



APPLICATION GUIDE

HIGH ENERGY COST AND BULK FUEL GRANT PROGRAMS

2014 NOTICE OF FUNDING AVAILABILITY

OPPORTUNITY NUMBERS

RD-RUS-HECG14

RD-RUS-HECG14BF

APPLICATION DEADLINE: AUGUST 1, 2014

UNITED STATES DEPARTMENT OF AGRICULTURE

RURAL UTILITIES SERVICE

ELECTRIC PROGRAMS

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APPENDIX C HIGH ENERGY COST GRANT PROGRAM ENVIRONMENTAL QUESTIONNAIRE

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**United States Department of Agriculture
Rural Development
Rural Utilities Service**

**High Energy Cost Grant Program
&
Bulk Fuel Grant Program**

Application Guide

OVERVIEW

The High Energy Cost Grant Program and Bulk Fuel Grant Program were created by Congress in November 2000 under the Rural Electrification Act of 1936 (7 U.S.C. 918a). The High Energy Cost Grant Program provides financial assistance for the improvement of energy generation, transmission, and distribution facilities serving rural communities with home energy costs that are over 275 percent of the national average. The Bulk Fuel Grant Program provides grants to State entities for revolving funds to promote more cost-effective fuel purchases for communities where fuel cannot be shipped by surface transportation. The Programs are administered through the Electric Programs of the Rural Utilities Service (RUS), an agency of USDA Rural Development.

USDA published a Notice of Funding Availability (NOFA) in the *Federal Register* on June 2, 2014, requesting applications under the High Energy Cost Grant Program and Bulk Fuel Grant Program. The NOFA sets out the eligibility and application requirements for these competitive grants. This Application Guide is intended to be used along with the NOFA. RUS is making available a total of up to \$7 million in Fiscal Year 2014 for competitive grants for the High Energy Cost Grant and \$1 million for the Bulk Fuel Grant Program under this NOFA. The number of grants awarded will depend on the number of applications submitted, the amount of grant funds requested, the quality and competitiveness of applications submitted, and the availability of appropriated funds. For High Energy Cost Grant the maximum amount for a grant request that will be considered for funding under this notice is \$3,000,000. The minimum amount for a grant application is \$50,000. For the Bulk Fuel Grant Program the maximum amount of an award is \$1 million and the minimum amount of assistance under this program is \$50,000

Eligibility for the High Energy Cost Grant Program

To be eligible to receive a grant under this program:

- You must be an eligible applicant as defined in the next section;
- The grant project must serve an eligible community that meets the criteria of having extremely high energy costs (high energy cost benchmarks are presented below);
- The proposed project must improve energy generation, transmission, or distribution facilities serving an eligible community; and
- The administrative costs of the project must not exceed 4 percent of grant funds.

Who is an Eligible Applicant?

You are eligible to apply you are any of the following:

- a legally-organized for-profit or nonprofit organization such as, but not limited to, a corporation, association, partnership (including a limited liability partnership), cooperative, or

- trust;
- a sole proprietorship;
- a State or local government, or any agency or instrumentality of a State or local government, including a municipal utility or public power authority;
- an Indian tribe, a tribally-owned entity, or an Alaska Native Corporation;
- an individual or group of individuals, or
- any of the above entities located in a U.S. Territory or other area authorized by law to participate in programs of the Rural Utilities Service or the Rural Electrification Act of 1936.

Is my Community Eligible?

Your community qualifies as an eligible extremely high energy cost community if average home energy costs in the area to be served are at least 275 percent of the national average under one or more the high energy cost benchmarks shown below. Eligibility may be established using average annual household expenditures for individual fuels or for total energy, or average per unit cost for home energy.

**2014 High Energy Cost Benchmarks
(Set at 275 % of National Average)**

<u>Fuel</u>	<u>Average annual household expenditures benchmark</u>	<u>Average per unit cost benchmark</u>
Electricity	\$3,685	\$0.33 per kilowatt-hour
Natural gas	\$2,211	\$33.50 per thousand cubic feet
Fuel oil	\$3,680	\$6.68 per gallon
LPG/Propane	\$2,673	\$5.76 per gallon
Total household energy	\$5,566	\$62.12 per million BTUs

What Kinds of Energy Projects Are Eligible?

Grants under this program may be used for the acquisition, construction, installation, repair, replacement, or improvement of energy generation, transmission, or distribution facilities in communities with extremely high energy costs. On-grid and off-grid renewable energy systems, and energy efficiency, and energy conservation projects are eligible.

Eligibility for the Bulk Fuel Grant Program

To be eligible to receive a grant under this program:

- You must be an eligible applicant as defined in the next section;
- The administrative costs of the project must not exceed 4 percent of grant funds.

Who is an Eligible Applicant?

- State entities in existence as of November 9, 2000.
- State grant recipients may partner with other entities, including other government agencies to carry out the program funded.

What Kinds of Energy Projects Are Eligible?

Grant funds can only be used to establish and support a revolving loan fund that facilitates cost effective fuel purchases for persons, communities, and businesses in Bulk Fuel Eligible areas. Where a recipient State entity's existing program is authorized to fund multiple purposes, grant funds may only be used to the extent the recipient funds eligible activities.

How to Apply

You must submit a grant application package prepared according to the directions contained in the NOFA to apply for a grant under these programs. The completed grant application consists of your narrative grant proposal with supporting documentation and all required forms and certifications. You must submit a complete application package consisting of three sets: one complete application marked "Original" with original signatures signed in ink on all forms and certifications and two complete copies marked "Copy 1" and "Copy 2". All required forms must be included in Appendix B. Grant applications may be submitted on paper directly to the Electric Programs at the address shown below or electronically through [Grants.gov](http://www.grants.gov) (<http://www.grants.gov>).

Deadline: August 1, 2014 at midnight (DST).

IMPORTANT: The Deadline for applications is 60 days after publication of the NOFA in the Federal Register.

Paper application packages must be postmarked and mailed through the United States Postal Service or shipped through an overnight commercial delivery service by the application deadline of August 1, 2014, or hand delivered to the Electric Programs headquarters in Washington, DC by 4:00 pm DST, August 1, 2014. The Agency will accept all applications postmarked or delivered to us by this deadline. Late applications will not be considered.

Electronic Applications must be submitted to [Grants.gov](http://www.grants.gov) according to the instructions on that website on or before midnight (DST) August 1, 2014. Late or incomplete electronic applications though Grants.gov will not be accepted by USDA.

