



BILLING CODE (3410-XY-U)

DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

Notice of Solicitation of Applications for the Rural Energy for America Program for Federal Fiscal Year 2017

AGENCY: Rural Business-Cooperative Service, USDA.

ACTION: Notice.

SUMMARY: The Rural Business-Cooperative Service (the Agency) announces the acceptance of applications under the Rural Energy for America Program (REAP) which is designed to help agricultural producers and rural small businesses reduce energy costs and consumption and help meet the Nation's critical energy needs. REAP have two types of funding assistance: 1) Renewable Energy Systems and Energy Efficiency Improvements Assistance, and 2) Energy Audit and Renewable Energy Development Assistance Grants.

The Renewable Energy Systems and Energy Efficiency Improvement Assistance provides grants and guaranteed loans to

agricultural producers and rural small businesses to purchase and install renewable energy systems and make energy efficiency improvements to their operations. Eligible renewable energy systems for REAP provide energy from: wind, solar, renewable biomass (including anaerobic digesters), small hydro-electric, ocean, geothermal, or hydrogen derived from these renewable resources.

The Energy Audit and Renewable Energy Development Assistance Grant is available to a unit of State, Tribal, or local government; instrumentality of a State, Tribal, or local government; institution of higher education; rural electric cooperative; a public power entity; or a council, as defined in 16 U.S.C. 3451. The recipient of grant funds, grantee, will establish a program to assist agricultural producers and rural small businesses with evaluating the energy efficiency and the potential to incorporate renewable energy technologies into their operations.

DATES: See under "Supplementary Information" section.

FOR FURTHER INFORMATION CONTACT: The applicable USDA Rural Development Energy Coordinator for your respective State, as identified via the following link:

http://www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf.

For information about this Notice, please contact Maureen Hessel, Business Loan and Grant Analyst, USDA Rural Development, Energy Division, 1400 Independence Avenue SW., Stop 3225, Room 6870, Washington, DC, 20250. Telephone: (202) 401-0142. E-mail: maureen.hessel@wdc.usda.gov.

SUPPLEMENTARY INFORMATION:

I. Program Description

The Rural Energy for America Program (REAP) helps agricultural producers and rural small businesses reduce energy costs and consumption and helps meet the Nation's critical energy needs. REAP has two types of funding assistance: 1) Renewable Energy Systems and Energy Efficiency Improvements Assistance and 2) Energy Audit and Renewable Energy Development Assistance Grants.

The Renewable Energy Systems and Energy Efficiency Improvements Assistance provides grants and guaranteed loans to agricultural producers and rural small businesses for renewable energy systems and energy efficiency improvements. Eligible renewable energy systems for REAP provide energy from: wind, solar, renewable biomass (including anaerobic digesters), small hydro-electric, ocean, geothermal, or hydrogen derived from these renewable resources.

The Energy Audit and Renewable Energy Development Assistance Grant is available to a unit of State, Tribal, or local government; instrumentality of a State, Tribal, or local government; institution of higher education; rural electric cooperative; a public power entity; or a council, as defined in 16 U.S.C. 3451. The recipient of grant funds, (grantee), will establish a program to assist agricultural producers and rural small businesses with evaluating the energy efficiency and the potential to incorporate renewable energy technologies into their operations.

A. General. Applications for REAP can be submitted any time throughout the year. This Notice announces the deadline times and dates that applications have to be received to be considered for REAP funds provided by the Agricultural Act of 2014, (2014 Farm Bill), and any appropriated funds that REAP may receive from the appropriation for Federal fiscal year (FY) 2017 for grants, guaranteed loans, and combined grants and guaranteed loans to purchase and install renewable energy systems, and make energy efficiency improvements; and for grants to conduct energy audits and renewable energy development assistance.

The administrative requirements in effect at the time the application window closes for a competition will be applicable to each type of funding available under REAP and are described

in 7 CFR part 4280, subpart B. In addition to the other provisions of this Notice:

(1) The provisions specified in 7 CFR 4280.101 through 4280.111 apply to each funding type described in this Notice.

(2) The requirements specified in 7 CFR 4280.112 through 4280.124 apply to renewable energy system and energy efficiency improvements project grants.

(3) The requirements specified in 7 CFR 4280.125 through 4280.152 apply to guaranteed loans for renewable energy system and energy efficiency improvements projects. For Federal FY 2017, the guarantee fee amount is one percent of the guaranteed portion of the loan, and the annual renewal fee is one-quarter of 1 percent (0.250 percent) of the guaranteed portion of the loan.

