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DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

[Docket No. RBS-20-BUSINESS-0037]

Inviting Applications for the Rural Energy for America Program

AGENCY: Rural Business-Cooperative Service, USDA.

ACTION: Notice of Solicitation of Applications.

SUMMARY:

The Rural Business-Cooperative Service (the Agency) Notice of Solicitation of Applications (NOSA) is being issued prior to passage of a final appropriations act to allow potential applicants time to submit applications for financial assistance under Rural Energy for America Program (REAP) for Federal Fiscal Year (FY) 2021 and give the Agency time to process applications within the current FY. This NOSA is being issued prior to enactment of full year appropriation for FY 2021. The Agency anticipates publishing a final rule for REAP later this year which will conform in part to the OneRD Guaranteed loan provisions published in the Federal Register on July 14, 2020 and will outline provisions as prescribed by the Agricultural Improvement Act of 2018 (Pub. L. 115-334), (2018 Farm Bill). It is the Agency's intention that the final REAP rule will codify

REAP scoring criteria as outlined in this NOSA. All REAP applications competing for FY 2021 funding will be scored according to the scoring criteria listed in this NOSA. Applicants who have already filed REAP applications for FY 2021 will be allowed to provide additional information necessary for application scoring, and the modification will not be treated as a new application nor will it alter the submission date of record as noted in 4280.110 (e). The Agency will publish the amount of funding received in any continuing resolution or the final appropriations act on its Web site at <https://www.rd.usda.gov/newsroom/notices-solicitation-applications-nosas>. Expenses incurred in developing applications will be at the applicant's risk.

The REAP program has two types of funding assistance: 1) Renewable Energy Systems, Energy Efficiency Improvements and Energy Efficient Equipment and Systems 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. The Energy Efficient Equipment and Systems Assistance provisions were prescribed by the 2018 Farm Bill and provide guaranteed loans only to agricultural producers to purchase and install energy efficient equipment and systems for agricultural production and processing. Eligible

renewable energy systems for REAP provide energy from: wind, solar, renewable biomass (including anaerobic digesters and biogas), small hydro-electric, ocean, geothermal, or hydrogen derived from these renewable resources. Components and ancillary infrastructure of such renewable energy systems, such as a storage system, are also eligible.

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:

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

For information about this Notice, please contact Deb Yocum, Business Loan and Grant Analyst, USDA Rural Development,

Program Management Division. Telephone: (402) 499-1198. E-mail: debra.yocum@usda.gov.

SUPPLEMENATARY INFORMATION:

Preface

The Agency encourages applications that will support recommendations made in the Rural Prosperity Task Force report to help improve life in rural America (www.usda.gov/ruralprosperity). Applicants are encouraged to consider projects that provide measurable results in helping rural communities build robust and sustainable economies through strategic investments in infrastructure, partnerships, and innovation. Key strategies include:

- Achieving e-Connectivity for Rural America
- Developing the Rural Economy
- Harnessing Technological Innovation
- Supporting a Rural Workforce
- Improving Quality of Life

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, Energy Efficiency Improvements and

Energy Efficient Equipment and Systems 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 (including storage systems as prescribed by the 2018 Farm Bill) and energy efficiency improvements. The Energy Efficient Equipment and Systems provides guaranteed loans to agricultural producers to purchase and install energy efficient equipment and systems for agricultural production and processing. Eligible renewable energy systems for REAP provide energy from: wind, solar, renewable biomass (including anaerobic digesters and biogas), 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 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.

Applications for REAP can be submitted any time throughout the year. This Notice announces the deadlines, dates and times that applications must be received in order to be considered for

REAP funds provided by the 2018 Farm Bill, and any appropriated funds that REAP may receive from the appropriation for FY 2021 for grants, guaranteed loans, and combined grants and guaranteed loans to purchase and install renewable energy systems, make energy efficiency improvements, and install energy efficient equipment and systems for agricultural production and processing; and for grants to conduct energy audits and renewable energy development assistance.

The NOSA announces the acceptance of applications under REAP for FY 2021 for grants, guaranteed loans, and combined grants and guaranteed loans for the development of renewable energy systems, energy efficiency projects, and energy efficient equipment and systems for agricultural production and processing as provided by the 2018 Farm Bill. The Notice also announces the acceptance of applications under REAP for FY 2021 for energy audit and renewable energy development assistance grants as provided by the 2018 Farm Bill.