Registration Requirements All Applicants

Organizational entities that wish to submit either a paper or electronic application must provide a Data Universal Number System (DUNS) number on their SF 424 Application for Federal Assistance". If you do not already have a DUNS number or wish to confirm an existing DUNS number you may do so online at <http://fedgov.dnb.com/webform> or by calling 1-866-705-5711 (US Only)., Federal grant applicants may obtain a DUNS number free of charge. More information on obtaining a DUNS number is available in the Applicants section of Grants.gov.

Organizational Applicants and sole proprietorships are also required to register with the System for Award Management (SAM), formerly the Central Contractor Registry (CCR). Applicants may register for the SAM at <https://www.sam.gov/>. Completing the SAM registration process takes up to five business days, and applicants are strongly encouraged to begin the process well in advance of the application deadline specified in the NOFA.

Individuals wishing to submit a grant application, using Grants.gov, are required to complete this one time registration process. Neither a DUNS number nor registration with the System for Award Management (SAM, formerly CCR) is necessary for applicants who are individuals (other than sole proprietorships).

Where to Submit Your Application

Paper Applications

A completed application package with original signatures and two copies must be delivered by prepaid United States Mail, overnight delivery service, or by hand to the Electric Programs in Washington, DC at the following address:

Rural Utilities Service, Electric Programs
United States Department of Agriculture
1400 Independence Avenue, SW, STOP 1560
Room 5165-South Building
Washington, D.C. 20250-1560

Mark the outside of the Envelope: "Attention: High Energy Cost Community Grant Program." Or "Attention: Bulk Fuel Grant Program"

Applicants are advised that regular mail deliveries to USDA, especially of oversized packages and envelopes, continue to be delayed because of increased security screening requirements for Federal buildings. Applicants are advised to consider using Express Mail or a commercial overnight delivery service instead of regular mail. Applicants wishing to hand deliver or use courier services for delivery directly to the Electric Programs headquarters should contact the Agency representative in advance to arrange for building access. USDA advises applicants that because of intensified security procedures at government facilities, any electronic media included in an application package may be damaged during security screening. If an applicant wishes to submit such materials, they should contact the Agency representative for additional information

Electronic Submission of Applications

Applicants may complete and submit applications electronically through Grants.gov, the online Federal grants portal at <http://www.Grants.gov>. Applicants should be aware that before they can submit an application through Grants.gov, they must successfully complete several pre-registration steps with Grants.gov, including obtaining a DUNS number if needed, and registration with the System for Award Management before completing organization registration with Grants.gov. The Electric Programs will not accept applications directly online, by email or fax.

Evaluation of Applications and Notification of Grant Awards

All timely and complete applications will be screened for eligibility and then reviewed and ranked by a rating panel composed of Agency employees according to the evaluation criteria set out in the NOFA. The Administrator will award grants based on rank order.

The Agency will notify you in writing whether you have been selected for a grant award. All applications must be complete; incomplete applications will not be considered under this NOFA. A final award will only be effective on the Administrator's approval of the Grant Agreement.

Application Guide

This Application Guide should be used with the NOFA published in the *Federal Register* to prepare your application. This guide provides additional information to help you determine whether your community is eligible under the program and how to complete your application package. The guide includes examples of eligible projects and suggested sources for obtaining the energy and population data that you will need to determine eligibility and support your application for the High Energy Cost Grant Program. All the required Federal forms and certifications are included in the Appendices.

IMPORTANT: If there are any differences between this guide and the requirements in the NOFA, the NOFA provisions will govern.

Copies of the NOFA and required forms are also accessible on the internet through [Grants.gov](http://www.Grants.gov), or the RUS Electric Programs website at http://www.rurdev.usda.gov/UEP_Our_Grant_Programs.html or may be requested from the Agency Contact below.

For More Information:

Electric Programs,
Rural Utilities Service
United States Department of Agriculture, STOP 1560
1400 Independence Avenue, SW, Room 5165-S
Washington, DC 20250-1560

Telephone: 202-720-9545
Fax: 202-690-0717

Email: energy.grants@wdc.usda.gov

Definitions

As used in this Guide and the Notice of Funding Availability:

Agency means the Rural Utilities Service (RUS) of the United States Department of Agriculture.

Application Guide means the Application Guide prepared by RUS for the high energy cost grant program or bulk fuel grant program containing detailed instructions for preparing grant applications, and copies of required forms, questionnaires, and model certifications.

Area means the geographic area to be served by the grant.

Bulk Fuel Eligible area means any area where fuel cannot be shipped routinely by means of surface transportation and must be delivered by water or air for a significant part of the year. Eligible areas include areas where fuel delivery by means of surface transportation is not practical or is prohibitively expensive and the area is primarily dependent on delivery of fuel by water or air.

Community means the unit or units of local government in which the area is located.

Extremely high energy costs means community average residential energy costs that meet or exceed one or more home energy cost benchmarks established by the Administrator at 275 percent of the national average residential energy expenditures as reported by the Energy Information Administration (EIA) of the United States Department of Energy.

Fuel means coal, oil, gasoline, and other petroleum products, and any other material that can be burned to make energy.

Home energy means any energy source or fuel used by a household for purposes other than transportation, including electricity, natural gas, fuel oil, kerosene, liquefied petroleum gas (propane), other petroleum products, wood and other biomass fuels, coal, wind, and solar energy. Fuels used for subsistence activities in remote rural areas are also included.

High energy cost benchmarks means the criteria established by the Administrator for eligibility as an extremely high energy cost community. Home energy cost benchmarks are calculated for total annual household energy expenditures; total annual expenditures for individual fuels; annual average per unit energy costs for primary home energy sources and are set at 275 percent of the relevant national average household energy expenditures.

Indian Tribe means a Federally recognized Tribe as defined under section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b) to include “* * * any Indian Tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act [43 U.S.C. 1601 et seq.], that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.”

Person means any natural person, firm, corporation, association, or other legal entity, and includes Indian Tribes and Tribal entities.

Primary home energy source means the energy source that is used for space heating or cooling, water heating, cooking, and lighting. A household or community may have more than one primary home energy source.

RE Act means the Rural Electrification Act of 1936

State entity means an agency, department, or instrumentality, or political subdivision of any of the several States of the United States or the District of Columbia, exclusive of local governments.

State rural development initiative means a rural economic development program funded by or carried out in cooperation with a State agency or Indian Tribe.

Surface transportation means transportation by road, rail, or pipeline.

Tribal entity means a legal entity that is owned, controlled, sanctioned, or chartered by the recognized governing body of an Indian Tribe.

DEVELOPING THE PROPOSAL

BEFORE YOU START

Read the Notice of Funding Availability (NOFA) published in the Federal Register on June 2, 2014 and become familiar with its requirements. The NOFA is available on the internet at Grants.gov [Grants.gov](http://www.grants.gov) or on the RUS Electric Programs website at http://www.rurdev.usda.gov/UEP_Our_Grant_Programs.html.