(4) The requirements specified in 7 CFR 4280.165 apply to a combined grant and guaranteed loan for renewable energy system and energy efficiency improvements projects.

(5) The requirements specified in 7 CFR 4280.186 through 4280.196 apply to energy audit and renewable energy development assistance grants.

II. Federal Award Information

A. Statutory Authority. This program is authorized under 7 U.S.C. 8107.

B. Catalog of Federal Domestic Assistance (CFDA) Number.
10.868.

C. Funds Available. This Notice is announcing deadline times and dates for applications to be submitted for REAP funds provided by the 2014 Farm Bill and any appropriated funds that REAP may receive from the congressional enactment of a full-year appropriation for Federal FY 2017. This Notice is being published prior to the congressional enactment of a full-year appropriation for Federal FY 2017. The Agency will continue to process applications received under this announcement and should REAP receive appropriated funds, these funds will be announced on the following Web site: www.rd.usda.gov/programs-services/rural-energy-america-program-renewable-energy-systems-energy-efficiency, and are subject to the same provisions in this Notice.

To ensure that small projects have a fair opportunity to compete for the funding and are consistent with the priorities set forth in the statute, the Agency will set-aside 20 percent of the Federal FY 2017 funds until June 30, 2017, to fund grants of \$20,000 or less.

(1) Renewable energy system and energy efficiency improvements grant-funds. There will be allocations of grant funds to each Rural Development State Office for renewable energy system and energy efficiency improvements applications.

The State allocations will include an allocation for grants of \$20,000 or less funds and an allocation of grant funds that can be used to fund renewable energy system and energy efficiency improvements applications for either grants of \$20,000 or less or grants of more than \$20,000, as well as the grant portion of a combination grant and guaranteed loan. These funds are commonly referred to as unrestricted grant funds. The funds for grants of \$20,000 or less can only be used to fund grants requesting \$20,000 or less.

(2) Renewable energy system and energy efficiency improvements loan guarantee funds. Rural Development's National Office will maintain a reserve of guaranteed loan funds.

(3) Renewable energy system and energy efficiency improvements combined grant and guaranteed loan funds. The amount of funds available for combined grant and guaranteed loan applications are outlined in paragraphs II.(C)(1) and II.(C)(2) of this Notice.

(4) Energy audit and renewable energy development assistance grant funds. The amount of funds available for energy audits and renewable energy development assistance in Federal FY 2017 will be 4 percent of Federal FY 2017 mandatory funds and will be maintained in a National Office reserve. Obligations of these funds will take place through March 31, 2017. Any unobligated balances will be moved to the renewable

energy budget authority account, and may be utilized in any of the renewable energy system and energy efficiency improvements national competitions.

D. Approximate Number of Awards. The estimated number of awards is 1,000 based on the historical average grant size and the anticipated mandatory funding of \$50 million for Federal FY 2017, but will depend on the actual amount of funds made available and on the number of eligible applicants participating in this program.

E. Type of Instrument. Grant, guaranteed loan, and grant/guaranteed loan combinations.

III. Eligibility Information

The eligibility requirements for the applicant, borrower, lender, and project (as applicable) are clarified in 7 CFR part 4280 subpart B, and are summarized in this Notice. Failure to meet the eligibility criteria by the time of the competition window may result in the Agency reviewing an application, but will preclude the application from receiving funding until all criteria have been met.

A. Eligible Applicants. This solicitation is for agricultural producers and rural small businesses, as well as units of State, Tribal, or local government; instrumentalities of a State, Tribal, or local government; institutions of higher

education; rural electric cooperatives; public power entities; and councils, as defined in 16 U.S.C. 3451, which serve agricultural producers and rural small businesses. To be eligible for the grant portion of the program, an applicant must meet the requirements specified in 7 CFR 4280.109, 7 CFR 4280.110, and 7 CFR 4280.112, or 7 CFR 4280.186, as applicable.

B. Eligible Lenders and Borrowers. To be eligible for the guaranteed portion of the program, lenders and borrowers must meet the eligibility requirements in 7 CFR 4280.125 and 7 CFR 4280.127, as applicable.

C. Eligible Projects. To be eligible for this program, a project must meet the eligibility requirements specified in 7 CFR 4280.113, 7 CFR 4280.128, and 7 CFR 4280.187, as applicable.

D. Cost Sharing or Matching. The 2014 Farm Bill mandates the maximum percentages of funding that REAP can provide. Additional clarification is provided in paragraphs IV.F.(1) through (3).

