DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service


AGENCY: Rural Business-Cooperative Service, USDA.

ACTION: Notice.

SUMMARY: This notice announces that Rural Business-Cooperative Service is accepting applications for fiscal year (FY) 2009 to purchase renewable energy systems and make energy efficiency improvements and to conduct feasibility studies for renewable energy systems for agriculture producers and rural small businesses in eligible rural areas. Funding will be available in the form of grants and loan guarantees. In addition to grants and loan guarantees, applicants may apply for combination loan guarantee and grant funding (combination package). Lastly, the Agency intends to publish a proposed rule that will amend the Rural Energy for America portion of the Rural Development Grants regulation, published October 15, 2008 [73 FR 61198], at 7 CFR part 5002, for feasibility study projects in calendar year 2009.

DATES: Complete applications under this Notice must be received by the appropriate USDA Rural Development State Office no later than 4:30 local time July 31, 2009. Neither complete nor incomplete applications received after this date and time will be considered, regardless of the postmark on the application.

The comment period for information collection under the Paperwork Reduction Act of 1995 continues through July 27, 2009. Comments on the paper work burden must be received by this date to be assured of consideration.

ADDRESSES: Application materials may be obtained by contacting one of Rural Development’s Rural Energy Coordinators or by downloading through http://www.grants.gov.

Submit electronic applications at http://www.grants.gov, following the instructions found on this Web site. To use Grants.gov, all applicants (unless the applicant is an individual) must have a Dun and Bradstreet Data Universal Numbering System (DUNS) number, which can be obtained at no cost via a toll-free request line at 1–866–705–5711 or online at http://fedgov.dnb.com/webform. Submit completed paper applications to the Rural Development State Office in the State in which the applicant’s proposed project is located.

Rural Development Rural Energy Coordinators

Note: Telephone numbers listed are not toll-free.

Alabama
Quinton Harris, USDA Rural Development, Sterling Centre, Suite 601, 4121 Carmichael Road, Montgomery, AL 36106–3683, (334) 279–3623.
Quinton.Harris@al.usda.gov

Alaska
Dean Stewart, USDA Rural Development, 800 West Evergreen, Suite 201, Palmer, AK 99645–6539, (907) 761–7722.
dean.stewart@ak.usda.gov

American Samoa (See Hawaii)

Arizona

Arkansas
Tim.Smith@ar.usda.gov

California
Philip Brown, USDA Rural Development, 430 G Street, #4169, Davis, CA 95616, (530) 792–5811.
Phil.brown@ca.usda.gov

Colorado
April Dahlager, USDA Rural Development, 655 Parket Street, Room E–100, Lakewood, CO 80215, (720) 544–2909.
April.Dahlager@co.usda.gov

Commonwealth of the Northern Marianas Islands—CNMI (See Hawaii)

Connecticut (see Massachusetts)

Delaware/Maryland
Bruce Weaver, USDA Rural Development, 1221 College Park Drive, Suite 200, Dover, DE 19904, (302) 857–3626. Bruce.Weaver@de.usda.gov

Federated States of Micronesia (See Hawaii)

Florida/Virgin Islands
J. Craig Scroggs, USDA Rural Development, 111 E. Spring St., Suite B, Monroe, GA 30655, Phone 770–267–1413 ext. 113. craig.scroggs@ga.usda.gov

Guam (See Hawaii)

Hawaii/Guam/Republic of Palau/Federated States of Micronesia/Republic of the Marshall Islands/American Samoa/Commonwealth of the Northern Marianas Islands—CNMI

Tim O’Connell, USDA Rural Development, Federal Building, Room 311, 154 Waiaunaue Avenue, Hilo, HI 96720, (808) 933–8313. Tim.OConnell@hi.usda.gov

Idaho

Illinois
Molly Hammond, USDA Rural Development, 2118 West Park Court, Suite A, Champaign, IL 61821, (217) 403–6210. Molly.Hammond@il.usda.gov

Indiana

Iowa
Teresa Bomhoff, USDA Rural Development, 873 Federal Building, 210 Walnut Street, Des Moines, IA 50309, (515) 284–4477. teresa.bomhoff@ia.usda.gov

Kansas
David Kramer, USDA Rural Development, 1303 SW First American Place, Suite 100, Topeka, KS 66604–4040, (785) 271–2744. david.kramer@ks.usda.gov

Kentucky
Scott Maas, USDA Rural Development, 771 Corporate Drive, Suite 200, Lexington, KY 40503, (859) 224–7435. scott.maas@ky.usda.gov

Louisiana
Kevin.Boone@la.usda.gov

Maine
John F. Sheehan, USDA Rural Development, 967 Illinois Avenue, Suite 4, P.O. Box 405,

Michigan
Traci J. Smith, USDA Rural Development, 3001 Coolidge Road, Suite 200, East Lansing, MI 48823, (517) 324–5157. Traci.Smith@mi.usda.gov

Minnesota
Lisa L. Noty, USDA Rural Development, 1400 West Main Street, Albert Lea, MN 56007, (507) 373–7960 Ext. 120. lisa.notty@mnr.gov.

Mississippi
G. Gary Jones, USDA Rural Development, Mississippi Building, Room 380, 100 North High Street, Columbus, MS 39701, (601) 965–5457.

Missouri

Montana

Nebraska

New Mexico
Herb Shed, USDA Rural Development, 1390 South Curry Street, Carson City, NV 89703, (775) 887–1222. herb.sedd@nv.usda.gov.

New Hampshire (See Vermont)

New Jersey

New Mexico
Jesse Bopp, USDA Rural Development, 6200 Jefferson Street, NE., Room 255, Albuquerque, NM 87109, (505) 761–4952. jesse.bopp@nm.usda.gov.

New York

North Carolina

North Dakota

Oklahoma

Oregon

Pennsylvania

Puerto Rico

Republic of Palau (See Hawaii)
Republic of the Marshall Islands (See Hawaii)

Rhode Island (see Massachusetts)

South Carolina

South Dakota
Douglas Roehl, USDA Rural Development, Federal Building, Room 210, 200 4th Street, SW., Huron, SD 57350, (605) 352–1145. doug.roehl@sd.usda.gov.

Tennessee
Will Dodson, USDA Rural Development, 3322 West End Avenue, Suite 300, Nashville, TN 37203–1084, (615) 783–1350. will.dodson@tn.usda.gov.

Texas

Utah

Vermont/New Hampshire
Cheryl Ducharme, USDA Rural Development, 89 Main Street, 3rd Floor, Montpelier, VT 05602, (802) 829–6003. Cheryl.Ducharme@vt.usda.gov.

Virginia
Laurette Tucker, USDA Rural Development, Culpeper Building, Suite 238, 1606 Santa Rosa Road, Richmond, VA 23229, (804) 287–1594. Laurette.Tucker@va.usda.gov.

Virgin Islands (see Florida)

Washington

West Virginia
for comment only on the burden estimates for these feasibility study grants. Once approved, the Agency intends to merge and incorporate the burden for feasibility study grants, reported in this notice, into the burden for the consolidated grant rule information collection that is pending OMB approval.

**Title:** Renewable Energy Feasibility Study Grants (part of the Renewable Energy for America Program).

**Type of Request:** New collection.

**Abstract:** Under this Notice, the Agency is providing grants to eligible applicants for the provision of renewable energy system feasibility studies to agricultural producers and rural small businesses.

The collection of information is vital to the Agency to make wise decisions regarding the eligibility of applicants and their projects in order to ensure compliance with the provisions of this Notice. Applicants seeking a grant will have to submit applications that include specific information about the applicant and the proposed feasibility study (e.g., the renewable energy project for which the study will be conducted; matching funds), and the experience of the entity that will be conducting the feasibility study. In sum, this collection of information is necessary in order to implement this Program.

