

**2020 Supporting Statement**  
**OMB No. 0570-0067**  
**7 CFR Part 4280**  
**Rural Energy for America Program**

**A. Justification**

**1. Explain the circumstances that make the collection of information necessary.**

Rural Development is implementing a new consolidated guaranteed loan regulation, 7 CFR 5001, OneRD Guarantee Loan Program. This final rule created a new guaranteed loan program which combined four existing guaranteed loan programs under one regulatory platform. The four existing programs are: (1) the Community Facilities Program (0575-0137), (2) the Water and Waste Disposal Program (0572-0122), (3) the Business and Industry Program (0570-0014), and (4) the Rural Energy for America Program (formerly known as the Renewable Energy Systems and Energy Efficiency Improvements Program – 0570-0050) under Title IX, Section 9007 of the Food, Conservation, and Energy Act of 2008 (2008 Farm Bill). The result of this new program removes the Guarantee Loan program from 7 CFR 4280 and thus requires a revision to the existing 7 CFR 4280 regulation.

The Rural Energy for America Program, which supersedes the Renewable Energy Systems and Energy Efficiency Improvements Program under Title IX, Section 9006 of the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill) is designed to help agricultural producers and rural small business reduce energy cost and consumption, develop new income streams, and help meet the nation's critical energy needs by requiring the Secretary of Agriculture to provide grants and/or loan guarantees for several types of projects as follows:

- Grants and grants and loan guarantees (combined funding) to agricultural producers and rural small businesses to purchase renewable energy systems and make energy efficiency improvements.
- Grants to eligible entities to provide energy audits and renewable energy development assistance to enable agricultural producers and rural small businesses to become more energy efficient and to use renewable energy technologies and resources. Entities eligible to receive grants under this program are State, tribal and local governments; land-grant colleges and universities or other institutions of higher learning; rural electric cooperatives; public power entities; Resource Conservation and Development Councils and instrumentalities of local, state, and federal governments. These grant funds may be used to conduct and promote energy audits; provide recommendations and information on how to improve the energy efficiency of the operations of the agricultural producers and rural small businesses; and provide recommendations and information on how to use renewable energy technologies and resources in the operations. No more than five (5) percent of the grant can be used for administrative purposes. Agricultural producers and rural small businesses for which a grantee is conducting an energy audit must pay at least 25 percent of the cost of the energy audit.

**2. Explain how, by whom, and for what purpose the information is to be used.**

Agricultural producers and rural small businesses that wish to apply for a RES/EEI grant will have to submit applications with specified forms, certifications, and agreements to the Agency. Applicants seeking an EA/REDA grant will have to submit applications that include a project proposal with specified information, certifications, and agreements to the Agency.

For RES/EEI applications, this information will be used to determine applicant eligibility, to determine project eligibility and technical merit, and to ensure that grantees operate on a sound basis and use funds for authorized purposes. For EA/REDA applications, this information will be used to determine applicant and project eligibility and to ensure that funds are used for authorized purposes.

## **GRANTS – RES and EEI**

### **REPORTING REQUIREMENTS – NO FORMS**

Reviews and appeals - The applicant, borrower, lender, or holder may seek a review or appeal any adverse Agency decision. Appeals are handled in accordance with Departmental appeal regulations.

Discrimination Complaints - Persons or a specific class of persons whom believe they have been discriminated against may file a complaint with USDA, Office of Adjudication.

Application Withdrawal - The applicant, borrower, or lender during the period between the submission of the application and the execution of award documents, may request to withdraw their application in writing.

Notification - The Agency will notify an applicant, borrower, and/or lender if the application submitted is complete and eligible or an ineligible application. If the decision is not to fund an application, the applicant will also be notified in writing with any applicable appeal or review rights.

Technical Report Modifications - If a technical report is modified the applicant is required to submit that modification to the Agency for review and concurrence.

Time Extensions - The grantee has two years to expend grant funds from the date the Financial Assistance Agreement is signed by the Agency. The grantee can submit a no-cost extension request no later than 30 days prior to the grant period expiration date that explains any extenuating circumstances for the delay and why an approval is in the government's best interest.