(1) Renewable energy system and energy efficiency improvements funding. Requests for guaranteed loan and combined grant and guaranteed loan will not exceed 75 percent of eligible project costs, with any Federal grant portion not to exceed 25 percent of the total eligible project costs, whether the grant is part of a combination request or is a grant-only.

(2) Energy audit and renewable energy development funds.

Requests for the energy audit and renewable energy development assistance grants, will indicate that the grantee that conducts energy audits must require that, as a condition of providing the energy audit, the agricultural producer or rural small business pay at least 25 percent of the cost of the energy audit. The Agency recommended practice for on farm energy audits, audits for agricultural producers, ranchers, and farmers is the American Society of Agricultural and Biological Engineers S612 Level II audit. This audit conforms with program standards used by the Natural Resource Conservation Service. An applicant that has received one or more grants under this program must make satisfactory progress as indicated in 7 CFR 4280.100, which has been determined by the Agency to be the expenditure of 50 percent or more of the previously awarded grant by January 31, 2017, to be considered eligible for subsequent funding.

E. Other. Ineligible project costs can be found in 7 CFR 4280.114(d), 7 CFR 4280.129(f), and 7 CFR 4280.188(c), as applicable. The U.S. Department of Agriculture Departmental Regulations and Laws that contain other compliance requirements are referenced in paragraphs VI.B.(1) through (3), and IV.F of this Notice. Applicants who have been found to be in violation of applicable Federal statutes will be ineligible.

IV. Application and Submission Information

A. Address to Request Application Package. Application materials may be obtained by contacting one of Rural Development's Energy Coordinators, as identified via the following link:

www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf. In addition, for grant applications, applicants may obtain electronic grant applications for REAP from www.grants.gov.

B. Content and Form of Application Submission. Applicants seeking to participate in this program must submit applications in accordance with this Notice and 7 CFR part 4280, subpart B. Applicants must submit complete applications by the dates identified in Section IV.C. of this Notice, containing all parts necessary for the Agency to determine applicant and project eligibility, to score the application, and to conduct the technical evaluation, as applicable, in order to be considered.

(1) Renewable energy system and energy efficiency improvements grant application.

(a) Information for the required content of a grant application to be considered complete is found in 7 CFR part 4280, subpart B.

(i) Grant applications for renewable energy systems and energy efficiency improvements projects with total project costs

of \$80,000 or less must provide information required by 7 CFR 4280.119.

(ii) Grant applications for renewable energy systems and energy efficiency improvements projects with total project costs of \$200,000 or less, but more than \$80,000, must provide information required by 7 CFR 4280.118.

(iii) Grant applications for renewable energy systems and energy efficiency improvements projects with total project costs of greater than \$200,000 must provide information required by 7 CFR 4280.117.

(iv) Grant applications for energy audits or renewable energy development assistance grant applications must provide information required by 7 CFR 4280.190.

(b) All grant applications must be submitted either as hard copy to the appropriate Rural Development Energy Coordinator in the State in which the applicant's proposed project is located, or electronically using the Government-wide www.grants.gov Web site.

(i) Applicants submitting a grant application as a hard copy must submit one original to the appropriate Rural Development Energy Coordinator in the State in which the applicant's proposed project is located. A list of USDA Rural Development Energy Coordinators is available via the following link: www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf.

(ii) Applicants submitting a grant application to the Agency via www.grants.gov (Web site) will find information about submitting an application electronically through the Web site, and may download a copy of the application package to complete it off line, upload and submit the completed application, including all necessary assurances and certifications, via www.grants.gov. After electronically submitting an application through the Web site, the applicant will receive an automated acknowledgement from www.grants.gov that contains a www.grants.gov tracking number. USDA Rural Development strongly recommends that applicants do not wait until the application deadline date to begin the application process through www.grants.gov.

(c) After successful applicants are notified of the intent to make a Federal award, applicants must meet the requirements of 7 CFR 4280.122 (a) through (h) for the grant agreement to be executed.

(2) Renewable energy system and energy efficiency improvements guaranteed loan application.

(a) Information for the content required for a guaranteed loan application to be considered complete is found in 7 CFR 4280.137.

(b) All guaranteed loan applications must be submitted as a hard copy to the appropriate Rural Development Energy

Coordinator in the State in which the applicant's proposed project is located. A list of USDA Rural Development Energy Coordinators is available via the following link:

www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf.

(c) After successful applicants are notified of the intent to make a Federal award, borrowers must meet the conditions prior to issuance of loan note guarantee as outlined in of 7 CFR 4280.142.

(3) Renewable energy system and energy efficiency improvements combined guaranteed loan and grant application.

