

§ 1709.113

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§ 1709.113 Limitations on grant awards.

(a) The Administrator may establish minimum or maximum amount of funds that may be awarded in a single grant application within in any grant cycle in order to distribute available grant funds as broadly as possible. If the Administrator elects to impose a minimum or maximum grant amount, the limitations will be published in the grant announcement.

(b) The Administrator may restrict eligible applicants to a single award of grant funds or to a monetary cap on grant awards within a grant cycle in order to assure that the available grant funds are distributed as broadly as possible. If the Administrator elects to impose a limit or cap on grant awards, the terms will be established in the grant announcement.

§ 1709.114 Application process.

The RUS will request applications for high energy cost grants on a competitive basis by publication of a grant announcement as a Notice of Funds Availability (NOFA) or Notice of Funding Opportunity. The grant announcement will establish the amount of funds available, the application package contents and additional requirements, the availability of application materials, high energy cost community eligibility benchmarks, selection criteria and weights, priority considerations, and deadlines and procedures for submitting applications.

§ 1709.115 Availability of application materials.

Application materials, including copies of the grant announcement and all required forms and certifications will be available by request from the Agency and by such other means as the Agency may determine. In addition, the Agency may make available an application guide and other materials that may be of assistance to prospective applicants.

§ 1709.116 Application package.

The requirements for the application package will be established in the grant announcement. A complete application package will consist of the standard application for federal assist-

ance (SF-424 series), as applicable, a narrative project proposal prepared in accordance with the grant announcement, an RUS environmental profile, and such other supporting documentation, forms, and certifications as required in the grant announcement and this part.

§ 1709.117 Application requirements.

(a) *Required forms.* The forms required for application and where to obtain them will be specified in the announcement. All required forms must be completed, signed and submitted by a person authorized to submit the proposal on behalf of the applicant. For applications and forms that are submitted electronically, the application must be authenticated as provided in the grant announcement. In the case of grant applications submitted electronically, the applicant may be required to provide signed originals of required forms prior to and as a condition of the grant award.

(b) *Narrative proposal.* Each application must include a narrative proposal describing the proposed project and addressing eligibility and selection criteria. The grant announcement will specify the contents, order, and format for the narrative proposal. The proposal must include all the required elements identified in this subsection. The grant announcement may establish additional required elements that must be addressed in the narrative project proposal.

(1) *Executive summary.* A summary of the proposal should briefly describe the project including target community, goals, tasks to be completed and other relevant information that provides a general overview of the project. The applicant must clearly state the amount of grant funds requested and identify any priority ratings for which the applicant believes it is qualified.

(2) *Applicant eligibility.* The narrative and supporting documentation must describe the applicant and establish its eligibility.

(3) *Community eligibility.* This section must describe the target area and communities to be served by the project and demonstrate eligibility. The applicant must clearly identify the:

(i) Location and population of the areas to be served by the project;

(ii) Population of the local government division to which they belong;

(iii) Identity of local energy providers; and

(iv) Sources of the high energy cost data and estimates used.

(4) *Project eligibility.* The narrative must describe the proposed project in sufficient detail to establish that it is an eligible project.

(5) *Project description.* The project description must:

(i) Describe the project design, materials, and equipment in sufficient detail to support a finding of technical feasibility;

(ii) Identify the major tasks to be performed and a proposed timeline for completion of each task; and

(iii) Identify the location of the project target area and the eligible extremely high energy cost communities to be served.

(6) *Project management.* The applicant must describe how and by whom the project will be managed during construction and operation. The description should address the applicant's organizational structure, key project personnel and the degree to which full time employees, affiliated entities or contractors will be utilized. The applicant must describe the identities, legal relationship, qualifications and experience of those persons that will perform project management functions. If the applicant proposes to use the equipment or design, construction and other services from non-affiliated entities, the applicant must describe how it plans to contract for such equipment or services.

(7) *Budget.* The budget narrative must present a detailed breakdown of all estimated costs and allocate these costs among the listed tasks in the work plan. All project costs, not just grant funds, must be accounted for in the budget. A pro forma operating budget for the first year of operations must also be included. The detailed budget description must be accompanied by SF-424A, "Budget Information—Non-Construction Programs," or SF-424C "Budget Information—Construction Programs," as applicable.