The following estimates are based on the average over the first three years the program is in place.

**Estimate of Burden:** Public reporting burden for this collection of information is estimated to average 1.4 hours per response.

**Respondents:** Agricultural producers and rural small businesses.

**Estimated Number of Respondents:** 354.

**Estimated Number of Responses per Respondent:** 9.6.

**Estimated Number of Responses:** 3,395.

**Estimated Total Annual Burden (hours) on Respondents:** 4,701.

Copies of this information collection may be obtained from Cheryl Thompson, Regulations and Paperwork Management Branch, at (202) 692–0043.

**Comments**

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of Rural Development, including whether the information will have practical utility; (b) the accuracy of Rural Development’s estimate of the burden of the proposed collection of information including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Comments may be sent to Cheryl Thompson, Regulations and Paperwork Management Branch, Support Services Division, U.S. Department of Agriculture, Rural Development, STOP 0742, 1400 Independence Ave., SW., Washington, DC 20250. All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

**Overview Information**

**Federal Agency Name:** Rural Business—Cooperative Service.

**Funding Opportunity Title:** Renewable Energy Systems and Energy Efficiency Improvements Grants and Guaranteed Loans and Renewable Energy Feasibility Studies Grants under the Rural Energy for America Program.

**Announcement Type:** Initial announcement.

**Catalog of Federal Domestic Assistance (CFDA) Number:** This program is listed in the Catalog of Federal Domestic Assistance under Number 10.868.

**Dates:** All applications must be completed and received in the appropriate United States Department of Agriculture (USDA) State Rural Development Office no later than 4:30 p.m. local time July 31, 2009. Applications received after 4:30 p.m. local time July 31, 2009, regardless of the application’s postmark, will be returned to the applicant with no action.

**Availability of Notice:** This Notice is available on the USDA Rural Development Web site at http://www.rurdev.usda.gov/rbs/busp/ 9006grant.htm. The following information specific to renewable energy system projects and energy efficiency improvement projects is found in Section IV and submission information specific to renewable energy system feasibility study projects is found in Section V. Requirements specified elsewhere in this Notice apply to all projects, unless otherwise stated.

**I. Funding Opportunity Description**

**A. Purpose.** This Notice is issued pursuant to section 9001 of the Rural Business Opportunity and Energy Efficiency Improvement Act of 2006 (2008 Farm Bill), which amends section 9006 of the Farm Security and Rural Investment Act of 2002 (FSRIA), which establishes the Rural Energy for America Program under section 9007 of the 2008 Farm Bill. The program is designed to help agricultural producers and rural small businesses reduce energy costs and consumption and help meet the Nation’s critical energy needs. The 2008 Farm Bill mandates the maximum percentages of funding that USDA Rural Development will provide. Within the maximum funding amounts specified in this Notice, funding approved for guaranteed loan only requests and for combination guaranteed loan and grant requests will not exceed 75 percent of eligible project costs, with the grant portion not to exceed 25 percent of eligible project costs, whether the grant is part of a combination request or is a stand-alone grant.

**B. Statutory Authority.** This program is authorized under Title IX, Section 9001, of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110–246).

**C. Definition of Terms.** The following terms and the terms defined in 7 CFR part 4280 are applicable to this Notice. If this Notice and 7 CFR part 4280 both define the same term, that term shall have the meaning provided in this Notice.

**Administrator.** The Administrator of Rural Business—Cooperative Service within the Rural Development Mission Area of the U.S. Department of Agriculture.

**Departmental regulations.** The regulations of the Department of Agriculture’s Office of Chief Financial Officer (or successor office) as codified in 7 CFR parts 3000 through 3099, including but not necessarily limited to 7 CFR parts 3015 through 3019, 7 CFR part 3021, and 7 CFR part 3052, and successor regulations to these parts.

**EEI.** Energy efficiency improvement.

**Energy efficiency hydropower projects.** Projects that improve the efficiency of an existing hydropower system, such as replacement equipment.

**Hydropower.** Energy created by use of various types of moving water, including, but not limited to, ocean movement (tidal, wave, current, or thermal changes); diverted run-of-river water; in-stream run-of-river water; in-conduit water; or geothermally heated surface water.

**Public power entity.** Is defined using the definition of state utility as defined in section 217(A)(4) of the Federal Power Act (16 U.S.C. 824(a)(4)). As of this writing, the definition is a State or any political subdivision of a State, or any agency, authority, or instrumentality of any one or more of the foregoing, or a corporation that is wholly owned, directly or indirectly, by
any one or more of the foregoing, competent to carry on the business of developing, transmitting, utilizing, or distributing power.

Rated power. The amount of energy that can be created at any given time. Renewable biomass.

(i) Materials, pre-commercial thinnings, or invasive species from National Forest System land and public lands (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702)) that:

(A) Are byproducts of preventive treatments that are removed to reduce hazardous fuels; to reduce or contain disease or insect infestation; or to restore ecosystem health;

(B) would not otherwise be used for higher-value products; and

(C) are harvested in accordance with applicable law and land management plans and the requirements for old-growth maintenance, restoration, and management direction of paragraphs (e)(2), (e)(3), and (e)(4) and large-tree retention of paragraph (f) of subsection section 102 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6512); or

(ii) Any organic matter that is available on a renewable or recurring basis from non-Federal land or land belonging to an Indian or Indian tribe that is held in trust by the United States or subject to a restriction against alienation imposed by the United States, including:

(A) Renewable plant material, including feed grains; other agricultural commodities; other plants and trees; and algae; and

(B) Waste material, including crop residue; other vegetative waste material (including wood waste and wood residues); animal waste and byproducts (including fats, oils, greases, and manure); and food waste and yard waste.

Renewable energy. Energy derived from:

(i) A wind, solar, renewable biomass, ocean (including tidal, wave, current, and thermal), geothermal or hydroelectric source; or

(ii) Hydrogen derived from renewable biomass or water using wind, solar, ocean (including tidal, wave, current, and thermal), geothermal or hydroelectric energy sources.

Renewable energy hydropower project. A new energy generation project that uses moving water as the feedstock equivalent.

RES. Renewable energy system. Small hydropower. A hydropower project for which the rated power of the system is 30 megawatts or less.

II. Funding Information

A. Available Funds. The amount of funds available for renewable energy system feasibility studies in FY 2009 will not be more than 10 percent of the funds made available under the Rural Energy for America Program. The balance of the funds unused for the energy audit and renewable energy development assistance grants and the feasibility study grants will be available to the renewable energy systems and energy efficiency improvements projects under this program in FY 2009.

B. Number of awards. The number of awards will depend on the number of eligible applicants participating in this program.

C. Grant Funding Limitations. For the purposes of this Notice, the maximum amount of grant assistance to one individual or entity will not exceed $750,000 for FY 2009 under the Rural Energy for America Program. The Agency will not use less than 20 percent of the funds allocated for grants of $20,000 or less and not more than 10 percent of funds for grants to conduct renewable energy system feasibility studies.

D. Types of Instrument. Grant, guaranteed loan, and grant/guaranteed loan combinations. Only grants are available to conduct renewable energy system feasibility studies.

III. Application Submission Information

Applicants seeking to participate in this program must submit applications in accordance with this Notice and 7 CFR part 4280, subpart B, as applicable. Applicants must submit complete applications in order to be considered. Note that for the Agency to consider an application, the application must include all environmental review documents with supporting documentation in accordance with 7 CFR part 1940 subpart G.

A. Where To Obtain Applications

Applicants may obtain applications from applicable Rural Development Rural Energy Coordinator, as provided in the ADDRESSES section of this Notice. In addition, for grant applications, applicants may access the electronic grant application for the Rural Energy for America Program at http://www.Grants.gov. To locate the downloadable application package for this program, the applicant must use the program’s CFDA Number (i.e., 10.868) or FedGrants Funding Opportunity Number, which can be found at http://www.Grants.gov. To use Grants.gov, all applicants must have a Dun and Bradstreet Data Universal Numbering System (DUNS) number, (unless the applicant is an individual) which can be obtained at no cost via a toll-free request line at 1–866–705–5711 or online at http://fedgov.dnb.com/webform.