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 for grant requests and combination grant and guaranteed loan, and in 7 CFR part 5001 for guaranteed loan only requests. 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 for guaranteed loans for renewable energy systems, energy efficiency improvements, and energy efficient equipment and system projects are specified in 7 CFR part 5001. For FY 2021, the guarantee fee rates, the annual renewal fee, the maximum percentage of guarantee and the maximum portion of guarantee authority available for a reduced guarantee fee will be published in a separate notice.

(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. *Federal Agency.* Rural Business-Cooperative Service

B. *Funding Opportunity Title:* Rural Energy for America Program

C. *Announcement Type:* Initial Notice

D. *Catalog of Federal Domestic Assistance (CFDA) Number.*
10.868.

E. *Funds Available.* This Notice is announcing deadline times and dates for applications to be submitted for REAP funds

provided by the 2018 Farm Bill and any appropriated funds that REAP may receive from the congressional enactment of a full-year appropriation for FY 2021. This Notice is being published prior to the congressional enactment of a full-year appropriation for FY 2021. 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: <https://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 not less than 20 percent of the FY 2021 funds until June 30, 2021, 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, which includes combination grant and guaranteed loan requests where the grant amount requested is \$20,000 or less, 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 set-aside for grants of \$20,000 or less can only be used to fund grants requesting \$20,000 or less, which includes the grant portion of combination requests when applicable.

(2) *Renewable energy system, energy efficiency improvements, and energy efficient equipment and systems loan guarantee funds.* Rural Development's National Office will maintain a reserve of guaranteed loan funds. Energy efficient equipment and systems for agricultural production and processing guaranteed loans shall not exceed 15 percent of the funds available to the program.

(3) *Renewable energy system and energy efficiency improvements combined grant and guaranteed loan funds.* Funding availability for combined grant and guaranteed loan applications is 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 FY 2021 will be 4 percent of FY 2021 mandatory funds and will be maintained in a National Office reserve. Obligations of these funds will take place through March 30, 2021. After that date, 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.

F. *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 FY 2021. However, it will depend on the actual amount of funds made available and on the number of eligible applicants participating in this program.

G. *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 in 7 CFR part 5001 and are summarized in this Notice. Failure to meet the eligibility criteria by the time of the competition window will preclude the application from competing until all eligibility criteria have been met.

The Agriculture Improvement Act of 2018, Public Law 115-334, (the 2018 Farm Bill) required USDA to promulgate regulations and guidelines to establish and administer a program for the production of hemp in the United States. Prior to the 2018 Farm Bill, state departments of agriculture and institutions of higher learning were permitted to produce hemp as part of a pilot program for research purposes pursuant to the Agricultural Act of 2014, Public Law 113-79, (the 2014 Farm

Bill). The 2018 Farm Bill extended this 2014 Farm Bill pilot program authority until October 31, 2020.

In determining eligibility for the applicant, project or use of funds, any project applying for funding under the REAP Program and proposing to produce, procure, supply or market any component of the hemp plant or hemp related by-products, or provide technical assistance related to such products, must have a valid license from an approved State, Tribal or Federal plan pursuant to Section 10113 of the 2018 Farm Bill, be in compliance with regulations published by the Agricultural Marketing Service at 7 CFR Part 990, and meet any applicable FDA and DEA regulatory requirements. Verification of valid Hemp licenses will occur prior to award. In addition, all projects proposing to use biomass feedstock from any part of the hemp plant must demonstrate assurance of an adequate supply of the feedstock.

Given the upcoming expiration of the 2014 Farm Bill authority as well as the absence of Federal oversight or regulations governing the 2014 Farm Bill pilot program, Rural Development will not award funds to any project proposing to produce, procure, supply or market any component of the hemp plant or hemp related by-products, or provide technical assistance related to such products, produced under 2014 Farm Bill authority.

A. *Eligible Applicants.* This solicitation is for applications from agricultural producers and rural small businesses for grants or guaranteed loans, or a combination grant and guaranteed loan, for the purpose of purchasing and installing renewable energy systems and energy efficiency improvements, and for guaranteed loans for the purchase and installation of energy efficient equipment and systems for agricultural production and processing.

This solicitation is also for applications for Energy Audit or Renewable Energy Development Assistance grants from 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 4280.110 and 7 CFR 4280.112, or 7 CFR 4280.186, as applicable.