Grantee statement for accepting contractor's work - Upon completion of a project with total project costs of less than \$200,000, the grantee must submit a copy of the contractor's certification of final completion and a statement that the grantee accepts the work completed. For grant projects \$200,000 or greater, the grantee is required to utilize different contracting requirements per §4280.125

System for Awards Management (SAM) and Dun and Bradstreet Data Universal Numbering System (DUNS) - Unless exempt under 2 CFR § 25.110, the grantee must be registered in the SAM prior to submitting an application or plan, maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by the Agency, and provide its DUNS number in each application it submits to the Agency. In addition, the grantee must report to the Agency the number and expiration date of the applicant's SAM Commercial and Government Entity (CAGE) number. Once the applicant has received the SAMs/DUNS number, the applicant is requested to provide the information as part of the application. .

Association or Relationship with Rural Development Employees - The applicant must identify whether or not they have a known relationship or association with an Agency employee. If there is a known relationship, the applicant must identify each Agency employee with whom the applicant has a known relationship.

Environmental Report - The ER will include a complete description of all components of the applicant's proposal and any connected actions, including its specific location on detailed site plans as well as location maps and information from authoritative sources acceptable to the Agency confirming the presence or absence of sensitive environmental resources in the area that could be affected by the applicant's proposal. The ER submitted must be accurate, complete, and capable of verification.

#### GRANTS – RES and EEI APPLICATIONS

The Agency has defined three application categories based upon total project cost and has developed separate applications forms for each category. Applications are separated by the cost of the proposed project. Each form incorporates the applicable requirements identified below which are required by the regulations. Form RD 4280-3C, includes requirements for projects with total project cost of \$200,000 and greater; Form RD 4280-3B, includes requirements for projects with total project cost of less than \$200,000, but more than \$80,000; and Form RD 4280-3A, includes requirements for projects with total project cost of \$80,000 or less.

**For projects with a total project cost of \$200,000 and greater, (Form RD 4280-3C) and projects with a total project cost of less than \$200,000, but more than \$80,000, (Form RD 4280-3B) the following is required unless otherwise noted.**

1. Applicant type – Applicants must certify that they meet the definition of agricultural producer or rural small business as defined in § 4280.103. Also, a description of the applicant's farm/ranch/business operation should be included.

2. Applicant description – Applicants must describe how they meet the ownership requirements and include any information on affiliated companies. This information is requested in Block V of both Form RD 4280-3B and Form RD 4280-3C. Furthermore, applicants must certify regarding ownership and site control.
3. Financial information (only on projects with a total project cost of \$200,000 and greater) Form RD 4280-3C – Financial information is required on the total operation of the agricultural producer/rural small business and all entity(ies) it controls or is controlled by. The applicant must provide historical financial statements prepared in accordance with accounting practices acceptable to the Agency for the past 3 years, including income statements and balance sheets. Applicant must provide a current balance sheet and income statement dated within 90 days of the application. In addition, applicants must provide pro forma balance sheet at startup of the agricultural producer's/rural small business' business that reflects the use of the loan proceeds or grant award; and 3 additional years, indicating the necessary start-up capital, operating capital, and short-term credit; and projected cash flow and income statements for 3 years supported by a list of assumptions showing the basis for the projections.
4. Previous grants and loans – Applicants must discuss whether they have received any grants and/or loans under this subpart. If the applicant has, identify each such grant and/or loan and describe the progress the applicant has made on each project for which the grant and/or loan was received, including projected schedules and actual completion dates.
5. Project information – Applicants must provide information concerning the proposed project as a whole and its relationship to the applicant's operations, including the whether the project is for a renewable energy system or an energy efficiency improvement project, a description of the process that will be used to conduct all procurement transactions to demonstrate compliance with § 4280.125(a)(1), a description of how the proposed project will have a positive effect on resource conservation, public health, and the environment and also they must identify the amount of matching funds and the source(s) they are proposing to use for the project.
6. Feasibility study - A feasibility study prepared by a qualified consultant may be required for renewable energy system projects based on the scope of the project to the applicant's overall operations, including new facilities with significant impacts to an existing operation, or when the application information or technical report does not provide sufficient documentation and analysis of the project's engineering, technical, financial, or market feasibility, or the economic viability of the project including feedstock or off-take agreements, that in total can determine a basis for a successful project. The business-level feasibility study must include an evaluation of the market, financial, economic, technical, and management feasibility of the proposed project. This study must also include an opinion and a recommendation by the qualified consultant. Energy efficiency improvement projects do not require a feasibility study to be completed.

