**2023 SUPPORTING STATEMENT**

**PAPERWORK REDUCTION ACT SUBMISSION**

**Empowering Rural America Program**

**New Information Collection**

**OMB No. 0572-0158**

# **JUSTIFICATION**

1. **Circumstances that make this collection of information necessary.**

On August 16, 2022, Congress passed the Inflation Reduction Act (IRA) of 2022 (Pub. L. 117-169). Subtitle C, Section 22004 of IRA amended Section 9003 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8103) by adding subjection (j). Through the passing of IRA, the Empowering Rural America (New ERA) Program was established with the goal of providing financial assistance to electric cooperatives to achieve the greatest reductions in greenhouse gas emissions through the cooperatives’ voluntary transformation of rural electric systems in a way that promotes resiliency and reliability of rural electric systems and affordability for their members.

The New ERA Program is being administered by the Rural Utilities Service (RUS), a Rural Development 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 22004 of IRA provided the Agency with $9,700,000,000 in Budget Authority (BA), to remain available until September 30, 2031. With this BA, the Agency, through the New ERA Program, will provide financial assistance in the form of loans, loan and grant combinations, loan refinancing and modifications and other financial assistance.

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 New ERA Program are electric cooperatives as described in section 501(c)(12) or 1381(a)(2) of the Internal Revenue Code of 1986 and is or has been a RUS (formerly the Rural Electrification Administration) electric loan borrower pursuant to the RE Act or is serving a predominantly rural area (or a wholly or jointly owned subsidiary of such electric cooperative). There are well over 900 rural electric cooperatives eligible for this program.

The application process for the New ERA 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 New ERA application (phase two).

Applicants wishing to apply for the New ERA Program with an LOI and if successful, a complete 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 applicant and project eligibility, assess the projects’ technical and financial merit and evaluate the metrics that reflect achieving the greatest reductions in greenhouse gas emissions in order to rank the applications and determine which ones to offer an award. Lack of adequate information to make the determinations could result in the improper administration and appropriation of Federal funds.

Specifically, the burden associated with the Notice of Funding Opportunity for the New ERA Program to be cleared is 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 ONE REQUIREMENT; NOT INCLUDED IN BURDEN TOTAL

The SF 424 Form will be required as part of the LOI package in order to submit through grants.gov. This form is electronically submitted and only completed at the time of submission of the LOI. The burden has not been included as part of this collection but a common form request has been submitted.

**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.

**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.

Applications will be accepted electronically via the online application window 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 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 awards 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 LOIs and from the eligible electric cooperatives who subsequently are invited to submit complete, New ERA applications. Information necessary for evaluating the applications is required only once for each application. Information that is necessary to monitor award 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 of more than original and two copies to be submitted.

 **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 employ 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 31218). The 60-day comment period closed July 17, 2023. The Agency did not receive any comments 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.**

Payments or gifts are not provided 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 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.

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<](file://USDA/RD/Shared/DCWA2/Innovation_Center/Regulations/Paperwork%20Reduction%20Act/RUS/Burden/0572-0112/FY20/%3Ehttps%3A/www.govinfo.gov/content/pkg/FR-2019-05-14/pdf/2019-09874.pdf%3C).

**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 1, Total Cost of Burden, shown below summarizes the estimated average annual burden associated with the New ERA Program. The attached burden worksheet provides details on the estimates on the New ERA Burden tab.

**Table 1 - Total Cost of Burden.**

|  |  |
| --- | --- |
| **Burden Item** | **Estimated Yearly Average Burden** |
| Number of respondents: | 250 LOIs, 155 applications |
| Number of Awards:  | 155 |
| Annual responses: | 5,824 |
| Total hours: | 185,514 |
| Cost per hour: | $62.21 |
| Total annual cost: | $11,540,795 |

Table 2, Estimated Wages, shows the assumptions that the Agency has made concerning the positions and the amount of time that each position will put forth to prepare the LOI and application package for a New ERA Award.