To be eligible for the guaranteed loan portion of the program, a borrower must meet the requirements specified in 7 CFR 5001.126.

B. *Eligible Lenders and Borrowers.* To be eligible for the guaranteed loan portion of the program, lenders and borrowers must meet the eligibility requirements in 7 CFR 5001.126 and 5001.130, 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 or 7 CFR 5001.102 and 7 CFR 5001.106 through 5001.108, as applicable.

D. *Cost Sharing or Matching*. The 2018 Farm Bill mandates the maximum percentages of funding that REAP can provide. Additional clarification is provided in paragraphs IV.E. (1) through (3) of this Notice.

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

(2) *Energy audit and renewable energy development funds*. Recipients of energy audit grants must require the agricultural producer or rural small business being audited to pay at least 25 percent of the cost of the energy audit. These funds should be accounted for in the project budget submitted with the application. 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 to program standards used by the Natural Resource Conservation Service. As per 7 CFR 4280.110(a), an applicant who has received one or more grants under this program must have made satisfactory progress towards completion of any previously funded projects before being considered for subsequent funding. The Agency interprets satisfactory progress as at least 50 percent of previous awards being expended by January 31, 2021. Those who cannot meet this requirement will be determined to be a "risk" pursuant to 2 CFR 200.205 and may be determined in-eligible for a subsequent grant or have special conditions imposed.

E. *Other*. Ineligible project costs are defined at 7 CFR 4280.114 (d), 7 CFR 4280.129(f), and 7 CFR 4280.188(c), as applicable and 7 CFR 5001.115 and 7 CFR 5001.119, as applicable.

The U.S. Department of Agriculture Departmental Regulations and Laws that contain other compliance requirements are referenced in paragraphs IV.F and VI.B.(1) through (3) 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:

https://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, 7 CFR part 4280, subpart B and 7 CFR part 5001, as applicable. 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 as i) hard copy ii) electronically to the appropriate Rural Development "Energy Coordinator in the State in which the applicant's proposed project is located, or iii) via the Government-wide www.grants.gov Web site.

(i) Applicants must submit one original, hardcopy or electronic, 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:
https://www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf.

(ii) Applicants submitting a grant application to the Agency via the 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, 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 financial assistance 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 at 7 CFR 5001.303 and 5001.307.

(b) All guaranteed loan applications must be submitted either as hard copy or electronically 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:

https://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 7 CFR 5001.452.

(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 at 7 CFR 4280.165(c), 7 CFR 5001.301 through 5001.303, and 7 CFR 5001.307.

(b) All combined guaranteed loan and grant applications must be submitted either as hard copy or electronically 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, specified in 7 CFR 4280.117, 4280.118, 4280.119, 4280.137, and 7 CFR 5001.451 through 5001.452, as applicable, for the issuance of a financial assistance 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 or electronically to the appropriate Rural Development Energy

Coordinator in the State in which the applicant's proposed project is located, or via the Government-wide www.grants.gov web site.

(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 financial assistance agreement to be executed.

5. *Dun and Bradstreet Universal Numbering System (DUNS) Number and System for Award Management (SAM)*.

To be eligible (unless you are excepted under 2 CFR 25.110(b), or (d)), you are required to:

(a) Provide a valid DUNS number in your application, which can be obtained at no cost via a toll-free request line at (866) 705-5711;

(b) Register in SAM before submitting your application. You may register in SAM at no cost at <https://www.sam.gov/SAM>. You must provide your SAM CAGE Code and expiration date. When registering in SAM, you must indicate you are applying for a Federal financial assistance project or program or are currently the recipient of funding under any Federal financial assistance project or program, and

(c) The SAM registration must remain active with current information at all times while RBCS is considering an application or while a Federal grant award is active. To maintain the registration in the SAM database the applicant must review and update the information in the SAM database annually

from date of initial registration or from the date of the last update. The applicant must ensure that the information in the database is current, accurate, and complete. Applicants must ensure they complete the Financial Assistance General Certifications and Representations in SAM.

If you have not fully complied with all applicable DUNS and SAM requirements, the Agency may determine that the applicant is not qualified to receive a Federal award and the Agency may use that determination as a basis for making an award to another applicant. The Agency can accept an application, hardcopy or electronic, without a DUNS number or an active SAM registration. However, the DUNS number and active SAM registration must be completed before an award is made.