7. Technical report - Applicants must submit a technical report that conforms to Appendix A in the rule for energy efficiency improvement projects and Appendix B for renewable energy system projects with total eligible project costs of less than \$200,000, but more than \$80,000, or Appendix C for renewable energy projects with total eligible project costs of \$200,000 and greater.
8. Self-score - Applicants have the option to submit a self-score of the project using the evaluation criteria in § 4280.121, including appropriate calculations and attached documentation, or specific cross-references to information elsewhere in the application. Since this information is optional, it is not part of either Form RD 4280-3B or Form RD 4280-3C.
9. Applicant certification - Each applicant must certify that: (1) the applicant is a legal entity in good standing (as applicable), and operating in accordance with the laws of the state(s) where the applicant has a place of business, (2) the equipment required (if applicable) for the project is available, can be procured and delivered within the proposed project development schedule, and must be installed in conformance with manufacturer's specifications and design requirements, and (3) the project will be constructed in accordance with applicable laws, regulations, agreements, permits, codes, and standards. An applicant that submits an application for a project with a total project cost of less than \$200,000, but more than \$80,000 must also certify that the applicant meets all of the requirements for submitting in accordance with § 4280.119 (a)

**For projects with a total project cost of \$80,000 or less, the following is required unless otherwise noted.**

1. Self-score - Applicants have the option to submit a self-score of the project using the evaluation criteria in § 4280.121, including appropriate calculations and attached documentation, or specific cross-references to information elsewhere in the application. Since this information is optional, it is not part of Form RD 4280-3A.
2. Applicant certification – Each applicant must certify that: (1) the applicant is a legal entity in good standing (as applicable), and operating in accordance with the laws of the state(s) where the applicant has a place of business, (2) the equipment required (if applicable) for the project is available, can be procured and delivered within the proposed project development schedule, and must be installed in conformance with manufacturer's specifications and design requirements, and (3) the project will be constructed in accordance with applicable laws, regulations, agreements, permits, codes, and standards. An applicant that submits an application for a project with a total project cost of less than less than \$80,000 must also certify that the applicant meets all of the requirements for submitting in accordance with 4280.120(a).
3. Previous grants and loans – Applicants must discuss whether they have received any

grants and/or loans under this subpart. If the applicant has, identify each such grant and/or loan and describe the progress the applicant has made on each project for which the grant and/or loan was received, including projected schedules and actual completion dates.

4. Project information – Applicants must provide information on whether the project is for a renewable energy system or an energy efficiency improvement project, the primary NAICS code applicable to the applicant’s operation if known or a description of the operation in enough detail for the Agency to determine the primary NAICS code; a description of how the proposed project will have a positive effect on resource conservation, public health, and the environment and the amount of matching funds and the source(s) they are proposing to use for the project.
5. Technical reports – Energy efficiency improvement technical reports must be completed in accordance with 4280.120 (b)(3) and renewable energy system technical reports must be completed in accordance with 4280.120(b)(4).

#### **GRANTEE REQUIREMENTS – RES and EEI APPLICATIONS**

The requirements discussed in this section apply to all RES and EEI grantees, regardless of project size or type of project.

Inspection - The applicant is required to allow the Agency to schedule and conduct periodic inspections of the project that grant/loan guarantee funds were utilized during the project’s life.

Insurance - Property, liability, and national flood insurance (in accordance with 7 CFR part 1806, subpart B), and, except for projects with total eligible project costs of \$200,000 or less, business interruption insurance appropriate to the grantee’s particular business and circumstances are required.

Construction Planning and Performing Development - All applicant’s awarded funds will utilize construction planning and performing development requirements outlined in § 4280.125, as applicable. For projects with project costs over \$200,000, all construction documents, including design documents, engineering agreements, construction contracts, and pay requests need to be reviewed and concurred with by Agency personnel. Agency doesn't approve Construction Contract. Owner of the project approves and monitors construction until project completion. Owners are allowed to perform project development work provided they have experience with the construction activity being performed.

Evidence of Matching Funds - Either with the application or before the financial assistance agreement is executed, the applicant must provide written commitment of matching funds from each source.

### Power Purchase Agreement

Where applicable and unless otherwise approved by the Agency, grantees are required to provide the Agency with a copy of the executed power purchase agreement within 12 months from the date the financial assistance agreement is executed. This information is requested in the Letter of Conditions as applicable, sent to awarded applicants prior to obligation of funds.

### Programmatic Changes

The grantee must obtain prior Agency approval for any change to the costs, scope, or contractor or vendor of the approved project. Failure to obtain prior approval of any such change could result in suspension, termination, and recovery of grant funds. Requests for changes must be submitted in writing to the Agency. This information is noted in the Letter of Conditions sent to awarded applicants prior to obligation of funds.