This Application Guide **MUST** be used with the NOFA. If there are any differences in interpretation of this Application Guide and the NOFA, the NOFA takes precedence over information contained in this Application Guide. If there are any differences between the NOFA and USDA regulations, the regulations take precedence over the information contained in the NOFA and this guide. Program regulations are published in 7 CFR Part 1709. Your application will be rejected if it does not include the information, forms, and certifications required in the NOFA and if you do not include information to support your eligibility.

DETERMINING ELIGIBILITY

AM I AN ELIGIBLE APPLICANT FOR A HIGH ENERGY COST GRANT?

Eligibility for these grants is established by law and regulation. As provided in program regulations eligible applicants include "persons, States, political subdivisions of States, and other entities organized under the laws of States" (7 C.F.E. §1709.3). (

You are eligible to apply for a grant under this program if you are any of the following:

- a for-profit or nonprofit organization such as, but not limited to, a corporation, association, partnership (including a limited liability partnership), cooperative, trust or other entity organized under State law;
- a sole proprietorship;
- a State or local government, or any agency or instrumentality of a State or local government, including a municipal utility or public power authority;
- an Indian tribe, a tribally-owned entity, or an Alaska Native Corporation; or
- an individual or group of individuals.

Entities or persons located in U.S. Territories, possessions or other areas authorized to receive the services and programs of the Rural Utilities Service or the Rural Electrification Act of 1936, as amended, are also eligible under this program.

In addition, you, the Applicant, must demonstrate the legal authority and capacity to enter into a binding grant agreement with the Federal Government at the time of the award and to carry out the proposed grant funded project according to its terms to be an eligible applicant. Your application must include information and/or documentation supporting your eligibility, legal existence, and capacity to enter into a grant agreement

If you have any questions as to whether you may be an eligible applicant or what additional information you must submit to establish your capability to contract with the Federal Government, please contact the Agency.

Individuals are eligible grant applicants under this program. However, any proposed grant project must provide community benefits and not be for the sole benefit of you or your household. As a practical matter, because this program addresses community energy needs and to facilitate compliance with Federal grant requirements, individuals will likely find it preferable to establish an independent legal entity, such as a corporation to actually carry out the grant project if they are selected.

Individuals or other applicants who intend to form a new, separate legal entity to carry out the grant project should indicate their intent in their applications. The new entity must be in existence and legally competent to enter into a grant agreement with the Federal Government under appropriate State and Federal laws before a final grant award can be made. It does not have to be in existence when you submit an application.

AM I AN ELIGIBLE APPLICANT FOR A BULK FUEL GRANT?

Eligibility for these grants is established by law and regulation. Under section 19 eligible applicants include: State entities in existence as of November 9, 2000. State grant recipients may partner with other entities, including other government agencies to carry out the program funded.

IS MY COMMUNITY ELIGIBLE A HIGH ENERGY COST GRANT?

The grant project must benefit communities with extremely high energy costs. The RE Act defines an extremely high energy cost community as one in which “the average residential expenditure for home energy is at least 275 percent of the national average residential expenditure for home energy” as determined by the Energy Information Administration (EIA) using the most recent data available (7 U.S.C. 918a).

To qualify, average annual household expenditures for all energy must meet one or more of the High Energy Cost Benchmarks published in the NOFA and shown in Table 1.

To establish community eligibility:

- You must clearly define the geographic areas that will be included in the grant’s area, and
- You must demonstrate that each of the communities in the proposed area meets one or more of the high energy cost benchmarks.

Identifying the Area for the Grant

You must identify and describe the areas and communities to be served by the proposal and include this information in the application. Box A includes Internet information resources that may be helpful in assembling information on your community and home energy costs.

The area may consist of all or part of one or more counties, cities, towns, villages or unincorporated areas. An area may include localities in more than one State. The smallest area that may be designated as an area is a 2010 Census block. Using Census blocks allows applicants and the Agency to locate the area easily and to determine its population.

Identify the area and all communities in the area by county, name of city, town, village or other incorporated unit of local government, and any Census Designated Places (CDPs) in unincorporated areas. We are requesting that applicants provide Census 2010 population figures for their proposed areas, including population of all cities, towns, villages, and CDPs in the area. If your proposed area includes rural unincorporated areas, consult the census maps at the U.S. Census Bureau website to determine if any part of the area includes any CDPs. For unincorporated areas that are outside of cities towns and CDPs, applicants may report population estimates based on total population of included census tracts/blocks or by reporting the county population outside of places.

For unincorporated areas that are not CDPs, provide a project name description that allows reviewers to identify the approximate location of the area. These areas may be identified by Census blocks or by zip code. You must include community identification and Census 2010 population information in your project description in the narrative proposal.

Appendix A contains a worksheet that may be helpful for collecting and presenting community information in table form.

Census Information Online. To obtain Census-related information from the Internet, go to the Census “United States Census 2010, It’s in our hands” at <http://2010.census.gov/2010census/>.

On the website, you can determine the boundaries of any CDPs and Census blocks in your area by going to the 2010 Census Interactive Population Map <http://2010.census.gov/2010census/popmap/> . Type in your area on the map and then click on the geographic level that you are seeking.

In addition to population figures, the 2010 Census data also can provide current information on household size, housing units, and major heating fuels in your local community that can serve as a credible source for estimated energy use or expenditures.

Determining Community Energy Costs

After identifying the area, the next step is determining whether the area is eligible. Your area will qualify as an extremely high energy cost community if you establish that it has home energy costs that exceed 275% of the national average under one or more high energy cost benchmarks. The NOFA gives you several options for demonstrating eligibility based on local community energy characteristics.

The statutory definition of an extremely high energy cost community sets a very high threshold for eligibility. Based on available published information on residential energy costs, USDA anticipates that only those communities with the highest energy costs across the country will qualify under this standard.

The Agency has calculated high energy cost benchmarks based on national average home energy expenditures. The benchmarks are shown in Table 1. Communities must meet at least one of the benchmarks to qualify as an eligible beneficiary of a grant under this program. These benchmarks are calculated from EIA’s estimates of national average residential energy expenditures.

Your application must demonstrate that each community in the proposed area meets or exceeds one or more of these high energy cost benchmarks to be eligible for assistance under this program. You must investigate and provide credible, documented local energy cost information in your application to support your eligibility under this program. The information resources in Box A may be useful in developing information on community energy costs for your application.

Appendix A includes a worksheet that may be helpful in collecting and presenting this community energy information in tabular form. Appendix A also includes several examples of eligible projects and community eligibility determinations.