C. Submission Dates and Times. Grant applications, guaranteed loan-only applications, and combined grant and guaranteed loan applications for financial assistance provided by the 2018 Farm Bill, and for appropriated funds that REAP may receive from the appropriation for FY 2021, 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.

Unsuccessful applications are addressed in section V, Application Review Information. 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 FY 2021 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.* As per RD Instruction 4280-B, applications are accepted year-round. Application deadlines for FY 2021 grant funds are:

(a) For applicants requesting a grant only of \$20,000 or less or a combination grant and guaranteed loan where the grant request is \$20,000 or less, that wish to have their grant 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, 2020, or

(ii) 4:30 p.m. local time on March 31, 2021.

(b) For applicants requesting a grant only of over \$20,000 (unrestricted) or a combination grant and guaranteed loan where the grant request is greater than \$20,000, complete applications must be received no later than 4:30 p.m. local time on March 31, 2021.

(2) *Renewable energy system and energy efficiency improvements guaranteed loan-only applications.* Eligible applications will be reviewed and processed when received for 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, 2021.

Application	Application Window Opening Dates	Application Window Closing Dates
Renewable Energy Systems and Energy Efficiency Improvements Grants (\$20,000 or less grant only request or a combination grant and guaranteed loan where the grant request is \$20,000 or less competing for up to approximately 50 percent of the set aside funds)	April 16, 2020	October 31, 2020
Renewable Energy Systems and Energy Efficiency Improvements Grants	November 1, 2020	March 31, 2021*

<p>(\$20,000 or less grant only request or a combination grant and guaranteed loan where the grant request is \$20,000 or less competing for the remaining set aside funds)</p>		
<p>Renewable Energy Systems and Energy Efficiency Improvements Grants (Unrestricted grants, including combination grant and guaranteed loan where the grant request is greater than \$20,000)</p>	<p>April 16, 2020</p>	<p>March 31, 2021*</p>
<p>Renewable Energy Systems, Energy Efficiency Improvements, and Energy Efficient Equipment and Systems Guaranteed Loans</p>	<p>Continuous application cycle.</p>	<p>Continuous application cycle.</p>
<p>Energy Audit and Renewable Energy Development Assistance Grants</p>	<p>February 1, 2020</p>	<p>January 31, 2021</p>

* Applications received after this date will be considered for the next funding cycle in the subsequent 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 grant and one energy efficiency improvement grant in FY 2021. For the purposes of this Notice, the maximum amount of grant assistance to an entity will not exceed \$750,000 for FY 2021 based on the total amount of the renewable energy system, and energy efficiency improvements grants awarded to an entity under REAP.

(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 total 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 FY 2021 funds. Separate applications must be submitted for energy audit and renewable energy development assistance per 7 CFR 4280.190(a).

(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 FY 2021.

(c) The 2018 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.

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) *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.

(3) *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 application 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.

(4) *Transfer of obligations.* REAP grant obligations will be serviced in accordance with 7 CFR 4280.123 and 7 CFR 4280.196 as applicable. Transfer of obligations will no longer be considered by the Agency.

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 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 within the FY as described in 7 CFR 4280.121.

(b) If the application remains unfunded after the final National Office competition for the FY it must be withdrawn. Pursuant to the publication of this announcement, all complete and eligible applications will be limited to competing in the FY that the application was received, versus rolling into the following FY, which may result in less than five total competitions.

(c) Complete renewable energy systems and energy efficiency improvements grant applications, regardless of the amount of funding requested, are eligible to compete in two competitions during a 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 5001.315.

(3) *Renewable energy systems and energy efficiency improvements combined guaranteed loan and grant applications.* Complete combined guaranteed loan and grant applications with requests of \$20,000 or less are eligible to compete in up to five competitions within the FY as described in 7 CFR 4280.121(b). Combination applications where the grant request is greater than \$20,000, are eligible to compete in two competitions during a 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 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. Specifically, it is the intent of

the Agency that sections C through K below replace scoring criteria text found in 7 CFR 4280.120, and that the final REAP rule will codify REAP scoring criteria as outlined in this NOSA.

