

**2023 SUPPORTING STATEMENT
PAPERWORK REDUCTION ACT SUBMISSION FOR
POWERING AFFORDABLE CLEAN ENERGY (PACE) PROGRAM
OMB No. 0572-0159**

A. JUSTIFICATION

1. Circumstances that make this collection of information necessary.

On August 16, 2022, Congress passed the Inflation Reduction Act (IRA) of 2022 (Public Law 117-169). Subtitle C, Section 22001 of IRA amended Section 9003 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8103) by adding new subsection (h). Through the passing of IRA, the Powering Affordable Clean Energy (PACE) Program was established with the goal of supporting clean, affordable energy growth across America.

The PACE Program will be administered by the Rural Utilities Service (RUS), a Rural Development (RD) Agency of the United States Department of Agriculture (USDA), that provides mortgage loans and loan guarantees to electric systems to provide and improve electric service in rural areas pursuant to the Rural Electrification Act of 1936, as amended (7 U.S.C. 901 et seq., RE Act). Section 22001 of IRA provided the Agency with \$1,000,000,000 in Budget Authority (BA), to remain available until September 30, 2031. With this BA, the Agency through the PACE Program, will provide loans to eligible entities, with varying levels of loan forgiveness, for Projects that generate and/or store electricity from Renewable Energy Resource (RER) systems.

An emergency clearance approval for this information collection was submitted to and approved by the Office of Management and Budget (OMB) due to the need to effectively implement the program as quickly as possible to benefit rural communities. The emergency approval expires on December 31, 2023. The Agency is now requesting a 3-year renewal for this package.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate that the actual use the Agency has made of the information received from the current collection.

Eligible applicants under the PACE Program are described below:

- (a) For-profit organizations.
- (b) State or local governments.
- (c) Indian Tribes defined by the Federally Recognized Tribe List Act of 1994 (Public Law 103-454; 108 Stat. 4791, 4792), including their wholly arms and instrumentalities.
- (d) Alaska Native Corporations, regional or village corporations as defined under or established pursuant to the Alaska Native Claims Settlement Act (Public Law 104-42; 85 Stat. 688).

- (e) Nonprofits.
- (f) Institutions of higher education.
- (g) Community-based organizations, distribution electric cooperatives, and generation and transmission electric cooperatives.

Where applicable and possible, applicants are encouraged to work with Distressed and Disadvantaged Communities, Energy Communities, Puerto Rico, the United States Virgin Islands (USVI), Guam, American Samoa or other U.S. territories or Compact of Free Association (COFA) states, tribal entities, and Rural Partners Network (RPN) communities.

The Application process for the PACE Program will be conducted in two phases. Phase one will be a Letter of Interest (LOI) with sufficient information to determine a pool of prospective applicants which advance the goals of the statute, achieve policy objectives, meet minimum requirements, and are within the budget of the program. Those LOIs that meet the criteria will be issued an Invitation to Proceed to submit a full, complete Application (phase two).

Applicants wishing to apply for the PACE Program with a LOI and if successful, a completed Application must submit requested data, proposals, certifications, and agreements to the Agency thru an online application window. The information collected will be used to determine a borrower's ability to meet financial obligations, includes analyses and document review by RUS regarding the applicant's historical, current, and projected costs, revenues, cash flows, assets, and other factors that may be relevant on a case-by-case basis. RUS recognizes that Projects outlined by applicants may vary in size, financial complexity, and administration; so, the respondent's burden may vary as well. The RUS Administrator maintains discretion to forego requirements for parts of the following information as required by the conditions among applicants.

Specifically, the burden associated with the Notice of Funding Opportunity (NOFO) for the new PACE Program to be cleared is as follows:

LOI AND APPLICATION CONTENT – INCLUDED BURDEN ESTIMATE

- (1) 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 1 – LETTER OF INTEREST (LOI)

- (1) LOI submitter's profile and point of contact information.**
 - (a) Legal Name and status of the LOI submitter.
 - (b) LOI submitter's address and principal place of business.