NOTE: A community may include identifiable portions of larger utility service territories, or subunits of local governments that are not otherwise eligible, as long as the area itself is characterized by extremely high energy costs

Box A

Information Resources

U.S. Census Bureau Population Information

[Census Bureau Home Page](#)

American FactFinder -- get population data, locate census blocks, and create Reference Maps, Thematic Maps, and Custom Tables containing Census 2010 Census Tract data:
<http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>

EIA Residential Energy Information

EIA Residential Energy Information --

<http://www.eia.doe.gov/emeu/consumption/index.html>

EIA Residential Energy Consumption and Expenditure Surveys 2009 Data and Reports, Summary Statistics

<http://www.eia.gov/consumption/residential/data/2009/>

Electricity

Retail Sales and Average Revenues per Kilowatt-Hour by Sector, State, and Utility --

http://www.eia.doe.gov/cneaf/electricity/esr/esr_sum.html

Natural Gas

Natural Gas Prices by Sector, Nationwide and by State:

U.S. Total Natural Gas Consumer Prices

http://tonto.eia.doe.gov/dnav/ng/ng_pri_top.asp

Natural Gas Data

http://www.eia.doe.gov/oil_gas/natural_gas/info_glance/natural_gas.html

Fuel Oil

Annual Residential Heating Oil Prices by State

http://tonto.eia.doe.gov/dnav/pet/pet_sum_mkt_dcu_nus_a.htm

Propane

Propane Prices by Sales Type and State

http://tonto.eia.doe.gov/dnav/pet/pet_sum_mkt_dcu_nus_a.htm

United States Department of Agriculture

Rural Utilities Service, Electric Programs Homepage

http://www.rurdev.usda.gov/UEP_Our_Grant_Programs.html

Rural Development Homepage

<http://www.rurdev.usda.gov>

Economic Research Service -- State and County Unemployment and Median Income

<http://www.ers.usda.gov/data/unemployment/>

Table 1
EIA Average Annual Household Energy Expenditures and
Extremely High Energy Cost Eligibility Benchmarks

Fuel	Average annual household expenditure (national average)	Extremely high energy cost annual expenditure benchmark (275% of national average)
Electricity	\$1,340 per year	\$3,685 per year
Natural Gas	\$804 per year	\$2,211 per year
Fuel Oil	\$1,338 per year	\$3,680 per year
LPG/Propane	\$972 per year	\$2,673 per year
Total Household Energy Use	\$2, 024 per year	\$5,566 per year
Annual Average Per Unit Residential Energy Costs		
Fuel	National Average	275% of national average per unit cost benchmark
Electricity	\$0.12 per kWh	\$0.33 per kWh
Natural Gas	\$12.18 per thousand cubic feet	\$30.50 per thousand cubic feet
Fuel Oil	\$2.42 per gallon	\$6.68 per gallon
LPG/Propane	\$2.09 per gallon	\$5.76 per gallon
Total Household Energy cost per BTUs	\$22.59 per million BTUs	\$62.12 per million BTUs

Energy Information Administration, United States Department of Energy, *2009 Residential Energy Consumption Survey--Detailed Tables*, available at: <http://www.eia.gov/consumption/residential/data/2009/>

The RUS benchmarks calculations include adjustments to reflect the uncertainties inherent in EIA's statistical methodology for estimating home energy costs. The benchmarks are set based on the EIA's lower range estimates using the specified EIA methods.

Demonstrating Eligibility Using Average Annual Household Expenditures

The annual expenditure benchmarks are set at 275 percent of the average yearly household cost for major commercial energy sources for the typical household in eligible extremely high energy cost communities. There are a variety of methods for establishing average community home energy costs. This section provides guidance in determining your community energy costs for eligibility purposes. In calculating annual home energy use, fuels used in subsistence activities in remote areas may be

included, but other transportation fuel uses should be excluded.

Electricity. EIA estimates that the average annual household expenditure for electricity is \$1,340 at an average price of about \$0.12 per kWh. To qualify as an extremely high energy cost community under this benchmark, you must show that the community average annual residential electricity expenditure in your area exceeds the electricity expenditure benchmark of \$3,685 per household or an average price of \$0.33 per kilowatt hour.

For communities with commercial electric service, applicants may demonstrate eligibility using any one of three alternative approaches:

1. Actual average annual household expenditure data from the local electricity provider or regulatory authority; or
2. Average annual revenues per residential customer for the local electric utility as reported to or by the EIA, other government agencies, or commercial utility data sources; or
3. Estimated average annual household electricity expenditures based on available information on community housing characteristics, standardized residential energy consumption profiles, local energy cost data, and local climate conditions affecting energy use. (Applicants using this alternative should clearly explain the methodology and data sources used and why localized electric utility information is not available.)

Adjustments to historical community electricity costs are appropriate to account for variations in weather conditions, fuel prices, or unusual circumstances causing a substantial divergence of present or future residential electricity costs from historical patterns. If you are relying on adjusted data, be sure to include an explanation for why historical data has been adjusted and the methodology used.

Special note for rural communities in Alaska that receive Power Cost Equalization (PCE) payments for residential customers: The household annual expenditure for electricity should include the PCE credits to reflect the actual cost of providing electricity. EIA information on residential electric revenues for electric systems in Alaska includes PCE payments in the residential revenues. For example, a local electric system reported average residential revenues per kilowatt hour of \$0.45 cents which reflects a PCE payment for eligible loads of \$0.23 per kWh. Because of the PCE payment the actual average cost to residential customers is reduced \$0.22 per kilowatt hour. For purposes of determining eligibility, applicants should use the actual cost to serve of \$0.45 cents per kWh, not the subsidized PCE rate.

Natural Gas. EIA estimates that the national average household expenditure for natural gas is \$804 at a cost of about \$12.18 per thousand cubic feet. To qualify as an extremely high energy cost community under this benchmark, you must show that the community average annual residential natural gas expenditure in your area exceeds the natural gas benchmark of \$2,211 per household or an average price of \$30.50 per thousand cubic feet.

Applicants may demonstrate eligibility using any one of three alternative approaches:

1. Actual average annual household expenditure data from the local natural gas distributor or regulatory authority; or
2. Average annual revenues per residential customer for the local natural gas utility as reported to or by the EIA, other government agencies, or commercial utility data sources; or
3. Estimated average annual household natural gas expenditures based on available information on community housing characteristics, standardized residential energy consumption profiles, local energy cost data, and local climate conditions affecting energy use. (Applicants using this alternative should clearly explain the methodology and data sources used and why localized natural gas utility information is not available.)