(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 (renumbered as 4280.121 in the final REAP rule) and sections C through K of this Notice and selections will be made in accordance with 7 CFR 4280.121. For grant applications requesting greater than \$250,000 for renewable energy systems, and/or greater than \$125,000 for energy efficiency improvements a maximum score of 90 points is possible. For grant applications requesting \$250,000 or less for renewable energy systems and/or \$125,000 or less for energy efficiency improvements, an additional 10 points may be awarded such that a maximum score of 100 points is possible. 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. If a complete application is on file as of the date of this publication, the applicant will be allowed to provide additional information necessary to address new application scoring

criteria requirements without creating a new complete application date.

(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 March 31, 2021, in order to be considered for these set-aside funds. Approximately 50 percent of these funds will be made available for those complete applications that the Agency receives by October 31, 2020, and approximately 50 percent of the funds for those complete applications that the Agency receives by March 31, 2021. All unused State allocated funds for grants of \$20,000 or less will be pooled to the National Office.

(b) Eligible applications received by March 31, 2021, 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, 2021.

(c) Eligible applications for renewable energy system and energy efficiency improvements, regardless of the amount of the funding request, received by March 31, 2021, 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) Eligible renewable energy system and energy efficiency improvements unrestricted grant applications received by March 31, 2021 that are not funded by State allocations can be submitted to the National Office to compete against unrestricted grant applications from other States at a national competition. Unfunded grants of \$20,000 or less may also compete in this national competition.

(2) *Renewable energy systems, energy efficiency improvements, and energy efficient equipment and systems for agricultural production and processing guaranteed loan applications.* Renewable energy systems, energy efficiency improvements, and energy efficient equipment and systems for agricultural production and processing guaranteed loan applications will be scored in accordance with 7 CFR 5001.319, and selections will be made in accordance with 7 CFR 5001.315. The National Office will maintain a reserve for renewable energy system, energy efficiency improvements, and energy efficient equipment and systems for agricultural production and processing guaranteed loan funds. Applications will be reviewed and processed when received. Those applications that meet the Agency's underwriting requirements and are credit worthy will compete in national competitions for guaranteed loan funds periodically. 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. For combined grant and guaranteed loan applications requesting grant funds of \$250,000 or less for renewable energy systems, or \$125,000 or less for energy efficiency improvements, a maximum score of 100 points is possible. For combined grant and guaranteed loan applications requesting grant funds of more than \$250,000 for renewable energy systems, or more than \$125,000 for energy efficiency improvements, a maximum score of 90 points is possible.

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 March 31, 2021, 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, 2021, will compete for funding at a national competition, based on the scoring criteria established under 7 CFR 4280.192. 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. *Scoring Criteria.*

(1) *Environmental Benefits.* A maximum of 5 points will be awarded for this criterion based on whether the applicant has documented in the application that the proposed project will have a positive effect on resource conservation (e.g., water, soil, forest), public health (e.g., potable water, air quality), and the environment (e.g., compliance with EPA's renewable fuel standard(s), greenhouse gases, emissions, particulate matter). If the project will have a positive impact on:

(a) Any one of the three impact areas, 1 point will be awarded.

(b) Any two of the three impact areas, 3 points will be awarded.

(c) All three impact areas, 5 points will be awarded.

(2) *Energy generated, replaced, or saved.* A maximum of 25 points will be awarded for this criterion. Applications for RES and EEI projects are eligible for points under both paragraphs (a) and (b) below.

(a) *Quantity of energy generated or saved per REAP grant dollar requested.* A maximum of 10 points will be awarded for this sub-criterion. For RES and EEI projects, points will be awarded for either the amount of renewable energy generation per grant dollar requested, which includes those projects that are replacing energy usage with a renewable source; or the actual annual average energy savings over the most recent 12, 24, 36, 48, or 60 consecutive months of operation per grant dollar requested. Points will not be awarded for more than one category.

(i) *RES.* The quantity of energy generated or replaced per grant dollar requested will be determined by dividing the projected total annual energy generated or replaced by the RES or RES retrofit (minus energy for residential use), which will be converted to BTUs, by the grant dollars requested. Points will be awarded based on the annual amount of energy generated or replaced (minus energy for residential use) per grant dollar

requested for the proposed RES project. The Agency will award up to 10 points as determined using paragraphs (2) (a) (i) (A) and (B) of this section. If the annual amount of energy generated or replaced per grant dollar requested is:

(A) 50,000 BTUs average annual energy generated or replaced per grant dollar requested or higher, 10 points will be awarded; or

(B) Less than 50,000 BTUs annual energy generated or replaced per grant dollar requested, points will be awarded according to the results of taking the energy generated or replaced per grant dollar requested/50,000 x 10 points. The points awarded are rounded to the nearest hundredth of a point.