### Transfer of Ownership

After the construction of the project, the grantee may request in writing a transfer of the financial assistance agreement to another entity. Subject to Agency approval provided in writing, the financial assistance agreement may be transferred to another entity under certain circumstances.

### Disposition Instructions for Acquired Property

Grantees must abide by the disposition requirements outlined in Departmental regulations.

### Project Performance Reports

Grantees will be required to submit a project performance report on a semiannual basis. The report will compare actual accomplishments to objectives, provide explanations if objectives are not obtained, and outline ways to correct problem situations. It will also outline objectives and timetables for the next reporting period.

### Final Project Performance

The final project development report must be submitted 90 days after project completion and include a detailed project funding and expense summary and a summary of the project's installation/construction process, including recommendations for development of similar projects by future applicants to the program.

### Outcome Project Performance Reports

Once the project has been constructed, the grantee must provide the Agency periodic reports. For renewable energy system projects, commencing the first full calendar year following the year in which project construction was completed and continuing for 3 full years, the grantee must certify that either the system has for the past year performed at the steady state operating level described in the technical report of the filed REAP application, or has not performed as described. If the system has not performed, the grantee must describe the circumstances which have occurred that have affected system performance and energy generation, as well as provide the actual annual energy production in BTUs, kilowatt-hours, or similar energy equivalents. Direct jobs created or saved as a result of REAP funding will also be verified.

For energy efficiency improvement projects, commencing the first full calendar year following the year in which project construction was completed and continuing for 2 full years, the grantee must certify that the energy efficiency improvements as outlined in the energy audit/assessment have either been utilized at or above the projected operating levels, or have not been utilized at the projected operating levels. If the system has not performed, the grantee must describe the circumstances which have occurred that have affected system performance and the amount of energy saved, as well as provide actual annual savings from the energy efficiency improvement in the calendar year. Direct jobs created or saved as a result of REAP funding will also be verified.

### **REPORTING REQUIREMENTS – FORMS APPROVED WITH THIS DOCKET**

Form RD 4280-2, “Rural Business - Cooperative Service Financial Assistance Agreement”. RBS and the grantee at grant closing execute the financial assistance agreement. This document outlines the responsibilities of the grantee. This document is necessary to ensure grant funds are used only for the purposes and activities specifically approved.

Form RD 4280-3A, “Application for Renewable Energy Systems and Energy Efficiency Improvement Projects, Total Project Cost of \$80,000 or Less.” This form collects all required information needed for a complete application for projects with total project costs of \$80,000 or less. Detailed information requested in this form is outline above.

Form RD 4280-3B, “Application for Renewable Energy Systems and Energy Efficiency Improvement Projects, Total Project Cost of Less Than \$200,000, but More Than \$80,000.” This form collects all required information needed for a complete application for projects with total project costs of less than \$200,000, but more than \$80,000. Detailed information requested in this form is outline above.

Form RD 4280-3C, “Application for Renewable Energy Systems and Energy Efficiency Improvement Projects, Total Project Cost of \$200,000 and Greater.” This form collects all required information needed for a complete application for projects with total project costs of \$200,000 and greater. Detailed information requested in this form is outline above.

Form RD 4280-3D “ Project Performance Certification.” This form used for REAP loans and grants a full year after the project is complete to report savings, generation and jobs.



## **REPORTING REQUIREMENTS - FORMS APPROVED UNDER OTHER OMB NUMBERS**

The responses and hours associated with each response on the following forms have not been included in the spread sheet that details the burden numbers because the burden for these are contained in other packages.

SF-424, "Application for Federal Assistance" (OMB No. 4040-0004). This is the standard application required to be executed for all Federal grant programs. It is the required fact sheet for applications for Federal grant funding.

SF-424C, "Budget Information – Construction Programs" (OMB No. 4040-0008). This is the standard form used by applicants to break down the line item budget costs in detail.

SF-424D, "Assurances – Construction Programs" (OMB No. 4040-0009). This is the standard form signed by applicants to provide assurances that they will meet certain requirements of OMB Circular A-102.

SF-425, "Federal Financial Report" (OMB No. 4040-0014). This is the standard form used by the grantee to confirm that funds are being spent in conformity with the budget and work plan.

SF-LLL, "Disclosure of Lobbying Activities" (OMB No. 4040-0013). Grantees who are awarded grants over \$100,000 and/or lobby are required to complete this form.