(a) Information for the content required for a combined guaranteed loan and grant application to be considered complete is found in 7 CFR 4280.165(c).

(b) All combined guaranteed loan and grant application applications must be submitted as hard copy to the appropriate Rural Development Energy Coordinator in the State in which the applicant's proposed project is located. A list of USDA Rural Development Energy Coordinators is available via the following link: www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf.

(c) After successful applicants are notified of the intent to make a Federal award, applicants must meet the requirements, including the requisite forms and certifications, specified in 7 CFR 4280.117, 4280.118, 4280.119, and 4280.137, as applicable, for the issuance of a grant agreement and loan note guarantee.

(4) Energy audits or renewable development assistance grant applications.

(a) Grant applications for energy audits or renewable energy development assistance must provide the information required by 7 CFR 4280.190 to be considered a complete application.

(b) All energy audits or renewable development assistance grant applications must be submitted either as hard copy to the appropriate Rural Development Energy Coordinator in the State in which the applicant's proposed project is located, or electronically using the Government-wide www.grants.gov Web site. Instructions for submission of the application can be found at section IV.B. of this Notice.

(c) After successful applicants are notified of the intent to make a Federal award, applicants must meet the requirements of 7 CFR 4280.195 for the grant agreement to be executed.

5. Dun and Bradstreet Universal Numbering System (DUNS) Number and System for Award Management (SAM). All applicants, unless exempt under 2 CFR 25.110, or who have an exception approved by the Federal awarding agency under 2 CFR 25.110 (d), are required to:

(a) Be registered in SAM prior to submitting an application; which can be obtained at no cost via a toll-free

request line at (866) 705-5711 or online at
fedgov.dnb.com/webform.

(b) Provide a valid DUNS number in its application.

(c) Continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application under consideration by the Agency.

(d) If an applicant has not fully complied with the requirements of IV.C. (1) through (3) at the time the Agency is ready to make an award, the Agency may determine the applicant is not eligible to receive the award.

C. Submission Dates and Times. Grant applications, guaranteed loan-only applications, and combined grant and guaranteed loan applications for financial assistance provided by the 2014 Farm Bill for Federal FY 2017, and for appropriated funds that REAP may receive from the appropriation for Federal FY 2017, may be submitted at any time on an ongoing basis. When an application window closes, the next application window opens on the following day. This Notice establishes the deadline dates for the applications to be received in order to be considered for funding. If an application window falls on a Saturday, Sunday, or Federal holiday, the application package is due the next business day. An application received after these dates will be considered with other applications received in the

next application window. In order to be considered for funds under this Notice, complete applications must be received by the appropriate USDA Rural Development State Office or via www.grants.gov. The deadline for applications to be received to be considered for funding in Federal FY 2017 are outlined in the following paragraphs and also summarized in a table at the end of this section:

(1) Renewable energy system and energy efficiency improvements grant applications and combination grant and guaranteed loan applications. Application deadlines for Federal FY 2017 grant funds are:

(a) For applicants requesting \$20,000 or less that wish to have their application compete for the "Grants of \$20,000 or less set aside," complete applications must be received no later than:

- (i) 4:30 p.m. local time on October 31, 2016, or
- (ii) 4:30 p.m. local time on March 31, 2017.

(b) For applicants requesting grant funds of over \$20,000 (unrestricted) or funding for a combination grant and guaranteed loan, complete applications must be received no later than 4:30 p.m. local time on March 31, 2017.

(2) Renewable energy system and energy efficiency improvements guaranteed loan-only applications. Applications

will be reviewed and processed when received, with periodic competitions.

(3) Energy audits and renewable energy development assistance grant applications. Applications must be received no later than 4:30 p.m. local time on January 31, 2017.

Application	Application Window Opening Dates	Application Window Closing Dates
Renewable Energy Systems and Energy Efficiency Improvements Grants (\$20,000 or less competing for up to approximately 50 percent of the set aside funds)	May 3, 2016	October 31, 2016
Renewable Energy Systems and Energy Efficiency Improvements Grants (\$20,000 or less competing for the remaining set aside funds)	November 1, 2016	March 31, 2017*
Renewable Energy Systems	May 3, 2016	March 31, 2017*

and Energy Efficiency Improvements Grants (Unrestricted grants, including combination grant and guaranteed loan)		
Renewable Energy Systems and Energy Efficiency Improvements Guaranteed Loans	Continuous application cycle.	Continuous application cycle.
Energy Audit and Renewable Energy Development Assistance Grants	February 2, 2016	January 31, 2017
* Applications received after this date will be considered for the next funding cycle in the subsequent Federal FY.		