- (c) LOI submitter's tax identification number and UEI number from the SAM registry.
 - (d) Legal structure of LOI submitter (e.g., cooperative, corporation, limited-liability company, State or local government entity, municipality, federally recognized Tribe). If the applicant is a non-governmental entity, a statement as to whether the entity is organized as a not-for-profit.
 - (e) If the LOI submitter is a State or local governmental entity, a certification that it can enter into contracts with the Federal government, incur debt, and provide security for such debt. Federal government entities are not eligible for financing.
 - (f) Name and title of LOI submitter's manager and/or point of contact, which must include general contact information, as well as an email address to receive RUS' Invitation to Proceed.
 - (g) The location of the Project and the applicable service area using a digital Shapefile. The applicable service area must demonstrate that the Project will provide economical clean energy to rural residents.
 - (h) LOI submitter's net assets value.
 - (i) A certification as to whether the LOI submitter over the last 10 years has been placed in receivership liquidation, has been under a workout agreement, has declared bankruptcy, or has had a decree or order issued for relief in any bankruptcy, insolvency, or other similar action.
 - (j) A statement as to whether the Project(s) will serve a Substantially Underserved Trust Area (SUTA) as defined under Section 306F of the RE Act.
- (2) **Financial Information.** A copy of the LOI submitter's balance sheet and income statements for the shorter of the last three years or the years the LOI submitter has been in operation. If the LOI submitter has no operating history, the LOI submitter must provide RUS with the information RUS deems necessary to evaluate the financial strength of the LOI submitter. The LOI submitter must also provide the balance sheet and income statements for the last three years of the entity or entities providing equity or security for the loan, with an explanation of the legal relationship to the LOI submitter.
- (3) **Technical Description of the Project.** A technical description of the Project must include:
- (a) Type of loan being requested, Project Loan or System Loan.
 - (b) Description of each RER and Energy Storage System (ESS) being requested for PACE financing including Project name, location, type, size, and renewable energy units generated and saved.
 - (c) Verification that the Project(s) will be designed, constructed and operated based on Commercially Available Technology.
 - (d) For each Project, indicate the estimated dates to start construction and to achieve commercial operation.
 - (e) The estimated total capital cost of each Project and the amount of Award funds being requested to finance each Project.
 - (f) Proposed financial structure of the owners, equity investors and other participants, which shall include estimated sources and uses of all funds.

- (g) If applicable, description and status of any Power Purchase Agreement (PPA) that will be used to sell and deliver the electrical output of the Project(s) to Off-Takers.
- (h) If applicable, description of any existing power sales contracts, such as wholesale power contracts, between Off-Takers and its members.
- (i) Status of, and estimated timelines to complete, if known, any applicable Federal, State or local permitting or environmental review processes.
- (j) *Ratepayer and Community Benefit.* A brief discussion from the LOI Submitter that if it is invited to submit an Application, it will demonstrate in its Application how it will pass on a portion of the savings from the loan forgiveness to the Off-Taker as described in Section B.6 of this notice and that the LOI submitter will provide the required information from Section D.2(b) (19) for the Community Benefit Plan.
- (k) *Prevailing wage.* Pursuant to 7 U.S.C 8103(f), a certification that, pursuant to 7 U.S.C 8103(f), the LOI submitter will comply with the provisions of the Davis-Bacon Act so that any laborers and mechanics employed on the Project or any contractor or subcontractor in: (A) the construction of such facility, and (B) with respect to any taxable year, for any portion of such taxable year the alteration or repair of such facility, shall be paid wages at rates not less than the prevailing rates for construction, alteration, or repair of a similar character in the locality in which such facility is located as most recently determined by the Secretary of Labor, in accordance with subchapter IV of chapter 31 of title 40, United States Code.
- (l) *Loan Forgiveness Level.* A statement as to what level of loan forgiveness outlined in Section B.6 of the notice that the LOI submitter believes it is eligible and the reason(s) why it believes it is eligible for that specific level of loan forgiveness.