SF-271, "Outlay and Request for Reimbursement for Construction Programs" (OMB No. 4040-0011). This is the standard form used by the grantee to request advances or reimbursement of cash outlays.

Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions" or other written documentation" (OMB No. 0505-0027). This form certifies that the grantee is not presently debarred, suspended, or voluntarily excluded from covered transactions by any Federal department or agency.

Form AD-1048, "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions" or other written documentation" (OMB No. 0505-0027). This form, submitted by the grantee, certifies that lower tier participants are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any Federal department or agency.

Form RD 1940-20, "Request for Environmental Information" (OMB No. 0575-0094). This form requests, from the applicant, environmental information regarding the elements of its application. This information is, in turn, used by Rural Development to complete an environmental assessment of the application.

RD 1942-46, "Letter of Intent to Meet Conditions". This form indicates a grantee's acceptance of conditions found in the letter of conditions. (OMB No. 0570-0021, 0572-0061, 0572-0062)

Form 1940-1, "Request for Obligation of Funds". This form is completed by the grantee for each note or commitment requiring an obligation of funds. (OMB No. 0570-0061, 0570-0062)

Form RD 400-1, "Equal Opportunity Agreement". Each grantee is required to complete this form to comply with Equal Opportunity requirements. (OMB No. 0575-0018)

RD Form 400-4 "Assurance Agreement." Each grantee is required to complete this form to comply with Civil Rights Acts and laws. (OMB No. 0575-0018)

RD 400-6, "Compliance Statement". This form, submitted by the grantee, is used to reveal whether the bidder or prospective Contractor is in default with respect to Compliance reports required under any previously covered contract or subject to the "Affirmative Action Program" and to provide for certification regarding the maintenance or use of non-segregated facilities. (OMB No. 0575-0018)

RD 1924-9, "Certificate of Contractor's Release". This form, submitted by the grantee, is used by contractors to certify that payment has been made in full for all material and labor used in the performance of this contract and to release the borrower from any claims which might arise by virtue of the contract. (OMB No. 0575-0042)

RD 1924-10, "Release by Claimants". This form is prepared by the grantee/borrower in connection with work performed under the contract method when a surety bond is not used. (OMB No. 0575-0042)

## **GRANTS – EA and REDA**

### **REPORTING REQUIREMENTS – NO FORM NUMBERS**

Reviews and appeals - The grantee may appeal any adverse Agency decision. Appeals are handled in accordance with 7 CFR Part 11.

Discrimination Complaints - Persons or a specific class of persons whom believe they have been discriminated against may file a complaint with USDA, Office of Adjudication. \_

Application Withdrawal - The applicant, borrower, or lender during the period between the submission of the application and the execution of award documents, may request to withdraw their application in writing.

Notification - The Agency will notify an applicant, borrower, and/or lender if the application submitted is complete and eligible or an ineligible application. If the decision is not to fund an

application, the applicant will also be notified in writing with any applicable appeal or review rights.

System for Awards Management (SAM) and Dun and Bradstreet Data Universal Numbering System (DUNS) - Unless exempt under 2 CFR § 25.110, the grantee must be registered in the SAM prior to submitting an application or plan, maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by the Agency, and provide its DUNS number in each application or plan it submits to the Agency. This is required in Block III of the 4280-3A, 3B, and 3C.

Applicant Requirements - Applicants must submit an application narrative that contains the following elements:

1. Certification that the applicant is a legal entity in good standing (as applicable), and operating in accordance with the laws of the state(s) where the applicant has a place of business.
2. A proposed scope of work to include the following items:
  - a. A brief summary including a project title describing the proposed project;
  - b. Goals of the proposed project;
  - c. Geographic scope or service area of the proposed project and the method and rationale used to select the service area;
  - d. Identification of the specific needs for the service area and the target audience to be served. The number of agriculture producers and/or rural small businesses to be served should be identified including name and contact information if available as well as the method and rationale used to select the agriculture producers and/or rural small businesses;
  - e. Timeline describing the proposed tasks to be accomplished and the schedule for implementation of each task. Include whether organizational staff, consultants, or contractors will be used to perform each task. If a project is located in multiple states, resources must be sufficient to complete all projects;
  - f. Marketing strategies to include a discussion on how the applicant will be marketing and providing outreach activities to the proposed service area ensuring that agriculture producers and/or rural small businesses are served;
  - g. Applicant's experience as follows:
    - i. If applying for a renewable energy development assistance grant, the applicant's experience in completing similar renewable energy development assistance activities, including the number of similar projects the applicant has performed and the number of years the applicant has been performing a similar service.
    - ii. If applying for an energy audit grant, the number of energy audits the applicant has completed and the number of years the applicant has been performing those services;
    - iii. For all applicants, the amount of experience in administering energy audit,