(ii) *EEI*. The Agency will award up to 10 points under this sub-criterion based on the average annual energy saved per grant dollar requested for the EEI project. The Agency will award up to 10 points as determined under paragraph (2) (a) (ii) (A) and (B) of this section. If the average annual energy saved per grant dollar requested is:

(A) 50,000 BTUs average annual energy saved per grant dollar requested or higher, 10 points will be awarded; or

(B) Less than 50,000 BTUs average annual energy saved per grant dollar requested, points will be awarded according to the result of taking the energy saved per grant dollar requested/50,000 x 10 points. The points awarded are rounded to the nearest hundredth of a point.

(b) *Scoring Criteria Quantity of energy replaced, generated, or saved.* A maximum of 15 points will be awarded for this sub-criterion. Points will be awarded on the basis of whether the project is for energy replacement, energy savings, or energy generation; points will not be awarded for more than one category.

(i) *Energy replacement.* The Agency will award points under this sub-criterion for a RES project based on the amount of energy replaced by the project compared to the amount of energy used by the applicable process(es) over a 12-month period. If the estimated energy produced is more than 150 percent of the energy used by the applicable process(es), the project will be scored as an energy generation project under paragraph (2) (b) (ii) of this section.

(A) *Documentation for energy replacement.* For a RES project to qualify as energy replacement, the applicant must provide documentation in its application on prior energy use incurred by the applicant. Proposed energy use, such as that attributed to an expansion, is not considered in the replacement calculation. For a RES project involving new construction and being installed to serve the new facility, the project can be classified as energy replacement only if the applicant can document prior energy use from a facility that is within plus or minus 10 percent of the size of the facility it is replacing. The estimated quantities of energy must be converted to either BTUs, watts, or similar energy equivalents to facilitate scoring.

(B) *Calculation.* Energy replacement is determined by dividing the quantity of renewable energy that the RES project is estimated would have been generated if it were in place over the most recent 12-month period by the quantity of energy actually consumed over the same period by the applicable energy process(es) that is(are) consuming energy.

(C) *Awarding of points.* Using the results from paragraph (2) (b) (i) (B) of this section, if the percentage of energy replacement is:

(1) Greater than 50 percent, 15 points will be awarded;

(2) Greater than 25 percent, but equal to or less than 50 percent, 10 points will be awarded; or

(3) Equal to or less than 25 percent, 5 points will be awarded.

(ii) *Energy generation.* If the proposed RES is intended for production of energy or is a proposed retrofitting of an existing RES which increases the amount of energy generated, the Agency will award 10 points.

(iii) *Energy saved.* The Agency will award up to 15 points under this sub-criterion for an EEI project based on the percentage of estimated energy saved by the installation of the project as determined by the projections in the applicable energy assessment or energy audit. If the estimated energy expected to be saved over the same period used in the energy assessment or energy audit, as applicable, will be:

(A) 50 percent or greater, 15 points will be awarded;

(B) 35 percent up to, but not including 50 percent, 10 points will be awarded;

(C) 20 percent up to, but not including 35 percent, 5 points will be awarded; or

(D) Less than 20 percent, no points will be awarded.

(c) *Scoring Criteria Commitment of funds.* A maximum of 15 points will be awarded for this criterion based on the percentage of written commitment an applicant has from its fund sources that are documented with a complete application.

(i) *Calculation.* The percentage of written commitment is calculated as follows: percentage of written commitment = total amount of funds for which written commitments have been submitted with the application / total amount of matching funds and other funds required.

(ii) *Awarding of points.* Using the result from paragraph (E) (1) of this section, the Agency will award points as shown in paragraphs (E) (2) (i) through (iii) of this section.

(A) If the percentage of written commitments is 100 percent of the matching funds, 15 points will be awarded.

(B) If the percentage of written commitments is less than 100 percent, but more than 50 percent, points will be awarded as follows: $((\text{percentage of written commitments} - 50 \text{ percent}) / (50 \text{ percent})) \times 15 \text{ points}$, where points awarded are rounded to the nearest hundredth of a point.

(C) If the percentage of written commitments is 50 percent or less, no points will be awarded.