B. When To Submit

Submit applications to the appropriate USDA Rural Development State Office by July 31, 2009. All applications must be received at the appropriate State Office by 4:30 p.m. local time on the deadline date.

C. Where To Submit

Applications are to be submitted to the Rural Development Rural Energy Coordinator in the State in which the applicant’s proposed project is located. A list of Rural Development Rural Energy Coordinators is provided in the ADDRESS paragraph. Alternatively, for grant applications, applicants may submit grant applications to the Agency via the Grants.gov Web site.

D. How To Submit

Applicants may submit applications as either hard copy or electronically as specified in the following paragraphs. When submitting an application as hard copy, applicants must submit one original and one copy of the complete application.

(1) Grant applications. Grant applications may be submitted either as hard copy to the appropriate Rural Development Rural Energy Coordinator or electronically using the government-wide Grants.gov Web site. Users of Grants.gov who download a copy of the application package may complete it off line and then upload and submit the application via the Grants.gov site, including all information typically included on the application, and all necessary assurances and certifications. After electronically submitting an application through the Web site, the applicant will receive an automated acknowledgement from Grants.gov that contains a Grants.gov tracking number.

(2) Guaranteed loan applications. Guaranteed loan only applications (i.e., those that are not part of a guaranteed loan/grant combination request) must be submitted as hard copy.

(3) Guaranteed loan/grant combination applications. Applications for guaranteed loans/grants (combination applications) must be submitted as hard copy.

F. Other Submission Requirements and Information

(1) Application restrictions. Applications submitted under this
Notice are subject to the following restrictions:

(i) Applicants can apply for only one renewable energy system project, one energy efficiency improvement project, and one renewable energy system feasibility study project under this Notice. A renewable energy system application cannot be submitted in FY2009 if a feasibility study grant application has been submitted in FY2009 for the same renewable energy system project.

(ii) Technical reviews of complete applications are conducted on a rolling basis. Once the technical review of a complete application has been completed, the applicant will not be allowed to modify or resubmit the application.


Eligibility is limited to projects that have completed the environmental review process according to 7 CFR 4280.114(d); demonstrated project eligibility according to 7 CFR 4280.108; except for renewable energy feasibility studies, demonstrated technical feasibility; and are complete will be eligible for funding consideration.

(3) Grants.gov. When you enter the Grants.gov site, you will find information about submitting an application electronically through the site as well as the hours of operation. USDA Rural Development strongly recommends that applicants do not wait until the application deadline date to begin the application process through Grants.gov.

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

(5) Intergovernmental review. The Rural Energy for America Program is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials.

(6) Award considerations. For renewable energy systems and energy efficiency improvements, in determining the amount of a loan guarantee or grant provided, the Agency shall take into consideration the following six criteria:

(i) The type of renewable energy system to be purchased;

(ii) The estimated quantity of energy to be generated by the renewable energy system;

(iii) The expected environmental benefits of the renewable energy system;

(iv) The quantity of energy savings expected to be derived from the activity, as demonstrated by an energy audit;

(v) The estimated period of time for the energy savings generated by the activity to equal the cost of the activity; and

(vi) The expected energy efficiency of the renewable energy system.

G. Hydropower Eligibility

For the purposes of this Notice, only hydropower projects with a rated power of 30 megawatts or less are eligible. The Agency refers to these hydropower sources as "small hydropower," which includes hydropower projects commonly referred to as "micro-hydropower" and "mini-hydropower."

IV. Program Provisions Specific to Renewable Energy Systems and Energy Efficiency Improvements

This section of the notice identifies what information renewable energy system and energy efficiency improvement (RES/EEI) applications are to contain, funding limitations, and other submission requirements and award information. Except as provided in this Notice, RES/EEI applications are to follow the provisions specified in 7 CFR 4280, subpart B.

A. Project Eligibility

In addition to the project eligibility requirements specified in §4280.108, no renewable energy system or energy efficiency improvement, or portion thereof, can be used for any purpose, including any residential portion of a rural small business, farm, or agricultural facility. However, an applicant may apply for funding for the installation of a second meter or provide certification in the application that any excess power generated by the renewable energy system will be sold to the grid and will not be used by the applicant for residential purposes.

B. Applications

In addition to the requirements found in 7 CFR part 4280, subpart B, the following also applies to RES/EEI applications submitted under this Notice.

(1) One funding type applications. Only one type of funding application (grant-only, guaranteed loan-only, or guaranteed loan/grant combination) for each project can be submitted.

(2) Environmental information. Each application must include all environmental review documents with supporting documentation in accordance with 7 CFR part 1940 subpart G.

(3) Foreign technology. As stated in 7 CFR 4280.108, projects must be for a pre-commercial or commercially available technology. The definition of "pre-commercial" and "commercial" are at 7 CFR 4280.103.
(6) **Technical report appendices.** Technical reports for hydropower projects shall conform to Appendix A of this Notice. Technical reports for other renewable energy projects shall continue to conform to Appendix A or B, as applicable, to 7 CFR part 4280, subpart B.

**D. Funding Limitations**

(1) **Grant-only applications.** For renewable energy system grants, the minimum grant is $2,500 and the maximum is $500,000. For energy efficiency improvement grants, the minimum grant is $1,500 and the maximum grant is $250,000.

(2) **Loan guarantee-only applications.** For loan guarantees, the minimum guaranteed loan amount is $5,000 and the maximum amount of a guarantee to be provided to a borrower is $25 million. The maximum loan guarantee for a guaranteed loan in excess of $10 million is 60%. For FY 2009, the guarantee fee amount is 1 percent of the guaranteed portion of the loan and the annual renewal fee is 0.250 percent (one-quarter of one percent) of the guaranteed portion of the loan.

(3) **Guaranteed loan and grant combination applications.** Funding for grant and loan combination packages are subject to the funding limitations specified in paragraphs (1) and (2) of this section. For grant and loan combination packages, the minimum grant portion of the combined funding request is $1,500 for energy efficiency improvement projects and $2,500 for renewable energy system projects. All grant and loan combination packages will be funded from the same allocation as loan guarantees.

**E. Award Process**

In addition to the process for awarding funding under 7 CFR part 4280, subpart B, the Agency will make awards using the following considerations:

(1) **Scoring criteria.** In addition to the criteria specified in § 4280.112(e), the Agency will award 10 points to grant-only applications requesting $20,000 or less.

(2) **Technical review.** Every RES/EEI application will receive a technical review. No RES/EEI application will receive more than one technical review.

(3) **Demonstrated financial need.** As required in §§ 4280.108(a)(5), 4280.109(b)(2), and 4280.193(a), the applicant for a grant or combination guaranteed loan and grant must demonstrate financial need. Only those packages that demonstrate financial need will be considered for funding.

(4) **Combination applications.** To ensure equitable competition and high quality projects, the grant portion of a combination application must score at least 20 points for technical merit. Only those combination packages that score a sufficient amount of technical merit points will be considered for funding. Applicants whose combination applications are approved for funding must accept and utilize both the loan and the grant.

(5) **Grant-only applications of $20,000 or less.** As directed by statute, the Agency will use not less than 20 percent of the funds allocated to the Rural Energy for America Program for grants of $20,000 or less. The Agency will establish a reserve at the National Office and States with grant-only requests of $20,000 or less may request funds from the reserve.

