) in an amount not to exceed \$2,000,000.
- (8) Notwithstanding the other provisions of this section, the board may issue a grant to or convert a grant previously issued to a secondary water supplier described in Subsection 73-10-34(13)(a)(iii) from money appropriated under this section to fund a project that is an alternative to metering, such as lining ditches or improving head gates, if the secondary water supplier establishes to the satisfaction of the board that the alternative project will conserve more water than is expected to be conserved through metering.
- (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and consistent with this section, the board may make rules establishing the procedure for applying for a grant under this section.