PHASE 2: PACE APPLICATION

- (1) **Loan Application letter.** A signed cover letter by any authorized representative of the PACE Applicant; however, the authorization must also be submitted with the Application.
- (2) **Articles of Incorporation and Bylaws.** The PACE Applicant must provide the articles of incorporation, bylaws, and other organizational documents currently in effect. PACE Applicants that are RUS Borrowers may comply with this requirement by notifying in writing to RUS that there are no material changes to the documents already on file with RUS. Other governmental applicants must only provide evidence of their ability to enter into debt obligations.
- (3) **Environmental and Historical Preservation Requirements.** If the PACE Applicant has not received written notice from RUS that the Project environmental review process is formally concluded as provided in 7 CFR 1970.11, it must submit documents that establish that a review is in progress and no ground disturbance activities have started prior to receiving notice that the Environmental and Historic Preservation review requirements have been completed. This requirement requires the PACE Applicant to include a certification that construction has not started and

that it will not start prior to obtaining written notice from RUS. The PACE Applicant must further state the type of environmental review document it believes needs to be prepared in accordance with 7 CFR part 1970 (e.g., a Categorical Exclusion with an Environmental Report, an Environmental Assessment, or Environmental Impact Statement in accordance with subparts B, C, or D, respectively). The PACE Applicant must provide a description of any potential environmental controversy or extraordinary circumstances, and the estimated timelines for completing the environmental process. PACE Applicants are strongly advised that commencing construction prior to environmental or historic preservation clearance could make a Project ineligible for RUS financing, regardless of a Project's place in the queue.

- (4) **Financial Forecast.** In order to demonstrate that the loan is feasible as required in 7 CFR 1710.112, the PACE Applicant must submit a financial forecast. For System Loans, the financial forecast must cover a period of at least 10 years from the commercial operating date of the Project to be financed, must demonstrate that the PACE Applicant's operation is economically viable and that the proposed loan is financially feasible. RUS may request projects for a longer period of time or additional information, if RUS deems it necessary based on the financial structure of the PACE Applicant. The PACE Applicant must submit the financial forecast in the form prescribed by RUS in the Invitation to Proceed.
- (5) **Power Purchase Agreement (PPA).** If the PACE Applicant proposes to sell power generated from the Project to an Off-Taker under a PPA, the PACE Applicant must provide a draft copy of the PPA with the Application, which must be structured to allow two different rate schedules; one for the case without loan forgiveness and the other for the case with loan forgiveness. Because the PPA is essentially the mechanism by which consumers will benefit from the PACE program, all draft PPAs must be approved by RUS prior to being executed. RUS approval of the PACE Application is predicated upon an executed PPA that has been approved by the Agency.
- (6) **Power Resources Owned, Co-owned or Leased.** 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.
- (7) **Power Purchase Contracts.** 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.
- (8) **Power Sales Contracts.** A description of any existing power sales contracts, 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 PACE Applicant must provide copies of the agreements if requested by the Agency.
- (9) **Engineering Report.** A signed final engineering report or final engineering and power cost study must be provided with the Application, or soon thereafter. The

report must describe the purpose, design, costs, construction, and operation of the Project(s). A draft engineering report must be submitted for RUS approval prior to it being finalized and signed. An approved engineering report is a prerequisite to the obligation of PACE funds; however, the PACE Borrower may amend the engineering report with RUS' written approval. The finalized engineering report must be signed or approved by licensed professional engineer.

- (10) **Project Contracting.** The PACE Applicant must submit a list of all engineering, procurement, and construction contracts it intends to use on the Project(s), with a brief description and cost estimate of each contract. At the Agency's discretion, any contracts selected by the Agency for review and approval must be submitted within the period of time requested by the Agency. In no event will Award funds be disbursed prior to the selected Project contracts receiving Agency approval and any other necessary approvals.
- (11) **Interconnection Agreements.** If an interconnection agreement is needed, draft agreements required to interconnect a RER or ESS to a distribution or transmission network must be included with the Application. These agreements must be approved by the Agency before the Award funds are disbursed.
- (12) **System Impact Studies.** The status and summary of any related system impact studies as they may pertain to the interconnection of the Project with a distribution or transmission network should be provided with the Application. 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 the Awardee, Off-Taker, or other entity must be identified. The Agency may request a copy of any system impact studies or links to review such studies.
- (13) **Transmission Service Agreements.** Transmission service agreements required to export, transmit or deliver the power from the Project to the Off-Taker, if any, must be included with the Application. These agreements must receive Agency approval before Award funds are dispersed.
- (14) **Other Major Agreements.** The PACE Applicant must provide a list and a brief description of all other major agreements that will need to be executed for the Project. Such agreements, if applicable, include, but not limited to Operation & Maintenance (O&M) arrangements, joint ownership arrangements, fuel management, and fuel supply and transportation. Agreements selected for approval by the Agency should be submitted within the period of time requested by the Agency. RUS will not approve the PACE Application until all agreements requested for review have been approved by the Agency.
- (15) **Meteorological Data and Studies.** RERs such as solar and wind Projects must be supported with meteorological data and studies to determine the expected energy generation of the facility during the initial year of operation. The PACE Applicant must identify the amount and basis of any annual degradation in energy output of the RERs.

