**REPORTING REQUIREMENT FOR THIS COLLECTION**

**Written/No Forms**

**Empowering Rural America Program**

The burden accounted for under this information collection package are non-forms as follows:

**LOI AND APPLICATION CONTENT – INCLUDED IN BURDEN ESTIMATE**

*SAM Registration.* To do business with the Federal government, the applicant is required to obtain a Unique Identification Number (UEI) and register in the System for Award Management (SAM). Registration in SAM allows the applicant to complete the Online Representations and Certifications which replaces several paper forms. The registration must be updated annually.

phase one: Letter of Interest (LOI) **–**

During phase one, applicants interested in the program submit an LOI that must contain the following:

A. *Profile and Point of Contact Information.* – This must include: (1) Legal name and status of the eligible entity, (2) Address and principal place of business, (3) Tax identification number and UEI, (4) RUS status, (5) Name and title of the eligible entity’s manager/and/or point of contact, including contact information, (6) Location of the project using a shape file, and RUS status.

B. *Award Type Statement.* Applicants must provide a statement as to whether the application will provide a request for a Project or System Award.

C. *Financial Status.* Applicants must identify the value of their net assets and specify if the applicant has ever been placed in receivership or court mandated liquidation, under a workout agreement or declared bankruptcy or has had a decree or order issued for relief in any bankruptcy, insolvency, or other similar action. In addition, the applicant must submit a copy of its balance sheet and income statements for the last three years. If the applicant is a current RUS borrower, a certification that the applicant is not in default on any obligation to RUS is also required. The following may also be required:

* If the applicant is a wholly or jointly owned subsidiary of an electric cooperative, the applicant must provide a balance sheet and income statement of each of its members.
* If another entity or entities are providing equity or security for the award, the LOI must include balance and income statements for the last three years for those entities along with an explanation of the legal relationship among the applicant and entities.

D. *Type of Award.* The applicant must identify if it plans to seek a loan, loan/grant combination, or modification should it receive an Invitation to Proceed in submitting a New ERA application.

E. *Ownership Interest.* The applicant must identify if any foreign entity or person has an ownership interest, voting interest, management rights or an equity interest in the applicant or any rights in the proposed project(s).

F. *Reduction in Greenhouse Gas Emissions Metrics*. Applicants must provide data showing the level of reduction of greenhouse gas emissions resulting from its project(s). Applicants may input the data directly into the online submission window or, the Agency has developed a tool called the Achievable Reductions Tool that can be provided to applicants, and they may use the tool to assist with calculating these metrics. A copy of the tool has been uploaded into ROCIS with this package.

G. *Total Utility Plant (TUP).* Applicants must provide the value of its TUP as of December 31, 2022.

H. *Technical Description.* The applicant shall provide a technical description of the project(s) it intends to finance if it receives a New ERA award. The technical description should include: (1) A description of any other related actions that the project(s) will allow it to take that will reduce the applicant’s total emissions of greenhouse gases. (2) Summary of the technical aspects of the various actions that will allow RUS to measure the reduction of greenhouse gas emissions resulting from their Portfolio of Actions which is defined as the projects and other actions to reduce greenhouse gas emissions. (3) The applicant must provide sufficient detail to convince the Agency that the Portfolio of Actions satisfies the technical requirements for this program that is consistent with industry standards and prudent utility practices.

**Phase two: New ERA Application –**

An LOI applicant that receives an Invitation to Proceed with submitting a complete application will have 90 days from the date RUS sends the invitation to submit a complete application through the online application window. A General Field Representative will be assigned to assist the applicants during the application process.

The complete application package must include the following:

A. *Cover Letter.* The applicant’s General Manager or highest-ranking officer must sign a cover letter requesting an award.

B. *Articles of Incorporation and Bylaws*. Applicants must provide their articles of incorporation and bylaws or other applicable governing and organizational documents currently in effect, as filed with the appropriate state office, setting forth its corporate purpose; and the bylaws or other governing documents currently in effect, as adopted by its governing body. If the applicant is an active RUS borrower, it may comply with this requirement by notifying RUS in writing that there are no changes to the documents already on file with the Agency.

C. *Environmental Review Status*. Applicants must submit documentation that either: (1) RUS has provided written notice that projects listed in the application have received written environmental approval as provided in 7 CFR 1970.11(c); or (2) Applicants have initiated the environmental review process outlined in 7 CFR Part 1970 and that they have not started and will not undertake any ground disturbance prior to receiving written notice of environmental clearance from RUS as provided in 7 CFR §1970.11(c). If environmental approval has not been granted, applicants shall further state the type of environmental review documents they believe need to be prepared (e.g., a Categorical Exclusion with an Environmental Report or without, an Environmental Assessment, or Environmental Impact Statement in accordance with Subparts B, C, or D of 7 CFR Part 1970, respectively). Applicants must also provide a description of any potential environmental controversy or extraordinary circumstances relating to the projects of which applicants are aware.