D. Intergovernmental Review. REAP is not subject to Executive Order 12372, Intergovernmental Review of Federal Programs.

E. Funding Restrictions. The following funding limitations apply to applications submitted under this Notice.

(1) Renewable energy system and energy efficiency improvements projects.

(a) Applicants can be awarded only one renewable energy system project and one energy efficiency improvement grant in Federal FY 2017.

(b) For renewable energy system grants, the minimum grant is \$2,500 and the maximum is \$500,000. For energy efficiency improvements grants, the minimum grant is \$1,500 and the maximum grant is \$250,000.

(c) For renewable energy system and energy efficiency improvements loan guarantees, the minimum REAP guaranteed loan amount is \$5,000 and the maximum amount of a guaranteed loan to be provided to a borrower is \$25 million.

(d) Renewable energy system and energy efficiency improvements guaranteed loan and grant combination applications. Paragraphs IV.E.(1)(b) and (c) of this Notice contain the applicable maximum amounts and minimum amounts for grants and guaranteed loans. Requests for guaranteed loan and combined grant and guaranteed loan will not exceed 75 percent of eligible project costs, with any Federal grant portion not to exceed 25 percent of the total eligible project costs, whether the grant is part of a combination request or is a grant-only.

(2) Energy audit and renewable energy development assistance grants.

(a) Applicants may submit only one energy audit grant application and one renewable energy development assistance grant application for Federal FY 2017 funds.

(b) The maximum aggregate amount of energy audit and renewable energy development assistance grants awarded to any one recipient under this Notice cannot exceed \$100,000 for Federal FY 2017.

(c) The 2014 Farm Bill mandates that the recipient of a grant that conducts an energy audit for an agricultural producer or a rural small business must require the agricultural producer or rural small business to pay at least 25 percent of the cost of the energy audit, which shall be retained by the eligible entity for the cost of the audit.

(3) Maximum grant assistance to an entity. For the purposes of this Notice, the maximum amount of grant assistance to an entity will not exceed \$750,000 for Federal FY 2017 based on the total amount of the renewable energy system, energy efficiency improvements, energy audit, and renewable energy development assistance grants awarded to an entity under REAP.

F. Other Submission Requirements.

(1) Environmental information. For the Agency to consider an application, the application must include all environmental review documents with supporting documentation in accordance with 7 CFR part 1970. Any required environmental review must be

completed prior to obligation of funds or the approval of the application. Applicants are advised to contact the Agency to determine environmental requirements as soon as practicable to ensure adequate review time.

(2) Felony conviction and tax delinquent status.

Corporate applicants submitting applications under this Notice must include Form AD 3030, "Representations Regarding Felony Conviction and Tax Delinquent Status for Corporate Applicants." Corporate applicants who receive an award under this Notice will be required to sign Form AD 3031, "Assurance Regarding Felony Conviction or Tax Delinquent Status for Corporate Applicants." Both forms can be found online at www.ocio.usda.gov/document/ad3030, and www.ocio.usda.gov/document/ad3031.

(3) Original signatures. USDA Rural Development may request that the applicant provide original signatures on forms submitted through www.grants.gov at a later date.

(4) Transparency Act Reporting. All recipients of Federal financial assistance are required to report information about first-tier sub-awards and executive compensation in accordance with 2 CFR part 170. If an applicant does not have an exception under 2 CFR 170.110(b), the applicant must then ensure that they have the necessary processes and systems in place to comply with the reporting requirements to receive funding.

(5) Race, ethnicity, and gender. The Agency is requesting that each applicant provide race, ethnicity, and gender information about the applicant. The information will allow the Agency to evaluate its outreach efforts to under-served and under-represented populations. Applicants are encouraged to furnish this information with their applications, but are not required to do so. An applicant's eligibility or the likelihood of receiving an award will not be impacted by furnishing or not furnishing this information. However, failure to furnish this information may preclude the awarding of State Director and Administrator points in Section V.C.(1) of this Notice.

V. Application Review Information

A. Criteria. In accordance with 7 CFR part 4280 subpart B, the application dates published in Section IV.C. of this Notice identify the times and dates by which complete applications must be received in order to compete for the funds available.

(1) Renewable energy systems and energy efficiency improvements grant applications. Complete renewable energy systems and energy efficiency improvements grant applications are eligible to compete in competitions as described in 7 CFR 4280.121.

(a) Complete renewable energy systems and energy efficiency improvements grant applications requesting \$20,000 or less are eligible to compete in up to five competitions as described in 7 CFR 4280.121(b).