(d) *Scoring Criteria Previous grantees and borrowers.* A maximum of 15 points will be awarded for this criterion based on whether the applicant has received and accepted a REAP grant award or guaranteed loan commitment under 7 CFR part 4280 of this title or a guaranteed loan commitment under either this part or 7 CFR part 5001 of this title.

(i) If the applicant has never received and accepted a grant award or a guaranteed loan commitment under either this part or 7 CFR part 5001 of this title, 15 points will be awarded.

(ii) If the applicant has not received and accepted a grant award or guaranteed loan commitment under this subpart, or a guaranteed loan commitment under 7 CFR part 5001 of this title within the 2 previous Federal fiscal years, 10 points will be awarded.

(iii) If the applicant has received a grant award or guaranteed loan commitment under this subpart, or a guaranteed loan commitment under 7 CFR part 5001 of this title within the 2 previous Federal fiscal years, no points will be awarded.

(e) *Scoring Criteria Existing business.* A maximum of 5 points will be awarded for an existing agricultural producer business or rural small business that meets the definition of existing business in 7 CFR 5001.3 and noted below.

Existing business means a business that has been in operation for at least 1 full year. The following will be treated as existing businesses provided there is not a significant change in operations of the existing business:

mergers by an existing business with a new or existing business, a change in the business name, or a new business and an existing business applying as co-applicants.

(f) *Scoring Criteria Simple payback.* A maximum of 15 points will be awarded for this criterion based on the simple payback of the project as defined in 7 CFR 5001.3 and as described below. Points will be awarded for either RES or EEI; points will not be awarded for more than one category.

The estimated simple payback of a project funded under this part as calculated using paragraphs (i) or (ii), as applicable, of this definition.

(i) EEI projects simple payback = (total project costs) ÷ (dollar value of energy saved).

(A) Energy saved will be determined by subtracting the projected energy (determined by the method in paragraph (i) (A) (2) of this definition) to be consumed from the historical energy consumed (determined by the method in paragraph (i) (A) (1) of this definition), and converting the result to a monetary value using a constant value or price of energy (determined by the method in paragraph (i) (A) (3) of this definition).

(1) Actual energy used in the original building and/or equipment, as applicable, prior to the EEI project, must be based on the actual average annual total energy used in British thermal units (BTU) over the most recent 12, 24, 36, 48, or 60 consecutive months of operation. Attach utility bills to

document applicant entity's historical energy consumption quantity.

(2) Projected energy use if the proposed EEI project had been in place for the original building and/or equipment, as applicable, for the same time period used to determine that actual energy use under paragraph (i)(A)(1) of this definition.

(3) Value or price of energy must be the actual average price paid over the same time period used to calculate the actual energy used under paragraph (i)(A)(1) of this definition. When calculating the actual average price of energy, only include energy charges directly reduced by the unit of energy being replaced or saved. Attach utility bills to document applicant entity's average price of energy.

(B) The EEI projects simple payback calculation does not allow applicants to monetize EEI benefits other than the dollar amount of the energy savings the agricultural producer or rural small business realizes as a result of the improvement.

(ii) RES projects simple payback = (total project costs) ÷ (dollar value of energy units replaced, credited, sold, or used and fair market value of byproducts as applicable in a typical year).

(A) Value of energy replaced will be calculated based on the applicant entity's historical energy consumption with actual average price paid for the energy replaced, following the methodology outlined in paragraph (i)(A) of this definition.

Attach utility bills to document applicant entity's historical energy consumption quantity and actual average price of energy.

(B) Value of energy credited or sold will be calculated based on the amount of energy units to be credited or sold at the proposed rate per unit, as documented in utility net metering or crediting policies and/or a power purchase agreement. Attach utility net metering or crediting policies and/or a power purchase agreement to document energy quantity and proposed rate for energy credited or sold.

(C) If proposed energy will be used in a new facility, value of energy used will be calculated based on the amount of energy units to be used at the documented price per unit of conventional fuel alternative. Attach documentation of market price per unit of conventional fuel alternative.

(D) Value of byproducts produced by and used in the project or related enterprises should be documented at the fair market value to be received for the byproducts in a typical year. Attach documentation of market value price to be received for byproducts and documentation to support byproduct sales or direct use.