- renewable energy development assistance, or similar activities as applicable to the purpose of the proposed project. Provide discussion if the applicant has any existing programs that can demonstrate the achievement of energy savings or energy generation with the agricultural producers and/or rural small businesses the applicant has served. If the applicant has received one or more awards within the last 5 years in recognition of its renewable energy, energy savings, or energy-based technical assistance, please describe the achievement; and
- h. Identify the amount of matching funds and the source(s) the applicant is proposing to use for the project. Provide written commitments for matching funds at the time the application is submitted.
3. The applicant must identify whether or not the applicant has a known relationship or association with an Agency employee. If there is a known relationship, the applicant must identify each Agency employee with whom the applicant has a known relationship.

## **GRANTEE REQUIREMENTS**

### Insurance

The grantee must provide satisfactory evidence to the Agency that all officers of grantee organization authorized to receive and/or disburse Federal funds are covered by such bonding and/or insurance requirements as are normally required by the grantee.

### Evidence of Matching Funds

Either with the application or before obligation of funds, the applicant must provide written commitment of matching funds from each source.

### Programmatic Changes

The grantee must obtain prior Agency approval for any change to the costs, scope, or contractor or vendor of the approved project. Failure to obtain prior approval of any such change could result in suspension, termination, and recovery of grant funds. Requests for changes must be submitted in writing to the Agency.

### Transfer of Ownership

After the construction of the project, the grantee may request in writing a transfer of the financial assistance agreement to another entity. Subject to Agency approval provided in writing, the financial assistance agreement may be transferred to another entity under certain circumstances.

### Audit Requirement

For the years in which grant funds are received, the grantee may be required to submit an audit in accordance with 2 CFR part 200.

### Semiannual Project Performance Reports

Project performance reports shall include, but not be limited to, the following:

- a. A comparison of actual accomplishments to the objectives established for that period (e.g., the number of audits performed, number of recipients of renewable energy development assistance);
- b. A list of recipients, each recipient's location, and each recipient's North American Industry Classification System code;
- c. Problems, delays, or adverse conditions, if any that have in the past or will in the future affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of particular project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation;
- d. Objectives and timetable established for the next reporting period.

#### Final Project Performance

A final performance report will be required within 90 days after project completion and must include:

1. For energy audit projects, the final performance report must provide complete information regarding:
  - a. The number of audits conducted,
  - b. A list of recipients (agricultural producers and rural small businesses) with each recipient's North American Industry Classification System code,
  - c. The location of each recipient,
  - d. The cost of each audit and documentation showing that the recipient of the EA provided 25 percent of the cost of the audit, and
  - e. The expected energy saved for each audit conducted if the audit is implemented.
2. For renewable energy development assistance projects, the final performance report must provide complete information regarding:
  - a. A list of recipients with each recipient's North American Industry Classification System code,
  - b. The location of each recipient, and
  - c. The expected renewable energy that would be generated if the projects were implemented.

#### Outcome Project Performance Reports

One year after submittal of the final performance report, the grantee will provide the Agency a final status report on the number of projects that are proceeding with the grantee's recommendations, including the amount of energy saved and the amount of renewable energy generated, as applicable.

### **REPORTING REQUIREMENTS – FORMS UNDER THIS DOCKET**

When applying for an energy audit or renewable energy development assistance grant, the applicant is required to submit the following form, which is discussed under the RES/EEI grant program:

RD-4280-2, “Rural Business Cooperative Service Financial Assistance Agreement.” (OMB No. 0570-0067)

### **REPORTING REQUIREMENTS – FORMS APPROVED UNDER OTHER OMB NUMBERS**

When applying for an energy audit or renewable energy development assistance grant, the applicant is required, except as noted, to submit the following forms, which are discussed under either the RES/EEI grant program:

- Form RD 1942-46, “Letter of Intent to Meet Conditions.” (OMB No. 0570-0021, 0572-0061, 0572-0062)
- Form RD 1940-1, “Request for Obligation of Funds.” (OMB No. 0570-0061, 0570-0062)
- SF-424, Application for Federal Assistance (OMB No. 4040-0004)
- SF-424A, Budget Information - Non-Construction Programs (OMB No. 4040-0006)

When awarded an energy audit or renewable energy development assistance grant, the grantee is required to submit the following forms, which are discussed under either the RES/EEI grant program:

- SF-270, Request for Advance or Reimbursement (OMB No. 4040-0012)
- SF-LLL, Disclosure of Lobbying Activities (OMB No. 4040-0013).
- SF-425, Federal Financial Report (OMB No. 4040-0014).