(b) Complete renewable energy systems and energy efficiency improvements grant applications, regardless of the amount of funding requested are eligible to compete in two competitions each Federal FY - a State competition and a national competition as described in 7 CFR 4280.121(a).

(2) Renewable energy systems and energy efficiency improvements guaranteed loan applications. Complete guaranteed loan applications are eligible for periodic competitions as described in 7 CFR 4280.139(a).

(3) Renewable energy systems and energy efficiency improvements combined guaranteed loan and grant applications. Complete combined guaranteed loan and grant applications are eligible to compete in two competitions each Federal FY - a State competition and a national competition as described in 7 CFR 4280.121(a).

(4) Energy audit and renewable energy development assistance grant applications. Complete energy audit and renewable energy development assistance grants applications are eligible to compete in one national competition per Federal FY as described in 7 CFR 4280.193.

B. Review and Selection Process. All complete applications will be scored in accordance with 7 CFR part 4280 subpart B and this section of the Notice.

(1) Renewable energy systems and energy efficiency improvements grant applications. Renewable energy system and energy efficiency grant applications will be scored in accordance with 7 CFR 4280.120 and selections will be made in accordance with 7 CFR 4280.121. Due to the competitive nature of this program, applications are competed based on submittal date. The submittal date is the date the Agency receives a complete application. The complete application date is the date the Agency receives the last piece of information that allows the Agency to determine eligibility and to score, rank, and compete the application for funding.

(a) Funds for renewable energy system and energy efficiency improvements grants of \$20,000 or less will be allocated to the States. Eligible applications must be submitted by October 31, 2016, or May 1, 2017, in order to be considered for these set-aside funds. Approximately 50 percent of these funds will be made available for those complete applications the Agency receives by October 31, 2016, and approximately 50 percent of the funds for those complete applications the Agency receives by May 1, 2017. All unused

State allocated funds for grants of \$20,000 or less will be pooled to the National Office.

(b) Eligible applications received by May 1, 2017, for renewable energy system and energy efficiency improvements grants of \$20,000 or less, that are not funded by State allocations can be submitted to the National Office to compete against grant applications of \$20,000 or less from other States at a national competition. Obligations of these funds will take place prior to June 30, 2017.

(c) Eligible applications for renewable energy system and energy efficiency improvements, regardless of the amount of the funding request, received by May 1, 2017, can compete for unrestricted grant funds. Unrestricted grant funds will be allocated to the States. All unused State allocated unrestricted grant funds will be pooled to the National Office.

(d) National unrestricted grant funds for all eligible renewable energy system and energy efficiency improvements grant applications received by May 1, 2017, which include grants of \$20,000 or less, that are not funded by State allocations can be submitted to the National Office to compete against grant applications from other States at a final national competition.

(2) Renewable energy systems and energy efficiency improvements guaranteed loan applications. Renewable energy systems and energy efficiency improvements guaranteed loan

applications will be scored in accordance with 7 CFR 4280.135 and selections will be made in accordance with 7 CFR 4280.139. The National Office will maintain a reserve for renewable energy system and energy efficiency improvements guaranteed loan funds. Applications will be reviewed and processed when received. Those applications that meet the Agency's underwriting requirements, are credit worthy, and score a minimum of 50 points will compete in national competitions for guaranteed loan funds periodically. All unfunded eligible guaranteed loan-only applications received that do not score at least 50 points will be competed against other guaranteed loan-only applications from other States at a final national competition, if the guaranteed loan reserves have not been completely depleted, on September 1, 2017. If funds remain after the final guaranteed loan-only national competition, the Agency may elect to utilize budget authority to fund additional grant-only applications.

(3) Renewable energy systems and energy efficiency improvements combined grant and guaranteed loan applications. Renewable energy systems and energy efficiency improvements combined grant and guaranteed loan applications will be scored in accordance with 7 CFR 4280.120 and selections will be made in accordance with 7 CFR 4280.121. Renewable energy system and energy efficiency improvements combined grant and guaranteed loan applications will compete with grant-only applications for

grant funds allocated to their State. If the application is ranked high enough to receive State allocated grant funds, the State will request funding for the guaranteed loan portion of any combined grant and guaranteed loan applications from the National Office guaranteed loan reserve, and no further competition will be required. All unfunded eligible applications for combined grant and guaranteed loan applications that are received by May 1, 2017, and that are not funded by State allocations can be submitted to the National Office to compete against other grant and combined grant and guaranteed loan applications from other States at a final national competition.