D. *Financial Forecast*. In order to demonstrate that a loan is feasible as required in 7 CFR 1710.112, applicants must submit a financial forecast. For system awards, the financial forecast must cover at least 10 years from the commercial operating date of the project to be financed and must demonstrate that the applicant’s operation is economically viable and that the proposed loan is financially feasible. For project awards, the Agency may require that the financial forecast cover a period equal to the maturity period of the loan. The Agency will provide the specific information and data that must be included in the financial forecast in the Invitation to Proceed.

E. *Ratepayer Benefit*. Awards must provide demonstrable benefits to rate payers located in the service area. It must be demonstrated in the application that the consumer and financial benefits resulting from the Award will be shared between the Awardee and the Off-taker. This must be shown through a long-range financial forecast scenario that establishes that the revenue per kilowatt hour (KWh) the Applicant will receive from the sale of the power to the Off-taker would have been higher but for the Award. Additionally, a net present value (NPV) calculation should be performed to demonstrate the financial benefit to the rate payer resulting from the Award versus business as usual.

F. *Power Purchase Agreement (PPA)*. If applicants propose to sell the energy generated from projects to an off-taker, applicants must provide an executed copy of the RUS approved PPA with the off-taker. If applicants are unable to execute a final PPA with the off-taker prior to submitting New ERA applications, they must submit a draft of the PPA with their New ERA application and then submit the executed copy of the PPA when the PPA is executed. The Agency will not approve a New ERA Application that proposes to sell the energy to an Off-taker unless and until the Applicant submits an executed PPA with the Off-taker and RUS approves such PPA.

G. *Power Resources Owned, Co-owned or Leased*. If applicable, provide a discussion or table of the existing power resources available to the Applicant that includes generation facilities owned, co-owned or leased. The information provided should include: name of plant and unit; ownership interest (%); type of unit and fuel used; net peak capacity; and in-service date.

H. *Power Purchase Contracts.* If applicable, provide a discussion of the Applicant’s power purchase contracts (with terms greater than two years) that describes the capacity and energy resources purchased. The information should include: type of contract (take-or pay, unit power purchase, parties to the contract, amount (capacity and energy); and term and expiration date.

I. *Power Sales Contract*. If applicable, descriptions of any existing power supply arrangements, such as wholesale power contracts, between an off-taker and its members must be provided that includes the type of agreements (e.g., all or partial requirements), the initial execution dates, and the dates the agreements expire. The Agency may request that copies of the agreements be provided.

J*. Engineering Report*. A final engineering report, or final engineering and power cost study, that describes the purpose, design, costs, construction, and operation of each project must be prepared and signed by a licensed professional engineer and provided with New ERA applications. Draft engineering reports must be submitted for RUS review and comments prior to being finalized and signed.

K. *Project Contracting*. As early as possible, a list of all engineering, procurement, and construction contracts should be provided that includes a brief description and cost estimate of each contract. Those contracts selected for review and approval by the Agency should be submitted with the application.

L. *Interconnection Agreements.* Agreements required to interconnect a renewable energy system or zero emission system or eligible energy storage system to a distribution or transmission system must be included with applications. RUS must approve any interconnection agreement before awards are obligated.

M. *System Impact Studies*. The status and summary of any related System Impact Studies, as they may pertain to the interconnection of projects with a distribution or transmission network, must be provided with applications. System Impact Studies must be conducted, as applicable, to include load flow studies, short circuit analysis, system stability analysis, and conclusions (e.g., identify voltage, overload, stability problems and proposed actions or contingencies; single contingency analysis of proposed facilities; transmission constraints; and system improvements needed). The nature of any required system upgrades and associated costs to be incurred by awardees, Off-takers or other entities should be identified.

N. *Transmission Service Arrangements*. Transmission service agreements required to export, transmit or deliver power from projects to the off-takers should be included. These agreements must be approved by the Agency.

O. *Other Major Agreements*. A list of all other major agreements needed for projects must be provided to the Agency with a brief description of each agreement. Such agreements, if applicable, would include but not be limited to: operations and maintenance arrangements, joint ownership arrangements, fuel management and fuel supply and transportation.

P. *Meteorological Data and Studies*. Renewable energy systems such as solar and wind projects should be supported with meteorological data and studies to determine the expected energy generation of the facility during the initial year of operation. Applicants should identify the amount and basis of any annual degradation in energy output of the renewable energy systems.

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Q. *Fuel and Fuel Transportation Strategies.* If applicable, applicants should describe the fuel and fuel transportation strategies of the project and show that the fuel supply for the life of the project is adequate.