(8) *Project goals and objectives.* The applicant must identify unambiguous measures for expected cost reduction, efficiencies or other improvements and the degree to which the incremental benefit will be enjoyed by residents of the eligible community. The description should specifically address how the project will provide or improve energy generation, transmission or distribution services in the target area. The project objectives and proposed evaluation measures will be the basis for project performance measures in the grant agreement.

(9) *Performance measures.* The application must include specific criteria for measuring project performance. These proposed criteria will be used in establishing performance measures incorporated in the grant agreement in the event the proposal receives funding under this subpart. These suggested criteria are not binding on the Agency. Appropriate measures of project performance include expected reductions in home energy costs, avoided cost increases, enhanced reliability, new households served, or economic and social benefits from improvements in energy services.

(10) *Proposal evaluation and selection criteria.* The application must address individually and in narrative form each of the proposal evaluation and selection criteria referenced in the grant announcement.

(11) *Rural development initiatives.* The proposal should describe whether and how the proposed project will support any State rural development initiatives. If the project is in support of a rural development initiative, the application should include confirming documentation from the appropriate rural development agency. The application must identify the extent to which the project is dependent upon or tied to other rural development initiatives, funding and approvals.

(12) *Environmental profile.* The application must include information about project characteristics and site specific conditions that may involve environmental, historic preservation and other resource issues. This information must be presented in sufficient detail so as

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to facilitate the Agency's identification of projects that may require additional environmental review under 7 CFR part 1794 before a grant award can be approved. The format and requirements for the environmental profile will be established in the grant announcement.

(13) *Regulatory and other required project approvals.* The applicant must identify all regulatory or other approvals required by other Federal, State, local, tribal or private entities (including conditions precedent to financing) that are necessary to carry out the proposed project and an estimated schedule for obtaining the necessary permits and approvals.

§ 1709.118 Submission of applications.

Unless otherwise provided in the grant announcement, a complete original application package and two copies must be submitted by the application deadline to RUS at the address specified in the applicable announcement. Instructions for submittal of applications electronically will be established in the grant announcement.

§ 1709.119 Review of applications.

(a) RUS will review each application package received to determine whether the applicant is eligible and whether the application is timely, complete, and responsive to the requirements set forth in the grant announcement.

(b) RUS may, at its discretion, contact the applicant to clarify or supplement information in the application needed to determine eligibility, identifying information, and grant requests to allow for informed review. Failure of the applicant to provide such information in response to a written request by the Agency within the time frame established by the Agency may result in rejection of the application.

(c) After consideration of the information submitted, the Assistant Administrator, Electric Program will determine whether an applicant or project is eligible and whether an application is timely, complete, and responsive to the grant announcement and shall notify the applicant in writing. The Assistant Administrator's decision on eligibility may be appealed to the Administrator.

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§ 1709.120 Evaluation of applications.

(a) The Agency will establish one or more rating panels to review and rate the grant applications. The panels may include persons not employed by the Agency.

(b) All timely and complete applications that meet the eligibility requirements will be referred to the rating panel. The rating panel will evaluate and rate all referred applications according to the evaluation criteria and weights established in the grant announcement. Panel members may make recommendations for conditions on grant awards to promote successful performance of the grant or to assure compliance with other Federal requirements.

(c) After the rating panel has evaluated and scored all proposals, in accordance with the point allocation specified in the grant announcement, the panel will prepare a list of all applications in rank order, together with funding level recommendations and recommendations for conditions, if any.

(d) The list of ranked projects and rating panel recommendations will be forwarded to the Administrator for review and selection.

§ 1709.121 Administrator's review and selection of grant awards.

(a) The final decision to make an award is at the discretion of the Administrator. The Administrator shall make any selections of finalists for grant awards after consideration of the applications, the rankings, comments, and recommendations of the rating panel, and other pertinent information.

(b) Based on consideration of the application materials, ranking panel ratings, comments, and recommendations, and other pertinent information, the Administrator may elect to award less than the full amount of grant requested by an applicant. Applicants will be notified of an offer of a reduced or partial award. If an applicant does not accept the Administrator's offer of a reduced or partial award, the Administrator may reject the application and offer an award to the next highest ranking project.