Adjustments to historical community household expenditures for natural gas are appropriate to account for variations in weather conditions, fuel prices, or unusual circumstances causing a substantial divergence of present or future residential energy costs from historical patterns. If you are relying on adjusted data, be sure to include an explanation for why historical data has been adjusted and the methodology used.

Fuel Oil. According to EIA, the average household expenditure for fuel oil is \$1,338 per year at approximately \$2.42 per gallon. To qualify as an extremely high energy cost community under this benchmark, you must show that the community average annual residential fuel oil expenditure in your area exceeds the benchmark of \$3,680 per household or an average price of \$6.68 per gallon.

Applicants may demonstrate eligibility using any one of three alternative approaches:

1. Actual average annual household expenditure data from a local fuel oil distributor; or
2. Average annual household fuel oil expenditures based on data reports or surveys from EIA, other government agencies, private agencies, or commercial data sources; or
3. Estimated average annual household fuel oil expenditures based on available information on community housing characteristics, standardized residential energy consumption profiles, local energy cost data, and local climate conditions affecting energy use. (Applicants using this alternative should clearly explain the methodology and data sources used and why localized fuel oil information is not available.)

Adjustments to historical community household expenditures for fuel oil are appropriate to account for variations in weather conditions, fuel prices, or unusual circumstances causing a substantial divergence of present or future residential energy costs from historical patterns. If you are relying on adjusted data, be sure to include an explanation for why historical data has been adjusted and the methodology used.

Special Note for communities that use kerosene, gasoline, or diesel as major household energy fuels: EIA does not report or calculate national average residential expenditures for kerosene, gasoline, or diesel as major household fuels and the Agency has not established benchmarks for those fuels. Applicants with communities that have substantial reliance on these fuels as household energy sources, may use the benchmark for fuel oil, or may include expenditures for these fuels in qualifying under total energy expenditures.

Propane/LPG. EIA estimates that the average annual residential expenditure on propane or liquefied petroleum gas (LPG) as a primary home energy source is \$972 per year at approximately \$2.09 per gallon. The extremely high energy cost benchmark for average annual expenditures for communities that use propane as a major home energy source is \$2,673 per household or an average price of \$5.76 per gallon.

Applicants may demonstrate eligibility using actual or estimated community average propane consumption and expenditures. Adjustments to actual prices for the effects of weather patterns or changes in propane prices are appropriate. Because there are few published sources for residential propane prices in rural areas, applicants must provide adequate documentation for actual or estimated local propane prices and the methodology they used to estimate average household expenditures.

Total Household Energy Use. EIA has estimated the national average household energy expenditure for all non-transportation energy sources is \$2,024 per year at an average cost of \$22.59 per million BTU. To qualify as an extremely high energy cost community under this benchmark, average annual residential energy expenditure (for all non-transportation uses) must exceed \$5,566 per household or an average price of \$62.12 per million BTU.

A community that does not meet the benchmarks for individual home energy sources may nevertheless qualify based on total expenditures for all home energy use. For example, a community with an average annual household fuel oil cost of \$2,800 and an annual average household electricity cost of \$2,800 would not qualify as an extremely high energy cost community under the benchmarks for fuel oil or electricity. However, the community is eligible under program because the combined average total household energy expenditure of \$5,600 exceeds the extremely high energy cost benchmark for average total annual household expenditures of \$5,566.

Applicants should refer to the discussion above for guidance on energy expenditure and consumption information sources for individual energy sources used to determine total household energy use and expenditures.

Demonstrating Eligibility Using Per Unit Energy Costs

The per unit energy cost benchmarks reflect the average annual per unit cost for major commercial household energy sources in extremely high energy cost communities. To be eligible under this grant program, the average residential per unit cost for major commercial energy sources in the area or community must exceed at least one of the per unit energy cost benchmarks shown in Table 1. Applicants generally should use historical residential energy cost data where available. Estimates may be used if actual data is not available or does not adequately represent the costs of providing home energy services in the area.

Electricity. To be eligible under this benchmark, the average annual per unit cost of electricity must exceed \$0.33 per kWh. There are a variety of acceptable measures that can be used to establish that community costs meet the eligibility benchmark. Common measures include the local utility's standard residential per kWh rate or annual average revenues per kilowatt hour for residential customers. Sources of actual per unit costs include the local electric provider, Federal and State agencies, and commercial energy information services. Estimates may be used if actual information is not available, the area does not have on-grid electric service, or the historical price information is not an adequate reflection of the community home energy costs. The example projects in Appendix A provide examples where per unit electricity costs were estimated. As discussed for the total expenditure benchmarks above, adjustments to historical data are appropriate to account for differences in weather, fuel prices, or other circumstances.

Natural Gas. The average annual per unit cost of natural gas must exceed \$30.50 per thousand cubic feet to be eligible under this benchmark. Acceptable sources for natural gas information and appropriate adjustments are the same as indicated in the above discussion of annual expenditures benchmarks.

Fuel Oil. The annual average per unit cost of residential fuel oil must exceed \$6.68 per gallon to be eligible under this benchmark. Acceptable sources for fuel oil information and appropriate adjustments are the same as indicated in the above discussion of annual expenditures benchmarks.

Propane/LPG. The average annual per unit cost of propane or LPG as a primary home energy source must exceed \$5.76 per gallon to be eligible under this benchmark. Acceptable sources for propane/LPG information and appropriate adjustments are the same as indicated in the above discussion of annual expenditures benchmarks.

Total Household Energy. Communities may also qualify if the total annual average residential energy cost exceeds the benchmark of \$62.12 per million BTU.¹ This figure is 275 percent of the national average. To derive this estimate, you should determine the annual consumption and expenditures for common home energy services including space heating, cooling, water heating, water pumping, refrigeration and food preservation, cooking, lighting, appliances, and laundry. In many instances home energy services may be delivered differently in remote rural areas and the costs may not be reflected in a typical residential bill.

Where community energy consumption or energy cost data is incomplete or lacking, the applicant may substitute estimates based on engineering standards and available community, regional, or local data on energy expenditures, consumption, housing characteristics and population.

Per BTU expenditures are calculated by adding together total expenditures for all energy sources and dividing by average total home energy use on a BTU basis. Applicants should use the conversion factors in Box B to estimate home energy usage in BTUs in making these calculations.

¹ NOTE: BTU is the abbreviation for British Thermal Unit, a standard energy measure. A BTU is the quantity of heat needed to raise the temperature of one pound of water 1 degree Fahrenheit at or near 39.2 degrees Fahrenheit. In estimating average household per unit energy cost on a BTU basis, different home energy sources are converted to a standard BTU basis.