### **RECORD KEEPING REQUIREMENTS**

Applicable to all REAP grant programs, grantees are required to keep records in accordance with Department regulations. This includes, but is not limited to, records that identify adequately the source and application of funds for grant-supporting activities, together with documentation to support the records. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income. In addition, the 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 grant closing, except that the records shall be retained beyond the 3-year period if audit findings have not been resolved or if directed by the United States. Microfilm copies may be substituted in lieu of original records. The Agency and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the grantee which are pertinent to the specific grant program for the purpose of making audit, examination, excerpts, and transcripts.

**3. Describe any consideration of the use of improved information technology to reduce burden any technical or legal obstacles to reducing burden.**

The Agency strongly encourages applicants to submit applications electronically using [www.Grants.gov](http://www.Grants.gov) or other electronic fashion Applicants who receive funding will be encouraged, but not required, to submit, as applicable, performance reports, and the annual status reports electronically. The Agency will not totally require submission by electronic methods because some applicants may not have the technological expertise for electronic submission or may not have the equipment necessary for high technological information gathering.

**4. Describe efforts to identify duplication.**

The Agency is utilizing existing forms used in the current Rural Development grant which includes the Rural Energy for America Program. If similar information is found to be available from another Federal agency, every effort is made to utilize that information as is or in an appropriately modified form for this program. In addition, only one application and set of forms and certifications is being requested. There will be no similar or existing information that could be submitted; therefore, there will be no duplication.

**5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize the burden.**

The information collection required for this initiative places little or nominal burden on small entities beyond that performed in normal business practice. The Agency is using industry-standardized data elements and documents, supplementing them with Government-wide forms that are familiar to many applicants. The Agency estimates 70% of applicants are small businesses.

**6. Describe the consequences to Federal program or policy activities if the collection were conducted less frequently.**

The information collected under this program is the minimum necessary to conform to the requirements of the program regulations established by law. Information is collected when needed and cannot be collected less frequently and still meets the requirements of the programs. Failure to collect proper information could result in improper determinations of eligibility or improper use of funds.

**7. Explain any special circumstances that require the collection of information to be conducted in a manner:**

- a. Requiring respondents to report information more than quarterly. There are no information requirements that require specific reporting on more than a quarterly basis.

- b. Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it. There are no information requirements that require specific reporting in less than 30 days.
  - c. Requiring respondents to submit more than an original and two copies of any document. There are no information requirements that require more than an original and two copies.
  - d. Requiring respondents to retain records for more than 3 years. Retention of financial records, supporting documents, statistical records pertinent to the grant is required for 3 years after final grant disbursement, except when an audit finds the grantee in violation of the grant terms and conditions.
  - e. Not using statistical sampling. There are no such requirements.
  - f. Requiring use of statistical data classification that has not been reviewed and approved by Office of Management and Budget (OMB). There are no such requirements.
  - g. Requiring a pledge of confidentiality that is not supported by authority in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use. There are no such requirements.
  - h. Requiring respondents to submit proprietary trade secrets or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permissible by law. There are no such requirements.
8. **Comments on Agency's notice in the Federal Register and efforts to consult with persons outside the Agency to obtain their views on the availability of data, frequency of collection, the clarity of the instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

This is a revised information collection and comments will be requested through the imbedded 60-day notice in the final rule.

9. **Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

No payments or gifts will be provided to respondents, including no remuneration of contractors or grantees.



**10. Describe any assurances of confidentiality provided to respondents and the basis for the assurances in statute, regulation, or Agency policy.**

No assurance of confidentiality is provided to respondents for the information required. When necessary, the Agency will process any and all requests for release of records and information in accordance with the Privacy Act of 1974. However, in some instances, the information collected under the provisions of this program is not considered to be of a confidential nature. For example, organizations, such as not-for-profit entities and public bodies from which information is collected, are ordinarily required to make their activities available for public scrutiny.