(E) The RES projects simple payback calculation does not include any one-time benefits such as but not limited to construction and investment-related benefits, nor credits which do not provide annual income to the project, such as tax credits.

(iii) *RES*. If the simple payback of the proposed project is:

(A) Less than 10 years, 15 points will be awarded;

(B) 10 years up to but not including 15 years, 10 points will be awarded;

(C) 15 years up to and including 25 years, 5 points will be awarded; or

(D) Longer than 25 years, no points will be awarded.

(iv) *EEI*. If the simple payback of the proposed project is:

(A) Less than 4 years, 15 points will be awarded;

(B) 4 years up to but not including 8 years, 10 points will be awarded;

(C) 8 years up to and including 12 years, 5 points will be awarded; or

(D) Longer than 12 years, no points will be awarded.

(g) *Scoring Criteria Size of request*. For grant applications requesting less than \$250,000 for *RES*, or less than \$125,000 for *EEI*, an additional 10 points may be awarded such that a maximum score of 100 points is possible. All other applications will have a maximum possible score of 90 points.

(h) *Scoring Criteria Size of Agricultural Producer or Rural Small Business*. In alignment with the October 21, 2017 Report to the President of the United States from the Task Force on Agriculture and Rural Prosperity, it is RBCS's intent that the criterion noted in 7 CFR 4280.120 (d) which allows for a maximum

of 10 points to be awarded based on the size of the Applicant's agricultural operation or business concern, as applicable, compared to the SBA Small Business size standards categorized by NAICS found in 13 CFR 121.201, be removed for applications for renewable energy systems or energy efficiency improvements as part of the forthcoming REAP rule, that should be in effect at the time funding decisions will be made.

(i) *Scoring Criteria State Director and Administrator Points.* The criterion noted in 7 CFR 4280.120(g) allows for the State Director and the Administrator to take into consideration paragraphs (i) through (vi) below in the awarding of up to 10 points for eligible renewable energy systems and energy efficiency improvement grant applications submitted in FY 2021:

(i) May allow for applications for an under-represented technology to receive additional points.

(ii) May allow for applications that help achieve geographic diversity to receive additional points. This may include priority points for smaller grant requests which enhances geographic diversity.

(iii) 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.

(iv) May allow for applications that further a Presidential initiative, or a Secretary of Agriculture priority.

(v) The proposed project is located in a Federally declared disaster area. Declarations must be within the last 2 calendar years.

(vi) The proposed project is located in an area where 20 percent or more of its population is living in poverty, as defined by the United States Census Bureau, is an underserved community(ies) or has experienced long-term population decline, or loss of employment.

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 the www.grants.gov Web site 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 the competition as follows:

(i) For an application requesting a grant of \$20,000 or less or a combination application where the grant amount is \$20,000 or less from set-aside pooled funds, the applicant must be notified that they may accept the remaining funds, or submit

the total request to compete in the unrestricted State competition. 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. A declined partial award counts as a competition.

(ii) For any application competing in the final national office unrestricted pooling, 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.

(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 submit their total request in the next available competition. If not awarded in the final fiscal year competition their application will be withdrawn.

(iv) At its discretion, the Agency may instead allow the remaining funds to be carried over to the next 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) and 5001.315 (b)(2), 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, and combined grant and guaranteed loan requests in accordance with 7 CFR 4280.122 and 7 CFR 4280.165, as applicable. The Agency will award and administer the renewable energy system, energy efficiency improvements, and energy efficiency equipment and system guaranteed loan requests in accordance with 7 CFR 5001.315. 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. This data must be available to conduct compliance reviews in accordance with 7 CFR 1901.204.

(3) *Environmental Analysis.* Environmental procedures and requirements for this subpart are specified in 7 CFR part 1970. 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 and 7 CFR 5001.5, as applicable.

(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 Financial Assistance Agreement, and in 7 CFR part 4280 subpart B.

(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 5001.501 through 5001.524

(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:

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

For information about this Notice, please contact Deb Yocum, Business Loan and Grant Analyst, USDA Rural Development, Program Management Division. Telephone: (402) 499-1198. E-mail: debra.yocum@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 0570-0067. The information collection requirements associated with energy audit and renewable energy development assistance grants have also been approved by OMB under OMB Control Number 0570-0067.

B. Nondiscrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital

status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) Mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410; or
- (2) Email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

Rebeckah Adcock,
Administrator,
Rural Business-Cooperative Service.

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