(6) **Change of contractor or vendor.** After an award has been made, the recipient of the award can request to change a contractor or vendor if the technical merit for the project remains the same or is higher. Prior to changing a contractor or vendor, the recipient must submit to the Agency a written request providing information that allows the Agency to recore the project’s technical merit. If the Agency determines that the project achieves the same or higher technical merit score, the recipient may make the change. No additional funding will be available from the Agency if costs for the project have increased. If the Agency determines that the project does not achieve the same or higher technical merit score, the change will not be approved.

(7) **Intergovernmental review.** If State or local governments raise objections to a proposed project under the intergovernmental review process that are not resolved within 90 days of the Agency’s selection of the application, the Agency will rescind the selection and will provide the applicant with a written notice to that effect.

**V. Program Provisions for Renewable Energy Feasibility Study Grants**

Under 7 CFR part 4280, subpart B, certain renewable energy system project applications must include a business level feasibility study (see § 4280.111(b)(8)). Such feasibility studies are now an eligible purpose under the Rural Energy for America Program for which a grant may be awarded. This section of the Notice identifies the procedures the Agency will use to process and select such feasibility study applications, award grants, and administer such financial assistance.

**A. Existing Regulations**

Applicants submitting applications for feasibility studies are subject to the provisions of this Notice and to the grants provisions of 7 CFR part 4280, subpart B, as may be modified under this section of this Notice.

**B. Specific Requirements for This Notice**

As noted in the previous paragraph, the grant provisions of 7 CFR part 4280, subpart B, apply to applicants and their applications submitted under this Notice except as modified in this section of this Notice.

(1) **Applicant eligibility.** In order to be eligible for a feasibility study grant under this Notice, the applicant must:

(i) be a rural small business or agricultural producer as defined in § 4280.103, and

(ii) meet the eligibility criteria of § 4280.107.

(2) **Project eligibility.** Feasibility studies must be for a renewable energy system that:

(i) is for the purchase, installation, expansion, or other energy-related improvement of a renewable energy system;

(ii) is located in a rural area; and

(iii) is for technology that is pre-commercial or commercially available, and that is replicable.

(3) **Grant funding.** The maximum amount for a feasibility study grant under this Notice is $50,000 or 25 percent of the eligible project cost (as described below) of the study, whichever is less. The grantee will have 2 years from the date of the grant agreement to provide the Agency with a complete and acceptable feasibility study and to request disbursement of the funds as described in Section V(12) of this notice. If the grantee does not submit to the Agency a complete and acceptable feasibility study within this 2 year period, the grant is subject to termination by and reimbursement to the Agency according to 7 CFR 3015.

(4) **Eligible project costs.** Only those costs incurred after the application date specific to the development of the feasibility study (refer to Appendix B for further information on the content of a feasibility study) will be considered by the Agency in determining the size of the grant.

(5) **Application restrictions.** Feasibility study applications:

(i) can only be submitted as a stand-alone grant application;

(ii) cannot be submitted for a renewable energy system project for which a feasibility study has been conducted or funded under any Federal or State program;
Voluntarily providing tax returns is one means of satisfying this requirement. The information provided must be sufficient for the Agency to make a determination of business size as defined by SBA.

(2) If the applicant is an agricultural producer, provide the gross market value of the agricultural products, gross agricultural income, and gross nonfarm income of the applicant for the calendar year preceding the year in which the application is submitted; and

(G) any Intergovernmental review comments from the State Single Point of Contact, or evidence that the State has elected not to review the program under Executive Order 12372; and

(7) Evaluation of applications. Feasibility study applications submitted under this Notice will be evaluated by the applicable Rural Energy Coordinator for eligibility, completeness, and scoring.

(i) General review. The Agency will evaluate each application and make a determination as to whether the applicant is eligible. The proposed grant is for an eligible feasibility study, and the proposed grant complies with all applicable statutes and regulations.

(A) Applicant eligibility. The Agency will first determine whether the entity is eligible to compete for a feasibility study grant. Applications for applicants determined by the Agency not to be eligible will not be processed further. The Agency will determine applicant eligibility based on the criteria specified in this section.

(B) Proposal eligibility. After determining applicant eligibility, the Agency will review the application to determine if the proposal is eligible. Applications determined by the Agency not to be eligible will not be processed further. The Agency will determine whether the application contains certification by the applicant that the applicant has not received any other Federal or State assistance for a feasibility study on the subject facility. If the application does not contain such certification, it is an ineligible application and the Agency will stop processing the application. If the application contains such certification, the Agency will continue processing it.

(ii) Ineligible applicants and applications. If the applicant or the application is ineligible, the Agency will inform the applicant in writing of the decision, reasons therefore, and any appeal rights. No further evaluation of the application will occur.

(iii) Incomplete applications. If the application is incomplete, the Agency will return it to the applicant. The Agency will identify those parts of the application that are incomplete. The applicant may resubmit the application, as long as it is received prior to the July 31, 2009, deadline date.

(B) Energy generation. 15 points will be awarded if the proposed renewable energy system is intended primarily for production of energy for sale.

(ii) Commitment of funds for the feasibility study. Other Federal or State assistance for only the feasibility study would make the request ineligible. Appropriate documentation must verify commitment. A maximum of 10 points can be awarded under this section.

(A) 10 points—100% of matching funds.

(B) 7.5 points—75% up to, but not including 100% of matching funds.

(C) 5 points—50% up to, but not including 75% of matching funds.

(D) 0 points—less than 50% of matching funds.

(iii) Designation as a small agricultural producer/very small business. An applicant will be considered either an agricultural producer or rural small business. No applicant will be considered as both. Points will only be awarded under either paragraph (iii)(A) or (iii)(B).

A maximum of 20 points can be awarded under this section.

(A) For an Agricultural Producer:

(1) 10 points will be awarded if the applicant is an agricultural producer producing agricultural products with a gross market value of less than $600,000 in the preceding year, or

(2) 20 points will be awarded if the applicant is an agricultural producer producing agricultural products with a gross market value of less than $200,000 in the preceding year.

(B) For a Rural Small Business, 20 points will be awarded if the applicant is a very small business, as defined in §4280.103.