- (16) **Fuel and Fuel Transportation Strategies.** If applicable to the Project, the PACE Applicant must describe the fuel and fuel transportation strategies of the Project and show that the fuel supply for the life of the Project is adequate. Fuel supply contracts and fuel transportation contracts must be identified, including the term of each contract. Copies of the fuel contracts or arrangements must be provided if requested by the Agency.
- (17) **Sources and Uses of Water.** The PACE Applicant must identify the uses and source of water for the Project, as well as evidence that the water supply will be adequate to meet both daily demands and demands for the life of the Project. If requested by the Agency, the PACE Applicant must provide copies of any agreements or arrangements that would be used to purchase or receive water used and consumed by the Project and the applicable water balance diagram of the facilities.
- (18) **Real Estate Matters.** If the PACE Applicant is leasing the real estate upon which it will build and operate the Project, the PACE Applicant must submit an executed copy of the lease agreement with the Application. Lease agreements must contain or be amended to contain, a provision that allows the PACE Applicant to collaterally assign the lease to RUS as security for the loan. Further, to the extent that the lessor under any lease with the PACE Applicant has executed a mortgage or deed of trust with respect to the real estate to another party, that party must execute an attornment and non-disturbance agreement in favor of the PACE Applicant that will allow the PACE Applicant to continue to lease the real property and operate the Project in the event of the lessor's default under the mortgage or deed of trust. The PACE Applicant must submit any attornment and non-disturbance agreements to RUS with its PACE Application.
- (19) **Community Benefit Plan.** The PACE Applicant must submit a Community Benefit Plan, which should be implemented within the first year of receiving Award funds, but which is expected to be provided beyond the Project itself, including but not limited to:
 - (a) Investments in the American workforce such as local worker retraining and job creation;
 - (b) The launch or expansion of systemic or consumer-based energy efficiency and carbon reduction measures such as providing on-bill financing or Pay as You Save programs to improve the energy efficiency and beneficial electrification for consumers;
 - (c) Land use agricultural integration that demonstrates ways for traditional farming and ranching to benefit from clean energy Projects; and
 - (d) Diversity, equity, inclusion, and accessibility goals set forth in the Justice40 Initiative.
- (20) **Tribal Government Resolution of Consent.** A certification from the appropriate Tribal official is required if the Project, or any part of it, will be sited on Tribal land where a Tribal government has regulatory authority. Any non-Tribal PACE Applicant that fails to provide a certification to provide service on the Tribal lands identified in the proposed Project or the proposed service area will not be considered for funding.

- (21) **Estimated Costs.** The applicant must include in its loan Application a breakdown of the estimated costs as specified in 7 CFR 1710.106 in which it intends to seek reimbursement.
- (22) **Board Resolution** - A signed copy of the board resolution or applicable authority authorizing the Application to be submitted to RUS.