Box B

Converting Energy Fuel Units to British Thermal Units (BTUs)

In estimating total average household per unit energy costs, it is necessary to convert common home energy sources to a standard BTU basis.

A BTU (British Thermal Unit): is defined as the amount of energy required to increase the temperature of 1 pound of water by 1 degree Fahrenheit, at normal atmospheric pressure. By expressing energy consumption in BTU, different energy sources can be compared and aggregated in common units.

Applicants should use the following EIA BTU conversion factors for residential energy use:

<u>Energy Source</u>	<u>BTU Equivalent</u>	<u>Unit</u>
Electricity (delivered/on site)	3,412	kilowatt-hour
Natural gas	1,027	cubic foot
Fuel Oil No.1	135,000	gallon
Kerosene	135,000	gallon
Fuel Oil No.2	138,690	gallon
LPG (propane)	91,330	gallon
Wood	20,000,000	cord

Supporting Energy Cost Data

Your application must include information that demonstrates eligibility under the high energy cost benchmarks for your area. You must supply documentation or references for actual or estimated home energy expenditures or per unit energy costs that you are relying on to meet the eligibility benchmarks.

Historical residential energy cost or expenditure information from the local commercial energy providers are the preferred sources of information. However, in some cases, local commercial energy provider data may be unavailable or may not present an adequate measure of energy costs in the area. Other potential sources of home energy related information include Federal and State agencies, local community energy providers such as electric and natural gas utilities and fuel dealers, and commercial publications. Estimates are appropriate if these sources are not adequate as discussed below.

Use of estimated home energy costs. Where community data are incomplete or lacking or where community-wide data do not accurately reflect the costs of providing home energy services, you may substitute estimates based on available community energy data and engineering standards. The estimates should use available community, local, or regional data on energy expenditures, consumption, housing characteristics and population. Estimates are appropriate where, for example, the area is without electric service. For example, engineering cost estimates reflecting the incremental costs of extending service could be used to establish eligibility for areas without grid-connected electric service.

Information to support high energy cost is subject to independent review by the Agency. Applications that contain information that is not reasonably based on credible sources of information or sound estimates will be rejected. Where appropriate, the Agency may consult standard sources to confirm the reasonableness of information and estimates provided by applicants in determining eligibility, technical feasibility, and adequacy of proposed budget estimates.

Why alternative measures are appropriate. We concluded following our review of the EIA RECS data and the LIHEAP program information that eligibility criteria should provide several alternative

measures of extremely high energy costs to accommodate the lack of a standardized national data base of local community energy consumption and price.

Reliance on total annual household energy expenditure alone does not provide an adequate measure of residential high energy costs in many rural communities. Total energy expenditures reflect the amounts and type of energy used, per unit costs of energy. These measures are in turn influenced by the size and condition of the housing units, family size and income, appliance use, climate, and annual weather variations. For example, on average lower income families tend to spend less on energy on a per household basis than upper income families because they tend to live in smaller homes with fewer energy consuming appliances, and have less disposable income. However, lower income families spend a much higher portion of their total family income on energy than upper income families. On average, families that live in regions with both high heating and high cooling demand tend to have higher energy bills than those in more moderate climate zones.

Reliance on historical commercial household energy expenditures or per unit energy costs alone in determining eligibility could ignore one of the most adverse impacts of extremely high energy costs in rural communities. Rural consumers, particularly those with low or modest incomes, may limit or do without commercial energy sources either because of the extremely high cost or its limited availability. Examples include homes without on-grid or any electric service; homes dependent on firewood for heating and homes left unheated or uncooled because of the expense or lack of service.

Use of average "out-of-pocket" household energy cost data may also yield a misleading picture of extremely high energy costs in some rural areas where some or all of home energy expenditures are not paid directly by the residential consumers. These include communities where some or all residential energy costs are paid by the landlord or housing service, or through heating or energy assistance payments, or by welfare or other community programs. For example, some Native American communities have a single electric meter, and service to all connected homes is paid for by the tribe directly to the electric utility. In some extremely high energy cost communities in Alaska, as a further example, critical household energy services such as bathing, laundry, and food storage are provided and paid for through shared community facilities rather than by individual households. In these localities, household commercial energy expenditures would not capture the costs of all home energy uses. In such cases, it would be appropriate for applicants to estimate the equivalent localized costs of providing home energy services comparable to national or regional usage standards using available local data.

IS MY PROJECT ELIGIBLE FOR A HIGH ENERGY COST GRANT?

Grants under this program may be used for the acquisition, construction, installation, repair, replacement, or improvement of energy generation, transmission, and distribution facilities in communities with extremely high energy costs.

Examples of eligible activities include:

- Acquisition, construction, replacement, repair, or improvement of:
 - Electric generation, transmission, and distribution facilities, equipment, and materials, including associated and supporting activities; land or right of way acquisition, engineering and professional expenses, permitting costs;
 - Natural gas distribution or storage facilities and associated equipment and activities serving residential customers or community use;
 - Petroleum product storage and handling facilities serving residential or community use; Renewable energy facilities used for on-grid or off-grid electric power generation, water or space heating, or process heating and power (renewable energy sources include solar, wind, hydropower, or biomass technologies); or
 - Backup up or emergency power generation or energy storage equipment, included distributed generation installed on consumer premises.
- Implementation of energy efficiency, energy conservation measures such as weatherization of residences and community facilities, energy-efficient or energy saving appliances and devices as part of a coordinated demand management or energy conservation program.

The above examples are illustrative and are not meant to limit the projects that you may propose in your application. An activity that meets the objectives of providing or improving energy service or reducing the costs of energy services to eligible communities is an acceptable grant purpose.

IS MY PROJECT ELIGIBLE FOR A BULK FUEL GRANT?

Grant funds can only be used to establish and support a revolving loan fund that facilitates cost effective fuel purchases for persons, communities, and businesses in Bulk Fuel Eligible areas. Where a recipient State entity's existing program is authorized to fund multiple purposes, grant funds may only be used to the extent the recipient funds eligible activities.

INELIGIBLE GRANT PURPOSES

Ineligible Grant Purposes for the High Energy Cost Grant Program

Certain activities and expenses cannot be financed out of grant funds. You may not use grant funds for: preparation of the grant application, payment of utility bills, fuel purchases, routine maintenance or other routine operating costs, or purchase of equipment, structures, or real estate not directly associated with provision of community energy services. In general, grant funds may not be used to support projects that primarily benefit areas outside of eligible communities. However, grant funds may be used to finance an eligible community's proportionate share of a larger energy project. Grant-funded projects must provide community benefits and not for the primary benefit of a single household or business.²

This grant program is not intended to support research, development or demonstration projects. You must be able to demonstrate that a proposed project is both economically and technically feasible as a condition of selection. However, use of grant funds will be considered for projects that involve the innovative use or adaptation of commercially proven energy-related technologies to improve energy service in extremely high cost communities.