(4) Energy audit and renewable energy development assistance grant applications. Energy audit and renewable energy development assistance grants will be scored in accordance with 7 CFR 4280.192 and selections will be made in accordance with 7 CFR 4280.193. Energy audit and renewable energy development assistance grant funds will be maintained in a reserve at the National Office. Applications received by January 31, 2017 will compete for funding at a national competition, based on the scoring criteria established under 7 CFR 4280.192, will compete for funding at a national competition. If funds remain after the energy audit and renewable energy development assistance national competition,

the Agency may elect to transfer budget authority to fund additional renewable energy system and energy efficiency improvements grants from the National Office reserve after pooling.

C. State Director and Administrator Points. The State Director and the Administrator will take into consideration paragraphs V.C.(1) and (2) below in the awarding of points for eligible renewable energy systems and energy efficiency improvement grant applications submitted in Federal FY 2017:

(1) 7 CFR 4280.120(g)(3) may allow for applicants who are members of unserved or under-served populations to receive additional points if one of the following criteria are met:

(a) Owned by a veteran, including but not limited to individuals as sole proprietors, members, partners, stockholders, etc., of not less than 20 percent. In order to receive points, applicants must provide a statement in their applications to indicate that owners of the project have veteran status; or

(b) Owned by a member of a socially-disadvantaged group, which are groups whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. In order to receive points, the application must include a

statement to indicate that the owners of the project are members of a socially-disadvantaged group.

(2) 7 CFR 4280.120(g)(4) may allow for applications that further a Presidential initiative, or a Secretary of Agriculture priority to receive additional points including:

(a) Located in rural areas with the lowest incomes where, according to the most recent 5-year American Community Survey, show that at least 20 percent of the population is living in poverty. Or a project is located in a community (village, town, city, or Census Designated Place) with a median household income of 60 percent or less of the State's non-metropolitan median household income. This will support Secretary of Agriculture's priority of providing 20 percent of its funding to these areas of need; and

(b) Located in designated Strike Force or Promise Zone areas, which is a Secretary of Agriculture's priority.

D. Other Submission Requirements. Grant-only applications, guaranteed loan-only applications, and combined grant and guaranteed loan applications for financial assistance may be submitted at any time. In order to be considered for funds, complete applications must be received by the appropriate USDA Rural Development State Office in which the applicant's proposed project is located, or via www.grants.gov, as identified in Section IV.C., of this Notice.

(1) Insufficient funds. If funds are not sufficient to fund the total amount of an application:

(a) For State allocated funds:

(i) The applicant must be notified that they may accept the remaining funds or submit the total request for National Office reserve funds available after pooling. If the applicant agrees to lower its grant request, the applicant must certify that the purposes of the project will be met and provide the remaining total funds needed to complete the project.

(ii) If two or more grant or combination applications have the same score and remaining funds in the State allocation are insufficient to fully award them, the Agency will notify the applicants that they may either accept the proportional amount of funds or submit their total request for National Office reserve funds available after pooling. If the applicant agrees to lower its grant request, the applicant must certify that the purposes of the project will be met and provide the remaining total funds needed to complete the project.

(b) The applicant notification for national funds will depend on size of the grant request.

(i) For an application requesting a grant of \$20,000 or less in which this is the fifth and final competition or for those applications requesting grants of over \$20,000 and combined grant and guaranteed loan application, the applicant

must be notified that they may accept the remaining funds or their grant application will be withdrawn. If the applicant agrees to lower the grant request, the applicant must certify that the purposes of the project will be met and provide the remaining total funds needed to complete the project.

(ii) For an application requesting a grant of \$20,000 or less which is eligible to compete in one or more additional competitions after the national competition, the applicant must be notified that they may accept the remaining funds or have their request considered in subsequent competitions. If the applicant agrees to lower its grant request, the applicant must certify that the purposes of the project will be met and provide the remaining total funds needed to complete the project.

(iii) If two or more grant or combination applications have the same score and remaining funds are insufficient to fully award them, the Agency will notify the applicants that they may either accept the proportional amount of funds or be notified in accordance with V.D.(1)(b)(i) or (ii), as applicable.

(iv) At its discretion, the Agency may instead allow the remaining funds to be carried over to the next Federal FY rather than selecting a lower scoring application(s) or distributing funds on a pro-rata basis.

(2) Award considerations. All award considerations will be on a discretionary basis. In determining the amount of a renewable energy system or energy efficiency improvements grant or loan guarantee, the Agency will consider the six criteria specified in 7 CFR 4280.114(e) or 7 CFR 4280.129(g), as applicable.