AWARD CLOSING, SERVICING AND REPORTING – INCLUDED IN BURDEN ESTIMATE

- (1) **Commitment Letter.** Successful PACE Applicants will receive a Commitment Letter from the Administrator notifying it of the following: the total Award amount approved by RUS; the amount of the loan that will be forgiven; 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. PACE Applicants must submit an acceptance of the Commitment Letter.
- (2) **Award Agreement.** Awardees will be provided with Award documents that they must review and execute for loan closing.
- (3) **Opinion of Counsel.** An opinion of counsel is required at closing and must be acceptable to the Administrator, opining, *inter alia*, that the Awardee is properly organized and has the authority to enter into the Award and that RUS has a first priority, senior lien on the required collateral, unless other collateral arrangements have been agreed to with the Agency.
- (4) **Cybersecurity.** An Awardee must certify that it has adopted and implemented a cybersecurity risk mitigation and remediation plan that is consistent with prudent utility practice. Additionally, the Awardee must certify that such cybersecurity risk mitigation and remediation plan is in effect at the time of each advance request.
- (5) **Request for Advances and Loan Forgiveness Information.** For System Loans and Project Loans, the Award funds will be advanced when the Project is operational, and the Awardee has tested the Project to show that it is performing as should. For System Loans only, the Administrator does have the discretion to allow System Award funds to be advanced to finance Projects for costs incurred during construction of the facilities on a case-by-case basis.
Loan forgiveness for both System Loans and Project Loans will occur when the Project has been completed and RUS has confirmed that the Awardee has satisfied all other conditions specified in the Award.
- (6) **Performance Reporting.** As part of the Award documents, the Agency will establish periodic reporting requirements.
- (7) **Audit Requirements.** Awardees will be required to prepare and furnish to RUS audits as follows:
 - (a) **Non-Federal Awardees.** Awardees that are Non-Federal Entities shall provide RUS with an audit pursuant to 2 C.F.R. part 200, Subpart F, Audit Requirements. The Non-Federal Entity Awardee must follow subsection 2 CFR 200.502 in determining federal awards expended.

All RUS loans impose an ongoing compliance requirement for the purpose of determining federal awards expended during a fiscal year. In addition, the Awardee must include the value of new federal loans made along with any grant expenditures from all federal sources during the Awardee's fiscal year. Therefore, the audit submission requirement for this program begins in the Awardee's fiscal year that the loan is made and thereafter, based on the balance of federal loan(s) at the beginning of the audit period. All required audits must be submitted within the earlier of 30 calendar days after receipt of the auditor's report; or nine months after the end of the Awardee's audit period; and

- (b) **All Other Awardees.** For all other entities, Awardees shall provide RUS with an audit within 120 days after the as of audit date in accordance with 7 CFR part 1773. Note that with respect to Advances that contain loan funds, the audit is required after an advance has been made, and, thereafter, from the close of each subsequent fiscal year until the loan is repaid in full. While an audit is required, Awardees must also submit a report on compliance and internal controls over financial reporting, as well as a report on compliance with aspects of contractual agreements and regulatory requirements.
- (8) **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.

LOI AND APPLICATION CONTENT – NOT INCLUDED IN BURDEN ESTIMATE

PHASE 1 – LETTER OF INTEREST (LOI)

- (1) **SF 424 Form.** Each applicant is required to submit through grants.gov, which is part of the LOI package. As part of the grants.gov submittal process this form is required to be submitted electronically. This burden is not included as part of this collection, but a common form request has been submitted.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection.

The RUS is committed to complying with the E-Government Act, to promote the use of the Internet and other information technologies to provide increased opportunities for citizen access to Government information and services, for other purposes. RUS encourages borrowers to use the most advanced technology to prepare the required information and accepts documents electronically when possible.

Applications will be accepted electronically via the online Application portal or an alternative electronic method. Electronic signatures will be used and accepted on all forms for which they are available. In some cases, this collection of information involves the signing of documents, and original signatures may be needed for legal purposes.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

In this collection there is no duplication of information collection because required information is specific to each applicant involved. The information to be requested is that which would be collected and analyzed by any prudent business in the course of its operations. In cases where the necessary information already exists, RUS will accept, whenever possible, copies of current relevant information an entity may have prepared for another purpose.

5. If the collection of information impacts small businesses or other small entities (item 5 of OMB Form 82-I), describe any methods used to minimize burden.

Information to be collected is in a format designed to minimize the paperwork burden on small businesses and other small entities. Ninety (90) percent of RUS electric program borrowers meet the Small Business Administration criteria for small business. RUS makes every effort to ensure the information collected is in the format that will minimize the paperwork burden on small business. The information collected is the minimum needed by the Agency to approve loans and monitor borrower performance. RUS headquarters and field staff are available to assist borrowers in preparing documents.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or conducted less frequently, as well as any technical or legal obstacles to reducing burden.

This information is collected only from those entities who submit letters of interest and from the eligible entities who subsequently are invited to submit Applications. Information necessary for evaluating the loan Applications is required only once for each Application. Information that is necessary to monitor loan security and compliance with legislative purposes is required periodically. Less frequent collection would not allow RUS to accomplish the goals of the program.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

a. Requiring respondent to report information more than quarterly.