Other Limitations on Use of Grant Funds for both the High Energy Cost Grant and the Bulk Fuel Grant

Section 19 requires that the planning and administrative expenses of the grantee not directly related to the grant project cannot exceed 4 percent of project costs. The Agency will not approve use of grant funds for expenses that exceed this limit. Only project proposals that are 100% implementation will be funded.

For More Information See Appendix A for examples of eligible projects and different approaches to demonstrating community energy costs for the High Energy Cost Grant Program.

² There are other USDA Rural Development Programs that can assist farms, ranches, rural small businesses and rural households and community facilities. For more information on these programs, please see <http://www.rurdev.usda.gov/Home.html> or consult your local USDA Rural Development State Office.

READY TO PROCEED?

If you believe that you are an eligible applicant, your community is an eligible extremely high energy cost community, and your proposed project is eligible, feasible, and benefits your community, you are ready to prepare your project proposal and application package.

PREPARING THE APPLICATION PACKAGE

The NOFA describes what your application package must include. Refer to and follow the NOFA section on “What to Include in the Application” in preparing your application. For your convenience, The Application Checklist below shows the required contents of the application package in the order specified in the NOFA. Copies of all forms and certifications may be found in Appendix B, [Grants.gov](http://www.rurdev.usda.gov/UEP_HomePage.html), and on the RUS Electric Programs website http://www.rurdev.usda.gov/UEP_HomePage.html.

Application Checklist for the High Energy Cost Grant Program

The paper application package must contain an original signed application and two complete copies.

Application Contents

A completed application will contain the following parts assembled in order and paginated sequentially or by section:

- Part A. SF 424 “Application for Federal Assistance”**
- Part B Narrative Grant Proposal.**
 - Grant Eligibility (3 pages maximum).
 - Project Abstract and Eligibility
 - Applicant Eligibility
 - Community Eligibility
 - Grant Proposal (30 pages maximum)
 - Executive summary (1 page)
 - Project needs (2 pages)
 - Project Description/Design (5 pages)
 - Project Goals and Objectives and Project Performance Measures (2 pages)
 - Project Management (8 pages)
 - Management Plan and Schedule (2 pages)
 - Project Reporting Plan (2 pages)
 - Relevant Organizational Experience (2 pages)
 - Key Staff Experience (2 pages)
 - Regulatory and Other Approvals (2 pages)
 - Rural Development Initiatives (1 page)
 - Proposed Project Budget (4 pages)
 - Attach either SF-424A, “Budget Information - Non-Construction Programs” or SF-424C “Budget Information-Construction Programs”
 - Supplementary Material- Only letters of support (5 pages) Letters of support from congress will not be counted against the page limit.
- Part C. Additional Required Forms and Certifications**
 - SF-424B, “Assurances - Non-Construction Programs” or SF-424D, “Assurances -

- Construction Programs" (as applicable)
- SF LLL, "Disclosure of Lobbying Activities" and Form SF-LLLA (continuation, if needed)
- "Certification Regarding Debarment, Suspension and Other Responsibility Matter - Primary Covered Transactions"
- Environmental Report

Application Checklist for the Bulk Fuel Grant Program

The paper application package must contain an original signed application and two complete copies.

Application Contents

A completed application will contain the following parts assembled in order and paginated sequentially or by section:

- Part A. SF 424 "Application for Federal Assistance"**
- Part B Narrative Grant Proposal.**
 - Grant Eligibility (1 page maximum).
 - Project Abstract and Eligibility
 - Applicant Eligibility
 - Grant Proposal (26 pages maximum)
 - Executive summary (1 page)
 - Project needs (2 pages)
 - Project Description/Design (5 pages)
 - Project Goals and Objectives and Project Performance Measures (2 pages)
 - Project Management (6 pages)
 - Management Plan and Schedule (2 pages)
 - Project Reporting Plan (2 pages)
 - Relevant Organizational Experience (2 pages)
 - Rural Development Initiatives (1 page)
 - Proposed Project Budget (4 pages)
 - Attach either SF-424A, "Budget Information - Non-Construction Programs" or SF-424C "Budget Information-Construction Programs"
 - Supplementary Material- Only letters of support (5 pages) Letters of support from congress will not be counted against the page limit.
- Part C. Additional Required Forms and Certifications**
 - SF-424B, "Assurances - Non-Construction Programs" or SF-424D, "Assurances - Construction Programs" (as applicable)
 - SF LLL, "Disclosure of Lobbying Activities" and Form SF-LLLA (continuation, if needed)
 - "Certification Regarding Debarment, Suspension and Other Responsibility Matter - Primary Covered Transactions"
 - Environmental Report

HOW WILL MY APPLICATION BE EVALUATED?

Your application will be reviewed by a rating panel selected by the Assistant Administrator, Electric Programs. The rating panel will award points to each application based on the evaluation criteria set out in the NOFA. Read the section of the NOFA on selection criteria carefully as well as this section of the Guide.

Careful attention to the project evaluation criteria in the NOFA is a critical part of preparing your proposal. The ratings panel will review all complete applications according to the evaluation criteria set forth in the NOFA. The rankings and recommendations of the panel will be forwarded to the Administrator for final review and selection.

Evaluation Criteria and Weights

The maximum number of points that can be awarded to a proposal under the selection criteria established in the NOFA is 100 points. Tables 2 and 3 show the maximum points available under each of the evaluation criterion for the High Energy Cost Grant and the Bulk Fuel Grant Program Respectively.

The Agency will use the selection criteria described below to evaluate and rate applications and will award points up to the maximum number indicated under each criterion. All applications must be on single sided pages, formatted using Times New Roman, with 12 point font, single spaced, minimum of .375" margins and all pages must be numbered. Only numbered pages will be reviewed. All applications are limited to the page limits specified by each section in this NOFA. Any additional pages will not be reviewed.

Grant Eligibility for the High Energy Cost Grant

The grant eligibility narrative will not be scored, but it will determine if the project is eligible for funding; application be submitted to the scoring panel. The grant eligibility section can be no longer than three pages and must include the following information:

Project Abstract and Eligibility. This section must provide a summary of the proposed project. It must be described in sufficient detail to establish that it is an eligible project. There are no scores associated with these sections, only the identification that the project is or is not eligible.

Applicant Eligibility. This section is a narrative statement that identifies the applicant and supporting evidence establishing that the applicant has or will have the legal authority to enter into a financial assistance relationship with the Federal Government.