(3) Notification of funding determination. As per 7 CFR 4280.111(c) all applicants will be informed in writing by the Agency as to the funding determination of the application.

VI. Federal Award Administration Information

A. Federal Award Notices. The Agency will award and administer renewable energy system and energy efficiency improvements grants, guaranteed loans in accordance with 7 CFR 4280.122, and 7 CFR 4280.139, as applicable. The Agency will award and administer the energy audit and renewable energy development assistance grants in accordance with 7 CFR 4280.195. Notification requirements of 7 CFR 4280.111, apply to this Notice.

B. Administrative and National Policy Requirements.

(1) Equal Opportunity and Nondiscrimination. The Agency will ensure that equal opportunity and nondiscrimination requirements are met in accordance with the Equal Credit Opportunity Act, 15 U.S.C. 1691 et seq. and 7 CFR part 15d,

Nondiscrimination in Programs and Activities Conducted by the U.S. Department of Agriculture. The Agency will not discriminate against applicants on the basis of race, color, religion, national origin, sex, marital status, or age (provided that the applicant has the capacity to contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act, 15 U.S.C. 1601 et seq.

(2) Civil Rights Compliance. Recipients of grants must comply with the Americans with Disabilities Act of 1990, 42 U.S.C. 12101 et seq., Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d et seq., and Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794. This may include collection and maintenance of data on the race, sex, and national origin of the recipient's membership/ownership and employees. These data must be available to conduct compliance reviews in accordance with 7 CFR 1901.204.

(3) Environmental Analysis. 7 CFR part 1970, or successor regulation outlines environmental procedures and requirements for this subpart. Prospective applicants are advised to contact the Agency to determine environmental requirements as soon as practicable after they decide to pursue any form of financial assistance directly or indirectly available through the Agency.

(4) Appeals. A person may seek a review of an Agency decision or appeal to the National Appeals Division in accordance with 7 CFR 4280.105.

(5) Reporting. Grants, guaranteed loans, combination guaranteed loans and grants, and energy audit and energy audit and renewable energy development assistance grants that are awarded are required to fulfill the reporting requirements as specified in Departmental Regulations, the Grant Agreement, and in 7 CFR part 4280 subpart B and paragraphs VI.B.(5)(a) through (d) of this Notice.

(a) Renewable energy system and energy efficiency improvements grants that are awarded are required to fulfill the reporting requirements as specified in 7 CFR 4280.123.

(b) Guaranteed loan applications that are awarded are required to fulfill the reporting requirements as specified in 7 CFR 4280.143.

(c) Combined guaranteed loan and grant applications that are awarded are required to fulfill the reporting requirements as specified in 7 CFR 4280.165(f).

(d) Energy audit and renewable energy development assistance grants grant applications that are awarded are required to fulfill the reporting requirements as specified in 7 CFR 4280.196.

VII. Federal Awarding Agency Contacts

For further information contact the applicable USDA Rural Development Energy Coordinator for your respective State, as identified via the following link:

www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf.

For information about this Notice, please contact Maureen Hessel, Business Loan and Grant Analyst, USDA Rural Development, Energy Division, 1400 Independence Avenue S.W., Stop 3225, Room 6866, Washington, DC, 20250. Telephone: (202) 401-0142.
Email: maureen.hessel@wdc.usda.gov.

VIII. Other Information

A. Paperwork Reduction Act.

In accordance with the Paperwork Reduction Act of 1995, the information collection requirements associated with renewable energy system and energy efficiency improvements grants and guaranteed loans, as covered in this Notice, have been approved by the Office of Management and Budget (OMB) under OMB Control Number 0570-0050. The information collection requirements associated with energy audit and renewable energy development assistance grants have also been approved by OMB under OMB Control Number 0570-0059.

B. Nondiscrimination Statement.

The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the basis of race, color, national origin, age, disability, sex, gender identity, reprisal and where applicable, political beliefs, marital status, familial or parental status, religion, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at www.ascr.usda.gov/complaint_filing_cust.html, or complete the form at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue S.W., Washington, DC, 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Individuals who are deaf, hard of hearing or have speech disabilities and wish to file either an EEO or program

complaint, please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish).

Persons with disabilities, who wish to file a program complaint, please see information above on how to contact us directly by mail or by email. If you require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

October 12, 2016

JUSTIN HATMAKER
Acting Administrator
Rural Business-Cooperative Service

Date

[FR Doc. 2016-25163 Filed: 10/17/2016 8:45 am; Publication Date: 10/18/2016]