There is no requirement to respond more frequently than quarterly.

b. Requiring written response in less than 30 days.

There is no requirement to respond in less than 30 days.

c. Requiring more than an original and two copies.

There is no requirement to submit more than original and two copies.

d. Requiring respondent to retain records for more than 3 years.

There is no such requirement.

e. In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study.

This collection is not a survey.

f. Requiring the use of a statistical data classification that has not been reviewed and approved by OMB.

This collection does not involve statistical sampling.

g. Requiring a pledge of confidentiality that is not supported by authority established 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 is no requirement of a pledge of confidentiality.

h. Requiring respondents to submit proprietary trade secret, or other confidential information unless the Agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

There is no requirement to submit propriety trade secrets.

8. If applicable, identify the date and page number of publication in the Federal Register of the Agency's notice soliciting comments on the information collection. Summarize public comments received and describe actions taken by the Agency in response to these comments. Describe efforts to consult with persons outside the Agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, reporting format (if any), and on data elements to be recorded, disclosed, or reported.

This is a new program, as such there have been no applicants or previous collections. A 60-day notice was published in the *Federal Register* as part of the Notice of Funding Opportunity on May 16, 2023 (88 FR 31232). The 60-day comment period closed July

17, 2023. The Agency received one comment that was not related to this collection of information.

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

There is no provision to provide payments or gifts to respondents.

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

No assurance of confidentiality has been provided. 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.

The Agency does support maintenance of confidentiality when appropriate. The Agency published a Privacy Act of 1974; System of Records in the *Federal Register* on May 14, 2019 (84 FR 21315). A copy of that document can be found at <https://www.govinfo.gov/content/pkg/FR-2019-05-14/pdf/2019-09874.pdf>.

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.

This information does not contain questions of a sensitive nature.

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

Table 12.1, Total Cost of Burden, shown below summarizes the estimated average annual burden associated with the PACE Program. The attached Burden Hours workbook provides an Information Collection Burden Hours worksheet that details the estimates.

Table 12.1 - Total Cost of Burden

Burden Item	Estimated Yearly Average Burden
Number of Respondents	250 LOIs, 70 Applications
Number of Awards:	70
Annual responses:	70
Total hours:	23,333
Cost per hour:	\$62.21
Total annual cost:	\$1,451,613

The attached Burden Hours workbook provides an Estimated Professional Wage Rate worksheet that shows the detailed calculation for the weighted wage rate of \$62.21 cost

per hour above. The U.S. Department of Labor, Bureau of Labor Statistics, Occupational Employment and Wage Statistics, May 2021 Occupation Profiles ([List of SOC Occupations \(bls.gov\)](#)) was used to obtain the Mean Hourly Wage for each position identified. Table 12.2 provides the five (5) positions identified for this calculation along with each Occupation Codes and Mean Hourly Wage. The benefits for each position was calculated by using the total benefits percentage of 29.5% for private industry workers from the U.S. Department of Labor, Bureau of Labor Statistics, Economic News Release, Employer Costs for Employee Compensation – December 2022 ([Employer Costs for Employee Compensation – December 2022 \(bls.gov\)](#)).

Table 12.2 – Mean Hourly Rates per Position

Position	Occupation Code	Mean Hourly Wage
Senior Manager	11-1021	\$55.41
Attorney	23-1011	\$71.17
Electrical Engineer	17-2071	\$51.87
Accountants/Auditors	13-2011	\$40.37
Bookkeeping, Accounting, and Auditing Clerks	43-3031	\$21.70

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information.

There are no capital/startup or operation/maintenance costs associated with this collection.

It is anticipated that wet signatures will be required on the legal documents for the awards. The program is estimating approximately 70 awards under PACE. The United States Postal Service charges \$9.95 to ship a legal, flat rate envelope. Using this as a basis, the total estimated burden for returning the legal documents is \$9.95 per awardee or \$696.50.

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

The estimated Annualized Cost to the Federal Government is \$3,224,561.70, which is summarized in Table 14.1 below. The attached Burden Hours workbook provides an Annualized Cost to the Federal Government worksheet that details the following:

- Four (4) Review Steps
 - Staff Positions for each Review Step.
 - Calculated Wages Rates for each Staff Position.
 - Number of hours required for each Staff Position.
- Total Cost for each Staff Position, Review Step and to the Federal Government.