**11. Provide additional justification for any question of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private.**

The information collected does not contain any questions of a sensitive nature such as sexual behavior, religious beliefs, or other matters commonly considered private.

**12. Provide estimates of the hour burden of the collection of information.**

The following table summarizes the 3-year average estimated number of applicants, recipients, and costs for the final rule, broken down by the type of financial assistance. The attached spreadsheets provide the specific estimates for each of the financial assistance types.

Parameter	Totals		
	RES/EEI Grants	EA/REDA Grants*	
Number of respondents	1,406	28	1,434
Total annual responses	40,056	504	40,560
Number of hours per response			2.10
Total hours	84,120	1,058	85,178
Cost per hour**			\$57.91
Total annual cost			\$4,932,675.98

\*EA/REDA Grants represents 2 year average due to funds not being available to meet statutory requirement for 2014.

\*\*Based on the different hourly wage rates, an average median hourly wage rate of \$42.51 with an additional 36.25% to account for benefits and overhead, for a total of 57.91 was used to calculate annual cost.

<b>Respondent</b>	<b>Hourly Wage Rate<sup>1</sup></b>
Agricultural producers	\$34.21
Rural small businesses	\$ 50.80
Average hourly wage rate	\$42.51

<sup>1</sup> Bureau of Labor Statistics, May 2019 National Occupational Employment and Wage Estimates United States. External customer hourly rate using average of: BLS Occupation Code, median average wage, 11-9013 for Farmers and Rancher - \$34.21, and Code 11-0000 Management Occupations for rural small business owners-\$50.80, average is \$42.51/hr.

[https://www.bls.gov/oes/current/oes\\_nat.htm#11-0000](https://www.bls.gov/oes/current/oes_nat.htm#11-0000)

For Civilians - Data provided by the Bureau of Labor Statistics, Employer Cost for Employee Compensation – September 2019 is utilized to calculate the total cost of benefits. Benefits as a percentage of total compensation for Private trade, transportation and utilities industry workers were 29.6% of total hourly compensation. See, <https://www.bls.gov/news.release/pdf/ecec.pdf>. Benefits of 36.25% is added to arrive at a wage rate of \$57.91/hr.

### **13. Provide estimates of annualized cost to the respondents.**

There are no capital and start-up costs or operations and maintenance costs associated with this collection.

### **14. Provide estimates of annualized cost to the Federal Government.**

The estimated wage of federal employees compiling the information is \$55.19 per hour. That is the sum of a GS 12-Step 5 (40.51) plus 36.25% for benefits and overhead.

The estimated cost to the Government is estimated to be \$3,532,868.64.

The breakdown of cost to the Government is as follows:

<b>Grants</b>	<b>Applicants or Grantees</b>	<b>Hours</b>	<b>Rate</b>	<b>Costs</b>
RES/EEI Application review – greater than \$200,000	243	18	55.19	\$241,401.06
RES/EEI Application review – \$200,000 to greater than \$80,000	471	13	55.19	\$337,928.37
RES/EEI Application review – \$80,000 and less	721	8	55.19	\$318,335.92
EA/REDA Application review	22	10	55.19	\$12,141.80
RES/EEI Technical merit review greater than \$200,000	243	8	55.19	\$38,624.17
RES/EEI Technical merit review – \$200,000 to greater than \$80,000	471	4	55.19	\$31,193.39
RES/EEI Technical merit review	721	2	55.19	\$31,833.59

– \$80,000 and less				
Approve and obligate funds	1,333	8	55.19	\$588,546.16
Servicing actions other than monitoring	87	4	55.19	\$19,206.12
Planning and Performance	1,333	16	55.19	\$1,177,092.32
Reporting and Grant Disbursement	1,333	10	55.19	\$735,682.70
Appeals	1	16	55.19	\$883.04
Total				\$3,532,868.64

**15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.**

This is a revision of the currently approved information collection package; 0570-0067 due to removing the guaranteed loan sections from the 7 CFR 4280 as they are now included in the 7 CFR 5001 OneRD Guarantee Loan Program burden calculations.

**16. For collection of information whose results are planned to be published for statistical use, outline plans for tabulation, statistical analysis, and publication.**

Rural Development has no plans to publish information collected under the provisions of this program

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

N/A

**18. Explain each exception to the certification statement in identified in item 19 of OMB 83-I.**

There are no exceptions to the certification.

**B. Collection of Information Employing Statistical Methods.**

This collection does not employ statistical methods.