(v) Experience and qualifications of the entity identified to perform the feasibility study. A maximum of 15
points can be awarded under this section.
(A) 15 points will be awarded if the entity has 5 or more years experience in the field of study for the technology field being proposed.
(B) 7.5 points will be awarded if the entity has 2 or more years, but less than 5 years, experience in the field of study for the technology field being proposed.
(C) 0 points will be awarded if the entity has less than 2 years experience in the field of study for the technology field being proposed.
(iv) Size of feasibility study grant request. A maximum of 20 points can be awarded under this section.
(A) 20 points will be awarded if the feasibility study request is $10,000 or less.
(B) 10 points will be awarded if the feasibility study request is more than $10,000 up to $25,000.
(C) 0 points will be awarded if the feasibility study request is greater than $25,000.
(vi) Resources to implement project. Considering the technology being proposed, the applicant may qualify for other local or State Programs to assist in the construction, or operation of the facility. These programs will benefit the applicant and/or proposed project during or after the facility is constructed and operational. A maximum of 10 points can be awarded under this section.
(A) 5 points will be awarded if the applicant has identified local programs.
(B) 5 points will be awarded if the applicant has identified State programs.
(9) Award Process. The Agency will use the following process to determine which grants receive funding under this Notice.
(i) Ranking of applications. All scored applications will be ranked by the Agency as soon after the application deadline as possible. All applications that are ranked will be considered for selection for funding.
(ii) Selection of applications for funding. Applications will be selected based on their rank in accordance with their scores. If, after the majority of applications have been funded, insufficient funds remain to fund the next highest scoring application, the Agency may elect to fund a lower scoring application. Before this occurs, the Agency will provide the applicant of the higher scoring application the opportunity to reduce the amount of its grant request to the amount of funds available. If the applicant agrees to lower its grant request, it must certify that the purposes of the project can be met, and the Agency must determine the project is financially feasible at the lower amount. The Agency will notify, in writing, applicants whose applications have been selected for funding.
(iii) Disposition of ranked applications not funded. Based on the availability of funding, a ranked application may not be funded in the fiscal year in which it was submitted. Such ranked applications will not be carried forward into the next fiscal year and the Agency will notify the applicant in writing.
(iv) Actions prior to grant closing. (i) Environmental. If construction is a component of the study, the appropriate level of environmental assessment must be completed prior to the obligation of funds. All feasibility study grants made under this Notice are subject to the requirements of subpart G of part 1940 of this title. When construction is not a component of the study, feasibility studies are considered planning assistance, which are categorically excluded from the environmental review process by § 1940.333 of this title.
(ii) Changes in project cost or scope. If there is a significant reduction in project cost or changes in project scope, the applicant’s funding needs, eligibility, and scoring, as applicable, will be reassessed. Decreases in Agency funds will be based on revised project costs and other selection factors; however, other factors, including Agency regulations used at the time of grant approval, will remain the same. Obligated grant funds not needed to complete the project will be de-obligated.
(iii) Evidence of other funds. Applicants expecting funds from other sources for use in completing projects being partially financed with Agency funds will present evidence of the commitment of these funds from such other sources.
(i) Letter of conditions. The Agency will notify the approved applicant in writing, setting out the conditions under which the grant will be made. The notice will include those matters necessary to ensure that the proposed grant is completed in accordance with the terms of the scope of work and budget, that grant funds are expended for the feasibility study, and that the applicable requirements prescribed in the relevant Department regulations are complied with. The Letter of Conditions will be sent to the applicant.
(ii) Letter of Intent to Meet Conditions. Upon reviewing the conditions and requirements in the letter of conditions, the applicant must complete, sign and return a Form RD 1942–46, “Letter of Intent to Meet Conditions,” to the Agency; or if certain conditions cannot be met, the applicant may propose alternate conditions to the Agency. The Agency must concur with any changes proposed to the letter of conditions by the applicant before the application will be further processed.
(iii) Grant agreement, forms, and certifications. Prior to grant approval, the applicant must complete, sign, and return a grant agreement, which is attached to this notice as Appendix C. In addition, the following forms and certifications must be submitted prior to grant approval:
(A) Certification that the feasibility study grant will be for a renewable energy system project that is located in a rural area;
(B) Form AD–1047, “Certification Regarding Debarment, Suspension, and Other Responsibility Matters—Primary Covered Transactions;”
(C) Form AD–1048, “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions,” including certification from any person or entity you do business with as a result of this government assistance that they are not debarred or suspended from government assistance;
(D) Form AD–1049, “Certification Regarding Drug-Free Workplace Requirements (Grants) Alternative I—For Grantees Other Than Individuals;”
(E) Form SF–LLL, “Disclosure Form to Report Lobbying” or Exhibit A–1 of RD Instruction 1940–Q, “Certification for Contracts, Grants, and Loans;” and
(F) Form RD 400–4, “Assurance Agreement.”
(iv) Grant approval. Form RD 1940–1 must be signed by the applicant.
(A) The applicant will be sent a copy of the executed Form RD 1940–1, the approved scope of work, and a grant agreement (see Appendix C to this Notice). The grant will be considered closed on the obligation date.
(B) The grantee must abide by all requirements contained in the Grant Agreement, this Notice, and any other applicable Federal statutes or regulations. Failure to follow the requirements may result in termination of the grant and adoption of other available remedies.
(12) Fund disbursement. Grant funds will be expended on a pro rata basis with matching funds.
(i) Requests for reimbursement may be submitted monthly or more frequently if authorized to do so by the Agency. Ordinarily, payment will be made within 30 days after receipt of a proper request for reimbursement.
(ii) The grantee shall not request reimbursement for the Federal share of amounts withheld from contractors to ensure satisfactory completion of work until after it makes those payments.

(iii) Payment shall be made by electronic funds transfer.

(iv) Standard Form 270, "Request for Advance or Reimbursement," or other format prescribed by the Agency shall be used to request grant reimbursements.

(v) For renewable energy system feasibility studies, grant funds will be disbursed in accordance with the above through 90 percent of grant disbursement. The final 10 percent of grant funds will be held by the Agency until a feasibility study acceptable to the Agency has been submitted.

13 Deobligation of grant funds. Funds remaining after all costs incident to the project have been paid or provided for are subject to deobligation.

14 Monitoring and reporting project performance.

(i) Monitoring of project. Grantees are responsible for ensuring all activities are performed within the approved scope of work and that funds are only used for approved purposes. Grantees shall constantly monitor performance to ensure that time schedules are being met, projected work by time periods is being accomplished, financial resources appropriately expended by contractors (if applicable), and any other performance objectives identified in the scope of work are being achieved. To the extent resources are available, the Agency will monitor grantees to ensure that activities are performed in accordance with the Agency-approved scope of work and to ensure that funds are expended for approved purposes. The Agency’s monitoring of Grantees neither relieves the Grantee of its responsibilities to ensure that activities are performed within the scope of work approved by the Agency and that funds are expended for approved purposes only nor provides recourse or a defense to the Grantee should the Grantee conduct unapproved activities, engage in unethical conduct, engage in activities that are or give the appearance of a conflict of interest, or expend funds for unapproved purposes.

(ii) Financial status reports. A SF–269, "Financial Status Report," and a project performance activity report will be required of all grantees on a semiannual basis. The grantee will complete the project within the total sums available to it, including the grant, in accordance with the scope of work and all necessary modifications thereof prepared by grantee and approved by the Agency. The final Financial Status Report must be submitted to the Agency within 90 days after the feasibility study has been completed.

(iii) Performance reports. Grantees must submit to the Agency, in writing, semiannual performance reports and a final performance report. Grantees are to submit an original of each report to the Agency.

(A) Semiannual performance reports. Each semiannual performance report shall describe current progress and identify any problems, delays, or adverse conditions, if any, which have affected or will affect attainment of overall project objectives or prevent meeting time frame for completion of the feasibility study within two years. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation.

(B) Final performance report. A final performance report, which will serve as the last semiannual performance report, will be required within 90 days after the feasibility study has been completed. The final performance report shall summarize any problems, delays, or adverse conditions, if any, which have affected the project objectives or prevented meeting time frames for completion of the feasibility study. The final performance report should indicate if the grantee intends to proceed with the construction of the project.

(iv) Final deliverables. Upon completion of the feasibility study, the grantee shall submit the following to the Agency:

(A) the project feasibility study; and

(B) SF–270, "Request for Advance or Reimbursement."

(v) Reports required after feasibility study completion. Beginning the first full year after the feasibility study has been completed, grantees shall report annually for 2 years on the following:

(A) Is the renewable energy system project for which the feasibility study was conducted underway? If yes, describe how far along the renewable energy system project is (e.g., financing has been secured, site has been secured, construction contracts are in place, project completed).

(B) Is the renewable energy system project complete? If so, what is the actual amount of energy being produced?

(vi) Other reports. The Agency may request any additional project and/or performance data for the project for which grant funds have been received.

15 Financial Management System and Records. Grantees are required to maintain a financial management system and records in accordance with 7 CFR 3015.

16 Grant servicing. Grants will be serviced in accordance with the Departmental regulations and 7 CFR part 1951, subparts E and O. Grantees will permit periodic inspection of the project records and operations by a representative of the Agency. All non-confidential information resulting from the grantee’s activities shall be made available to the general public on an equal basis.

17 Programmatic changes. The Grantee shall obtain prior Agency approval for any change to the scope or objectives of the approved project. Failure to obtain prior approval of changes to the scope of work or budget may result in suspension, termination, and recovery of grant funds.