Table 14.1: Total Cost to the Federal Government

Review Step	Cost of Each	Number of Entities	Total Cost
Step 1: Letter of Interest Review	\$1,712.79	250	\$428,196.90
Step 2: Pre-Application	\$17,614.18	70	\$1,232,992.46
Step 3: Application Review & Loan Approval	\$19,634.00	70	\$1,374,379.90
Step 4: Post Award	\$2,699.89	70	\$188,992.44
Total Cost to Federal Government	\$41,660.86		\$3,224,561.70

Review Steps. Brief explanation of the four review steps below:

- *Step 1: Letter of Interest (LOI) Review* – Agency review of the LOI and issuance of Invitation to Proceed. RUS expects 250 LOIs to be submitted for review.
- *Step 2: Pre-Application* – Agency staff working with the applicant to prepare a completed Application. RUS expects to invite 70 applicants to submit an Application.
- *Step 3: Application Review & Loan Approval* – Agency review of the Application and issuance of Commitment Letter.
- *Step 4: Post Award* – Agency activities after Commitment Letter has been signed by Applicant.

Staff Positions, GS Salary, and Total Salary Rate Calculated. Table 14.2 below provides the staff positions used for the Review Steps along with each Staff Positions General Schedule (GS) Grade, Step and Salary. The GS Salary was obtained by using Tables 2023-DCB ([Pay & Leave : Salaries & Wages - OPM.gov](#)) and 2023-ES ([Pay & Leave : Salaries & Wages - OPM.gov](#)) from the U.S. Office of Personnel Management (OPM), Policy, Pay & Leave, Salaries & Wages.

Table 14.2: Staff Positions and GS Salary

Staff Position	GS Grade	GS Step	GS Salary
RUS Administrator	ES	ES	\$168,011
Assistant Administrator (Electric)	SES	SES	\$168,011
Assistant Administrator (TELECOM)	SES	SES	\$168,011
Assistant Administrator (WEP)	SES	SES	\$168,011
Deputy Assistant Administrator (OLOA)	15	5	\$176,458
Policy Advisor	15	5	\$176,458
Financial Branch Chief	15	5	\$176,458
Senior Level Engineer	15	5	\$176,458
Senior Loan Specialist	13	5	\$126,949
Engineer	13	5	\$126,949
General Field Representative	13	5	\$126,949

The Agency calculated the Hourly Rate by dividing the GS Salary by 52 weeks a year and then dividing that result by 40 hours per week. The benefits for each position was calculated by using the civilian position full fringe benefit cost factor of 36.25% from the Office of Management and Budget (OMB) Memorandum for the Heads of Executive Departments and Agencies (M-08-13) dated March 11, 2008 ([Memorandum for the Heads of Executive Departments and Agencies \(whitehouse.gov\)](http://www.whitehouse.gov)).

The Agency has estimated \$100 per hour for a Consultant as part of Review Step 3.

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

The previous collection package submitted was a new emergency collection package and the numbers provided were estimates. The following Program changes or adjustments are being made based on updated estimates from the Program.

- **Reported in Item 12, Table 12.1 and Burden Hours Workbook** – The emergency package previously provided included 200 LOIs and 54 applications that provided total hours of \$18,010 and total annual cost of \$1,120,438. Table 12.1 above and the attached Burden Hours Workbook was revised to reflect the updated estimated LOIs and applications received. This increase caused an increase in total hours and total annual cost.
- **Reported in Item 13** – Since the number of awards increased the total estimated burden for returning the legal documents increased from \$537.30 to \$696.50.
- **Reported in Item 14 and Burden Hours Workbook** – Table 14.1 and the Burden Hours Workbook was updated to reflect the increase in LOIs and applications received as explained above. The Total Annualized Cost to the Federal Government increased from \$2,499,753.22 to \$3,224,561.70.

16. For collection of information whose results will be published, outline plans for tabulation and publication.

There are no plans to publish this information collection.

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.

The Agency is not requesting an exemption to not display the OMB expiration date.

18. Explain each exception to the certification statement identified in item 19 on OMB 83-1.

There are no exceptions requested.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

This information collection does not employ statistical methods.