**Table 2 - Estimated Wages.**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Position** | **Occupation Code** | **Mean Hourly Wage** | **Benefits (29.5%)** | **Total Wage Rate** | **Percent of Time** | **Weighted Wage Rate** |
| Senior Manager  | 11-1021 | 55.41 | 16.35 | 71.76 | 20 | 14.35 |
| Attorney  | 23-1011 | 71.17 | 21.00 | 92.17 | 10 | 9.22 |
| Electrical Engineer  | 17-2071 | 51.87 | 15.30 | 67.17 | 30 | 20.15 |
| Accountants/Auditors  | 13-2011 | 40.37 | 11.91 | 52.28 | 30 | 15.68 |
| Bookkeeping, Accounting and Auditing Clerks | 43-3031 | 21.70 | 6.40 | 28.10 | 10 | 2.81 |
|  |  |  |  |  | 100 | $62.21 |

The mean wage rates for the five positions were selected from the Department of Labor, Bureau of Labor Statistics, May 2021 National Occupational Employment and Wage Estimates (<http://www.bls.gov/oes/current/oes_stru.htm>). Data provided by the Bureau of Labor Statistics, Bureau of Labor Statistics, Employer Costs for Employee Compensation – September 2022 (https://www.bls.gov/news.release/pdf/ecec.pdf) was utilized to calculate the total cost of benefits. Benefits as a percentage of total compensation for private industry workers in profession al and business services industries is 29.5 percent of total hourly compensation.

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

It is anticipated that wet signatures will be required on the legal documents for the awards. The program is estimating approximately 155 awards under New ERA. 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 $1,542.25 total.

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

The estimated annualized cost to the Federal Government is $6,642,736, which is summarized in Table 3, Total Cost to the Federal Government, below. Costs were calculated based on the estimated amount of time that national office program staff is expected to spend on each review step. The attached burden worksheet provides a Federal Cost tab that details the following:

* Four (4) review steps.
* Staff positions for each review step.
* Hourly Wage 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 3: Total Cost to the Federal Government**

|  |  |  |  |
| --- | --- | --- | --- |
| **Review** **Step** | **Cost** **of Each** | **Number of LOIs/Applications** | **Total** **Cost** |
| Step 1: Letter of Interest Review | $1,727.30 | 250 | $431,824.94 |
| Step 2: Pre-Application | $17,605.78 | 155 | $2,728,895.18 |
| Step 3: Application Review & Loan Approval | $19,723.21 | 155 | $3,057,097.15 |
| Step 4: Post Award | $2,741.42 | 155 | $424,919.81 |
| **Total Cost to Federal Government** |  |  | **$6,642,736.08** |

The following is a briefexplanation of the four review steps:

* *Step 1: Letter of Interest 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 applicants to prepare a completed application. RUS expects to invite 155 applicants to submit an application.
* *Step 3: Application Review & Loan Approval* – Agency review of the applications and issuance of Commitment Letters. Agency expects to award 155 awards.
* *Step 4: Post Award* – Agency activities after Commitment Letter has been signed by awardee.

Table 4, Staff Positions and Salary, below provides the staff positions used for the review steps along with each staff positions General Schedule (GS) grade, step and hourly wage.

**Table 4 - Staff Positions and Salary.**

|  |  |  |  |
| --- | --- | --- | --- |
| **Staff Position** | **GS** **Grade** | **GS** **Step** | **Hourly Wage with Benefits** |
| RUS Administrator  | ES | ES | $123.97 |
| Assistant Administrators (Electric, Telecom and WEP) | SES | SES | $119.80 |
| Deputy Assistant Administrator (OLOA) | 15 | 5 | $115.20 |
| Policy Advisor | 15 | 5 | $115.20 |
| Financial Branch Chief | 15 | 5 | $115.20 |
| Senior Level Engineer | 15 | 5 | $115.20 |
| Senior Loan Specialist | 13 | 5 | $82.88 |
| Engineer | 13 | 5 | $82.88 |
| General Field Representative | 13 | 5 | $82.88 |

The following was used to determine each salary:

* GS hourly salary was obtained by using Table 2023-DCB (https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2023/DCB\_h.pdf) hourly basic rate as of January 2023.
* OPM Senior Executive Service salary was obtained from <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2023/ES.pdf> and the assumption was made that the Assistant Administrators’ salary was equal to a GS-15, Step 7.
* Executive Schedule salary was obtained from Table 2023-EX (https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2023/EX.pdf). The assumption was made to use an average of Level III and IV. The based salary of $189,250 was divided by 52 weeks then divided by 40 hours to estimate an hourly wage.
* 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 ([https://www.whitehouse.gov/wp-content/uploads/legacy\_drupal\_files/omb/memoranda/2008/m08-13.pdf)](https://www.whitehouse.gov/wp-content/uploads/legacy_drupal_files/omb/memoranda/2008/m08-13.pdf).

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.**

This is a new package which requests a new collection. Therefore, there has not been any program changes or adjustments to explain.

**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.