18 Transfer of obligations. Subject to Agency approval, an obligation of funds established for a grantee may be transferred to a different (substituted) grantee provided:

(i) The substituted grantee (A) is eligible;

(B) has a close and genuine relationship with the original grantee; and

(C) has the authority to receive the assistance approved for the original grantee; and

(ii) The type of renewable energy technology and the scope of the project for which the Agency funds will be used remain unchanged.

19 Grant closeout and related activities. In addition to the requirements specified in the Departmental regulations, failure to submit satisfactory reports on time under the provisions of the Monitoring and Reporting Project Performance requirements of this Notice may result in the suspension or termination of a grant. The provisions of this section apply to grants and sub-grants.

VI. Administrative Information Applicable to This Notice

A. Notifications

(1) Eligibility. If an applicant is determined by the Agency to be eligible for participation, the Agency will notify the applicant in writing. If an applicant is determined by the Agency to be ineligible, the Agency will notify the applicant in writing, as to the reason(s) the applicant was rejected. Such applicant will have appeal rights as specified in this Notice.

(2) Award. Each applicant will be notified of the Agency’s decision on their application.

B. Administrative and National Policy Requirements

(1) Review or appeal rights. A person may seek a review of an Agency
decision under this Notice from the appropriate Agency official that oversees the program in question or appeal to the National Appeals Division in accordance with 7 CFR part 11 of this title. If the review or appeal involves a combination funding request, both the lender and borrower must request the review or appeal.

(2) Notification. If at any time prior to application approval it is decided that favorable action will not be taken on an application, the Agency will notify the applicant in writing of the decision and of the reasons why the request was not favorably considered. The notification will inform applicant officials of their rights to informal review, mediation, and appeal of the decision in accordance with 7 CFR part 11 and 7 CFR part 1900, subpart B.

C. Exception Authority

Except as specified in paragraphs (1) through (3) of this section, the Administrator may make exceptions to any requirement or provision of this Notice, if such exception is in the best financial interests of the Federal Government and is otherwise not in conflict with applicable laws.

(1) Applicant eligibility. No exception to applicant eligibility can be made.

(2) Project eligibility. No exception to project eligibility can be made.

(3) Rural area definition. No exception to the definition of rural area can be made.

D. Member or Delegate Clause

No member of or delegate to Congress shall receive any share or part of this grant or any benefit that may arise therefrom; but this provision shall not be construed to bar as a contractor under the grant a publicly held corporation whose ownership might include a member of Congress.

E. Other USDA Regulations

Feasibility study grants awarded under this Notice are subject to the provisions of the Department regulations, as applicable, which are incorporated by reference herein.

VII. Agency Contacts

Notice Contact. For further information about this Notice, please contact the USDA Rural Development-Energy Division, Program Branch, STOP 3225, Room 6867, 1400 Independence Avenue, SW., Washington, DC 20250–3225. Telephone: (202) 720–1400.

For assistance on this Notice, please contact one of Rural Development’s Rural Energy Coordinators, as provided in the Addresses section of this Notice.

VIII. Nondiscrimination Statement

USDA prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual’s income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA’s TARGET Center at (202) 720–6266 (voice) and TDD. To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, DC 20250–9410, or call (800) 795–3272 (voice), or (202) 720–6382 (TDD). “USDA is an equal opportunity provider, employer, and lender.”

IX. Civil Rights Compliance Requirements

All grants and guaranteed loans made under this Notice are subject to title VI of the Civil Rights Act of 1964 and part 1901, subpart B of this title.

Dated: May 18, 2009.

William F. Hagy III
Acting Administrator, Rural Business-Cooperative Service.

Appendix A—Technical Reports for Hydropower Projects

The technical requirements specified in this appendix apply to all hydropower projects. Hydropower projects are those projects that create energy from moving water, including, but not necessarily limited to, ocean movement (tidal, wave, current, or thermal changes); diverted run-of-river water; in-stream run-of-river water; in-conduit water; or geo-thermally heated surface water.

The Technical Report for hydropower projects must demonstrate that the project design, procurement, installation, startup, operation, and maintenance of the renewable energy system will operate or perform as specified over its design life in a reliable and cost-effective manner. The Technical Report must also identify all necessary project agreements, demonstrate that those agreements will be in place, and that necessary project equipment and services are available over the design life.

All technical information provided must follow the format specified in this appendix. Supporting information may be submitted in other formats. Design drawings and process flowcharts are encouraged as exhibits. A discussion of each topic is not necessary if the topic is not applicable to the specific project. Questions identified in the Agency’s technical review of the project must be answered to the Agency’s satisfaction before the application will be approved. The applicant must submit the original technical report plus one copy to the Rural Development State Office. Hydropower projects with total eligible project costs greater than $400,000 require the services of a licensed professional engineer (PE). The hydropower project team should consist of a system designer, a project manager, an equipment supplier, a project engineer, a construction contractor, and a system operator and maintainer. One individual or entity may serve more than one role. The project team must have demonstrated expertise in hydropower development, engineering, installation, and maintenance.

The Technical Report for hydropower projects must also provide:

(1) Discuss the proposed project delivery method. Such methods include a design, bid, build where a separate engineering firm may design the project and prepare a request for bids and the successful bidder constructs the project at the applicant’s risk, and a design-build method, often referred to as turnkey, where the applicant establishes the specifications for the project and secures the services of a developer who will design and build the project at the developer’s risk;

(2) Discuss the hydropower equipment manufacturers of major components being considered in terms of the length of time in business and the number of units installed at the capacity and scale being considered;

(3) Discuss the project manager, equipment supplier, system designer, project engineer, and construction contractor qualifications for engineering, designing, and installing hydropower systems, including any relevant certifications by recognized organizations. Provide a list of the same or similar projects designed, installed, or supplied and currently operating with references, if available; and

(4) Describe the system operator’s qualifications and experience for servicing, operating, and maintaining hydropower projects. Provide a list of the same or similar projects designed, installed, or supplied and currently operating with references, if available.

(b) Agreements, permits, and certifications. Identify all necessary agreements and permits required for the project and the status and schedule for securing those agreements and permits, including the items specified in paragraphs (b)(1) through (6) below.

(1) Identify zoning and code issues and required permits and the anticipated schedule for meeting those requirements and securing those permits. This list should include all local, state, and federal permits required, estimated timeline for each permit and current status of acquiring each permit.
(2) Identify land use agreements required for the project and the anticipated schedule for securing the agreements and the term of those agreements.

(3) Identify available component warranties for the specific project location and size.

(4) For systems planning to interconnect with a utility, describe the utility’s system interconnection requirements, power purchase arrangements, or licenses where required and the anticipated schedule for meeting those requirements and obtaining those agreements.

(5) Identify all environmental issues, including environmental compliance issues, associated with the project on Form RD 1940–20, “Request for Environmental Information,” and in compliance with 7 CFR part 1940, subpart G, of this title. (Note: The environmental review process, including all required publications must be completed prior to approval of any Rural Development funding.) The applicant may want to work with the organizations involved with the project, to promulgate a single environmental review document.

(6) Submit a statement certifying that the project will be installed in accordance with applicable local, State, and national codes, regulations, and permits.

(c) Resource assessment. Provide adequate and appropriate data to demonstrate the amount of renewable resource available. Indicate the quality of the resource, including temperature (if applicable), flow, and sustainability of the resource, including a summary of the resource evaluation process and the specifications of the measurement setup and the date and duration of the evaluation process and proximity to the proposed site. If less than 1 year of data is used, a qualified consultant must provide a detailed analysis of the correlation between the site data and a nearby, long-term measurement site.