R. *Sources and Uses of Water*. Applicants should identify the uses and source of water for projects and provide evidence that the water supply will be adequate to meet both daily requirements and for the life of the project. (1) Applicants must provide copies of any agreements or arrangements that would be used to purchase or receive water used and consumed by projects; and/or (2) The applicable water balance diagram of the facilities should be provided.

S*. Technical and Financial Description*. The description of the portfolio of actions shall not exceed 1500 words per project proposed in the LOI and must include the following: (1) Description of each project being requested for financing including project name, location, type, size, and renewable or zero emission energy units generated and saved or carbon captured; (2) For each project, submit a digital shape file of the proposed service area; (3) Indicate the estimated dates to start construction and to achieve commercial operation for each project; (4) Verification that the project(s) will be designed, constructed and operated based on proven commercially available technology; and (5) The estimated total capital cost of each project and the amount of award funds being requested to finance each project.

T. *Real Estate Agreements.* If the applicant is leasing the real estate upon which it will build and operating the Project, the applicant must submit an executed copy of the lease agreement with the application.

U. *Community Benefit Plan.*  Applicants must confirm in their applications that they will develop a Community Benefit Plan. Community Benefit Plans should be developed within the first year after the Agency obligates the award. The grant portion of the award will not be advanced until the awardee implements the Community Benefit Plan(s).

V. *Refinancing and Modifications*. Applicants seeking to refinance or modify existing debt, must provide sufficient information and data to demonstrate how they will utilize the cash savings generated from the proposed loan refinancing or modification to purchase renewable energy, renewable energy systems, zero-emission systems, and carbon capture and storage systems, to deploy such systems, or to make energy efficiency improvements to electric generation and transmission systems.

W. *Award Type*. Applicants must specify what type of award, (loan only, grant only, loan/grant combination, or loan refinancing/modification) they are seeking. If applicants are seeking more than one type of award, they must clearly state the type of award they are seeking for each project and the amount of each type of Award.

X. *Non-RUS Funds*. Applicants must identify the source of non-RUS funds that they intend to utilize to finance the cost of the proposed project in their applications.

Y. *Tribal Government Resolution of Consent.* For each project that will be sited on Tribal Lands where a Federally Recognized Tribe has regulatory authority and for each project whose service area includes Tribal Lands where a Federally Recognized Tribe has regulatory authority, certification from the appropriate Tribal official that it consents to or has no objection to the project is required. The appropriate certification is a Tribal Government Resolution of Consent. The appropriate Tribal official is the Tribal Council of the Federally Recognized Tribe(s) with regulatory jurisdiction over the Tribal Lands at issue.

Z. *Eligible Costs.* Applicants must include in their application a breakdown of the estimated eligible costs for which they will seek reimbursement.

**AWARD CLOSING, SERVICING and REPORTING – INCLUDED IN BURDEN ESTIMATE**

A. *Commitment Letter.*Successful applicants will receive a Commitment Letter from the Administrator notifying it of: (1) The total amount of the Award approved by RUS; and (2) Any additional controls on its financial, investment, operational and managerial activities; acceptable security arrangements; and such other conditions deemed necessary by the Administrator to adequately secure the Government’s interest and ensure repayment. Applicants must submit an acceptance of the Commitment Letter.

B. *Award Documents*. Awardees will be provided with award documents that they must review and execute for award closing.

C. *Opinion of Counsel*. An opinion of counsel is required at closing and must be acceptable to the Administrator, opining that the awardee is properly organized and has the required corporate authority to enter into the proposed transaction. It must also identify the proposed collateral to secure the award and certify that such collateral is free of liens or identify any issues that may arise for the Government regarding the securing and perfecting of a first and prior lien on such property comprising the collateral.

D. *Performance Reporting*. As part of the award documents, the Agency will establish periodic reporting requirements.

E. *Financial Reporting*. Awardees will be required to provide annual financial reporting.

F*. Audit Requirements.* Awardees will be required to prepare and furnish to RUS, at least once during each 12-month period, a full and complete report of its financial condition, operations, and cash flows. Audits must follow governmental auditing standards issued by the Comptroller General of the United States. (1) If the awardee is a for-profit entity, an electric or telecommunications cooperative, or any other entity not covered by the definition of non-Federal entity in 2 CFR 200.1, the awardee shall provide an independent audit report in accordance with 7 CFR Part 1773 and the award documents. (2) If the awardee is a non-Federal entity, as defined in 2 CFR 200.1, the awardee shall provide an audit in accordance with 2 CFR Part 200 Subpart F.

G. Requests for Reimbursement or Advance of Funds. Awardees will be able to request reimbursements or advances of funds based on criteria that will be outline in the award documents.

H. *SAM Registration Maintenance*. Each applicant (unless an exception, as outlined in 2 CFR 25.110(a) through (d), is approved by the Agency) is required to maintain an active SAM registration with current information at all times during which it has an active Federal award. The Agency uses the SAM site to ensure continued eligibility to receive Federal financial assistance.