(d) Design and engineering. Provide authoritative evidence that the system will be designed and engineered so as to meet its intended purpose, will ensure public safety, and will comply with applicable laws, regulations, agreements, permits, codes, and standards. Projects shall be engineered by a qualified party. Systems must be engineered as a complete, integrated system with matched components. The engineering must be comprehensive, including site selection, system and component selection, conversion system component and selection, design of the local collection grid, interconnection equipment selection, and system monitoring equipment. Systems must be constructed by a qualified party.

(1) Provide a concise but complete description of the hydropower project, including location of the project, resource characteristics, system specifications, electric power system interconnection equipment and protection equipment. Identify possible vendors and models of major system components. Provide the expected system energy production on a monthly and annual basis.

(2) Describe the project site and address issues such as site access, proximity to the electrical grid, environmental concerns with emphasis on land use, air quality, water quality, habitat fragmentation, visibility, noise, construction, and installation issues. Identify any unique construction and installation issues.

(e) Project development schedule. Identify each significant event and its beginning and end and its relationship to the time needed to initiate and carry the project through startup and shakedown. Provide a detailed description of the project timeline, including resource assessment, project design and site design, permits and agreements, equipment procurement, and system installation from excavation through startup and shakedown.

(f) Project economic assessment. Provide a study that describes the costs and revenues of the proposed project to demonstrate the financial performance of the proposed project. Provide a detailed analysis and description of project costs, including project management, resource assessment, project design, project permitting, land agreements, equipment procurement, and system installation.

(g) Equipment procurement. Demonstrate that equipment required by the system is available and can be procured and delivered within the proposed project development schedule. Hydropower systems may be constructed of components manufactured in more than one location. Provide a description of any unique equipment procurement issues such as scheduling and timing of component manufacture and delivery, ordering, warranties, shipping, receiving, and on-site storage or inventory. Provide a detailed description of equipment certification. Identify all the major equipment that is proprietary and justify how this unique equipment is needed to meet the requirements of the proposed design. Include a statement from the applicant certifying that “open and free” competition will be used for the procurement of project components in a manner consistent with the requirements of 7 CFR part 3015 of this title.

(h) Equipment installation. Describe fully the management of and plan for site development and system installation, provide details regarding the scheduling and procurement of major equipment, including cranes, barges or other devices, needed for project construction, and provide a description of the startup and shakedown specifications and process and the conditions required for startup and shakedown for each equipment item individually and for the system as a whole. Include a statement from the applicant certifying that equipment installation will be made in accordance with all applicable safety and work rules.

(i) Operations and maintenance. Identify the operations and maintenance requirements of the system necessary for the system to operate as designed over the design life. The application must:

(1) Ensure that systems must have at least a 3-year warranty for equipment. Provide information regarding turbine warranties and availability of spare parts.

(2) Describe the routine operations and maintenance requirements of the proposed project, including maintenance schedules for the mechanical and electrical systems and system monitoring and control requirements; and

(3) Provide information that supports expected design life of the system and timing of major component replacement or rebuilds.

(4) Provide and discuss the risk management plan for handling large, potential failures of major components such as the turbine gearbox or rotor. Include in the risk management plan the costs and liabilities associated with the operation and maintenance of the system, and plans for in-sourcing or out-sourcing;

(5) Describe opportunities for technology transfer for long-term project operations and maintenance by a local entity or owner/ operator; and

(6) For owner maintained portions of the system, describe any unique knowledge, skills, or abilities needed for service operations or maintenance.

(j) Dismantling and disposal of project components. Describe a plan for dismantling and disposing of project components and associated wastes at the end of their useful lives. Describe the budget for and any unique concerns associated with the dismantling and disposal of project components and their wastes.

Appendix B—Renewable Energy System Feasibility Study

Elements in an acceptable feasibility study include, but are not necessarily limited to, the following elements:

• Executive Summary
• Financial Feasibility
• Economic Feasibility
• Market Feasibility
• Technical Feasibility (including the appropriate technical report)
• Management Feasibility
• Qualifications

As noted above, both a technical report for the project and an economic analysis of the project are required as part of the feasibility study. The technical report to be provided must conform to that required under 7 CFR part 4280, as applicable or, if the renewable energy system is a hydropower project, under this notice. The following paragraphs describe the contents that each of section that the feasibility study must contain, as applicable:

Executive Summary. Provide an introduction and overview of the project. In the overview, describe the nature and scope of the proposed project, including purpose, project location, design features, capacity, and estimated total capital cost. Include a summary of each of the elements of the feasibility study, including:

...
• Economic feasibility determinations.
• Market feasibility determinations.
• Technical feasibility determinations.
• Financial feasibility determinations.
• Management feasibility determinations.

In addition, include a section on recommendations for implementation of the proposed project.

Economic Feasibility. Provide information regarding project site; the availability of trained or trainable labor; and the availability of infrastructure, including utilities, and rail, air and road service to the site. Discuss feedstock source management, including estimated amount of annual feedstock and biofuel and byproduct dollars from producer associations and cooperatives.

Market Feasibility. Provide information on the sales organization and management. Discuss the nature and extent of market and market area; the marketing plans for sale of projected output, including both the principle products and the by-products. Discuss the extent of competition including other similar facilities in the market area.

Provide projected total supply and projected competitive demand of raw materials. Describe the procurement plan, including projected procurement costs and the form of commitment of raw materials (marketing agreements, etc.). Identify commitments from customers or brokers for both the principle products and by-products. Discuss all risks related to the industry, including industry status.

Technical Feasibility. The technical feasibility report shall be based upon verifiable data and contain sufficient information and analysis so that a determination may be made on the technical feasibility of achieving the levels of income or production that are projected in the financial statements. The Project engineer or architect is considered an independent party provided neither the principals of the firm nor any individual of the firm who participates in the technical feasibility report has a financial interest in the project. If no other individual or firm with the expertise necessary to make such a determination is reasonably available to perform the function, an independent firm that is not independent may be used.

Identify any constraints or limitations in the financial projections and any other facility or design-related factors that might affect the success of the enterprise. Identify and estimate project operation and development costs and specify the level of accuracy of these estimates and the assumptions on which these estimates have been based.

Discuss all risks related to construction of the project and regulation and governmental action as they affect the technical feasibility of the project.

Financial Feasibility. Discuss the reliability of the financial projections and assumptions on which the financial statements are based including all sources of project capital both private and public, such as Federal funds. Provide for three years (minimum) projected balance sheets and income statements and cash flow projections for the life of the project. Discuss the ability of the business to achieve the projected income and cash flow. Provide an assessment of the cost accounting system. Discuss the availability of short-term credit or other means to meet seasonal business costs and the adequacy of raw materials and supplies. Provide a sensitivity analysis, including feedstock and energy costs. Discuss all risks related to the project, borrower financing plan, the operational units, and tax issues.

Management Feasibility. Discuss the continuity and adequacy of management. Identify borrower and/or management’s previous experience concerning the receipt of federal financial assistance, including amount of funding, date received, purpose, and outcome. Discuss all risks related to the borrower as a company (e.g., borrower is at the Development-Stage) and conflicts of interest. Identify agreements, etc.). Discuss all risks related to the borrower as a company (e.g., borrower is at the Development-Stage) and conflicts of interest. Identify agreements, etc.). Discuss all risks related to the borrower as a company (e.g., borrower is at the Development-Stage) and conflicts of interest.

Qualifications. Provide a resume or statement of qualifications of the author of the feasibility study, including prior experience.

Appendix C—Grant Agreement for Renewable Energy System Feasibility Studies

This GRANT AGREEMENT is a contract for receipt of grant funds to conduct feasibility studies for renewable energy system projects under the Rural Energy for America program, Title IX, Section 9001 of the Food, Conservation, and Energy Act of 2008.” (Pub. L. 110–234) between the Grantee and the United States of America acting through Rural Development, Department of Agriculture (Grantor). All references herein to “Project” refer to renewable energy system feasibility study project identified in the work plan submitted with the application. Should actual project costs be lower than projected in the work plan, the final amount of grant may be adjusted.

(1) Assurance Agreement

Grantee assures the Grantor that Grantee is in compliance with and will comply in the course of the Agreement with all applicable laws, regulations, Executive Orders, and Federal, State and Local regulations, including those contained in the Departmental regulations as codified in 7 CFR parts 3000 through 3099, including but not necessarily limited to 7 CFR parts 3015 and successor regulations to these parts, which are incorporated into this Agreement by reference, any Notices relating to this program published in the Federal Register, and other applicable statutory provisions.

Any application submitted by the Grantee for this grant, including any attachments or amendments, is incorporated and included as part of this Agreement. Any changes to these determinations or this Agreement must be approved in writing by the Grantor.

In addition to any other rights, the Grantor may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement.

(2) Use of Grant Funds

Grantee will use grant funds and leveraged funds only for the purposes and activities specified in the application approved by the Grantor including the approved budget. Budget and approved use of funds are as further described in the Grantor Letter of Conditions and amendments or supplements thereto. Any uses not identified for in the approved budget must be approved in writing by the Grantor.

(3) Civil Rights Compliance

Grantee will comply with Executive Order 12898, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973. This shall include collection and maintenance of data on the race, sex, disability, faith based (if applicable) and national origin of the Grantee’s membership/ownership and employees. These data must be available to the Grantor in its conduct of Civil Rights Compliance Reviews, which will be conducted prior to grant closing and 3 years later, unless the final disbursement of grant funds has occurred prior to that date.

(4) Financial Management Systems

A. Grantee will provide a Financial Management System in accordance with 7 CFR part 3015, including but not limited to:

(1) Records that identify adequately the source and application of funds for grant-supported activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income;

(2) Effective control over and accountability for all funds, property, and other assets. Grantees shall adequately safeguard all such assets and ensure that they are used solely for authorized purposes;

(3) Accounting records prepared in accordance with generally acceptable accounting principles (GAAP) or with principles that are generally required by commercial agriculture lenders and supported by source documentation; and

(4) Grantee tracking of fund usage and records that show matching funds and grant funds are used in equal proportions. The Grantee will provide verifiable documentation regarding matching funds usage, i.e., bank statements or copies of funding obligations from the matching source.

B. Grantee will retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least 3 years after completion of grant activities, except that the
(5) Procurement
Grantee will comply with the applicable procurement requirements of 7 CFR part 3015 regarding standards of conduct, open and free competition, access to contractor records, and equal employment opportunity requirements.

(6) Monitoring and Reporting
A. After grant approval through project completion, the Grantee shall:
1. Constantly monitor performance to ensure that time schedules are being met and projected goals by time periods are being accomplished.
2. Submit semiannual performance reports to the Grantor. Each report shall describe current progress and identify any problems, delays, or adverse conditions, if any, which have affected or will affect attainment of overall project objectives or prevent meeting time frame for completion of the feasibility study within two years. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation.
B. Following completion of the feasibility study, Grantee shall submit to the Grantor:
1. The project feasibility study and SF–270, “Request for Advance or Reimbursement,” when the feasibility study has been completed; and
2. A final SF–269, “Financial Status Report” and a final performance report within 90 days of the completion of the feasibility study. When submitting the final SF–269, Grantee must submit sufficient documentation, including invoices, to allow the Grantor to verify that said project was completed within the total sums available to it, including the grant and matching funds, in accordance with the work plan and any necessary modifications thereof prepared by grantees and approved by the Grantor; and
C. Beginning the first full year after the feasibility study has been completed, Grantee shall report to the Grantor annually for 2 years on the following:
   1. Is the renewable energy system project for which the feasibility study was conducted underway as a result of the feasibility findings? If yes, describe how far along the renewable energy system project is (e.g., financing has been secured, site has been secured, construction contracts are in place, project completed).
   2. Is the renewable energy system project complete? If so, what is the actual amount of energy being produced?
   D. Other reports. Grantee may request any additional project and/or performance data for the project for which grant funds have been received.
   E. Records access. Grantee shall after project completion allow Grantor access to the records and performance information obtained under the scope of the project.

(7) Fund Disbursement
Grant funds will be expended on a pro rata basis with matching funds.
A. Grantee may submit requests for reimbursement monthly or more frequently if authorized to do so by the Agency. Ordinarily, Grantor will make payment within 30 days after receipt of a proper request for reimbursement.
B. Grantee shall not request reimbursement for the Federal share of amounts withheld from contractors to ensure satisfactory completion of work until after it makes those payments.
C. Payment shall be made by electronic funds transfer.
D. An SF–270, “Request for Advance or Reimbursement,” must be completed by the Grantee and submitted to the Agency at the completion of the feasibility study.
E. Grantor will disburse grant funds to the Grantee in accordance with the above through 90 percent of grant disbursement. Grantor will hold 10 percent of grant funds until Grantee has submitted a feasibility study acceptable to the Grantor.

(8) Use of Remaining Grant Funds
Grant funds not expended within 24 months from date of this agreement after being used for eligible grant purposes will be cancelled by the Agency. Prior to the actual cancellation, the Agency will notify, in writing, the Grantee of the Agency’s intent to cancel the remaining funds.

In witness whereof, Grantee has this day authorized and caused this Agreement to be signed in its name and its corporate seal to be hereunto affixed and attested by its duly authorized officers thereunto, and the Grantee has caused this Agreement to be duly executed in its behalf by:

GRANTOR
Name: [Name]
Title: [Title]
Date: [Date]
United States of America Rural Development By:

GRANTEE
Name: [Name]
Title: [Title]
Date: [Date]

[FR Doc. E9–12178 Filed 5–22–09; 8:45 am]
BILLING CODE 3410–XY–P

DEPARTMENT OF AGRICULTURE

Forest Service

Notice of Resource Advisory Committee Meeting


ACTION: Notice of meeting.

SUMMARY: This notice is published in accordance with section 10(a)(2) of the Federal Advisory Committee Act. Meeting notice is hereby given for the Ouachita-Ozark Resource Advisory Committee pursuant to Section 205 of the Secure Rural Schools and Community Self-Determination Act of 2000, Public Law 106–393. Topics to be discussed include: general information, proposals, updates on current or completed Title II projects, and next meeting agenda.

DATES: The meeting will be held on June 30, 2009, beginning at 6 p.m. and ending at approximately 9 p.m.

ADDRESSES: The meeting will be held at the Janet Huckabee Arkansas River Valley Nature Center, 8300 Wells Lake Road, Barling, Arkansas.

FOR FURTHER INFORMATION CONTACT: Caroline Mitchell, Committee Coordinator, USDA, Ouachita National Forest, P.O. Box 1270, Hot Springs, AR 71902. (501–321–5318).

SUPPLEMENTARY INFORMATION: The meeting is open to the public. Committee discussion is limited to Forest Service staff, Committee members, and elected officials. However, persons who wish to bring matters to the attention of the Committee may file written statements with the Committee staff before or after the meeting. Individuals wishing to speak or propose agenda items must send their names and proposals to Bill Pell, DFO, P.O. Box 1270, Hot Springs, AR 71902.

Dated: May 18, 2009.

Bill Pell,
Designated Federal Official.

[FR Doc. E9–12003 Filed 5–22–09; 8:45 am]
BILLING CODE 3410–52–M

DEPARTMENT OF AGRICULTURE

Forest Service

Notice of Resource Advisory Committee Meeting


ACTION: Notice of meeting.

SUMMARY: Pursuant to the authorities in the Federal Advisory Committee Act (Pub. L. 92–463) and under the Secure Rural Schools and Community Self-Determination Act of 2000 (Pub. L. 110–343) the Nez Perce and Clearwater National Forests’ North Central Idaho Resource Advisory Committee will meet...