Community Eligibility. This section provides a narrative description of the community or communities to be served by the grant and supporting information to establish eligibility. The narrative must show that the proposed grant project's area or areas are located in one or more communities where the average residential energy costs exceed one or more of the benchmark criteria for extremely high energy costs as described in this NOFA. The narrative should clearly identify the location and population of the areas to be aided by the grant project and their energy costs and the population of the local government division in which they are located. Local energy providers and sources of high energy cost data and estimates should be clearly identified. Neither the applicant nor the project must be physically located in the extremely high energy cost community, but the funded project must serve an eligible community. The population estimates should be based on the results of the 2010 Census available from the U.S. Census Bureau. Additional information and exhibits supporting eligibility may include maps, summary tables, and references to statistical information from the U.S. Census, the Energy Information Administration, other Federal and State agencies, or private sources. The Application Guide includes additional information and sources that the applicant may find useful in establishing community eligibility.

Grant Eligibility for the Bulk Fuel Grant Program

The grant eligibility narrative will not be scored, but it will determine if the project is eligible for funding; application be submitted to the scoring panel. The grant eligibility section can be no longer than one page and must include the following information:

Project Abstract and Eligibility. This section must provide a summary of the proposed project. It must be described in sufficient detail to establish that it is an eligible project. There are no scores associated with these sections, only the identification that the project is or is not eligible.

Applicant Eligibility. This section is a narrative statement that identifies the applicant and supporting evidence establishing that the applicant has or will have the legal authority to enter into a financial assistance relationship with the Federal Government.

Scoring Criteria for the High Energy Cost Grant Program

Once an applicant has been deemed eligible, the application will be referred to a panel that will score the projects using the following 100 point criteria.

Table 2
Evaluation Criteria

	Maximum Points
Project Needs	15
Project Description (Design)	20
Project Goals and Objectives and Project Performance Measures	10
Project Management	25
<i>Management Plan and Schedule</i>	10
<i>Project Reporting Plan</i>	5
<i>Relevant Organizational Experience</i>	5
<i>Key Staff Experience</i>	5
Regulatory and other approvals	0
Rural Development Initiatives	20
Proposed Project Budget	10
Supplementary Material (Only Letters of Support Accepted)	0
Maximum Possible Score	100

A. Project needs (Up to 15 points). Under this criterion, reviewers will consider the applicant's assessment of community needs and how the grant project addresses those needs. To the maximum extent possible grant funds will be directed to the smallest communities with the lowest incomes emphasizing areas where according to the American Community Survey data by census tracts show that at least 20 percent of the population is living in poverty. This emphasis supports Rural Development's goal of providing 20 percent of its funding by 2016 to these areas of need. It must also describe the criteria used to identify eligible areas, including the characteristics that make fuel deliveries by surface transportation impossible or impracticable. It must also identify if the community is deemed an economic hardship community or if the community is facing an imminent hazard. A community facing economic hardship is defined as a situation where the 2010 median household income for the community is 20 percent below the State average or where the community suffers from economic conditions that severely constrain its ability to provide or improve energy

facilities serving the community. Projects focused in correcting an imminent hazard are defined as projects that will correct a condition posing an imminent hazard to public safety, public welfare, the environment, or to a critical community or residential energy facility in immediate danger of failure because of a deteriorated condition, capacity limitation, or damage from a natural disaster or accident. Applicants must describe in detail and document conditions creating severe community economic hardship or imminent hazard in the proposal.

B. Project Description/Design (Up to 20 points). In this section, the applicant will be awarded points on the technological design of the project. The applicant must provide a narrative description of the project including a proposed scope of work identifying major tasks and proposed schedules for task completion, a detailed description of the equipment, facilities and associated activities to be financed with grant funds, the location of the eligible extremely high energy cost communities to be served, and an estimate of the overall duration of the project. The Project Design description should be sufficiently detailed to support a finding of technical feasibility. Proposed projects involving construction, repair, replacement, or improvement of electric generation, transmission, and distribution facilities must generally be consistent with the standards and requirements for projects financed with loans and loan guarantees under the RE Act as set forth in the Agency's Electric Programs Regulations and Bulletins and may reference these requirements.

C. Project Goals and Objectives and Project Performance Measures (Up to 10 points). Points will be awarded for the total reach of the project; the renewable energy produced, energy saved, or costs avoided. The applicant should clearly identify how the project addresses the energy needs of the community and include appropriate measures of project success such as, for example, expected reductions in household or community energy costs, avoided cost increases, enhanced reliability, or economic or social benefits from improvements in energy services available to the community. The applicant should include quantitative estimates of cost or energy savings and other benefits. The applicant should provide documentation or references to support its statements about cost-effectiveness savings and improved services. The applicant should also describe how it plans to measure and monitor the effectiveness of the program in delivering its projected benefits

D. Project Management (Up to 25 points). This section must provide a narrative describing the applicant's capabilities and project management plans. The description should be broken down into the following subsections:

- a. **Management Plan and Schedule (up to 10 points).** This subsection should include the application's organizational structure, method of funding, if the applicant proposes to use affiliated entities, and production schedule in implementing the grant award. Points will be awarded for robust management plans, and realistic succinct schedules. If the applicant proposes to secure equipment, design, construction, or other services from non-affiliated entities, the applicant must briefly describe how it plans to procure and/or contract for such equipment or services. The applicant should provide information that will support a finding that the combination of management team's experience, financial management capabilities, resources and project structure will enable successful completion of the project.
- b. **Project Reporting Plan (up to 5 points)** This subsection should provide a detailed description of the reporting requirements as well as consequences if the project falls behind. Points will be awarded for a robust reporting plan that clearly identifies consequences for falling behind schedule.
- c. **Relevant Organizational Experience (up to 5 points)** This subsection should include a detailed description of the organization that will install or implement the proposed projects. Information on success rates, past project long term viability, and consumer complaints are required. If the applicant has received any HECG funding, or other Federal funding a detailed description of past performance is required in this section. Points will be awarded to organizations with proven track records.
- d. **Key Staff Experience (up to 5 points)** This subsection requires bio/descriptions of all key staff must be provided. If the applicant proposes to use affiliated entities, contractors,

or subcontractors to provide services funded under the grant, the applicant must describe the identities, relationship, qualifications, and experience of these affiliated entities. The experience and capabilities of these entities will be reviewed by the rating panel. Points will be awarded to applicants that are utilizing key staff with proven track records.

E. Regulatory and other approvals (0 points). Though no points will be awarded, the applicant must still identify any other regulatory or other approvals required by other Federal, State, local, or Tribal agencies, or by private entities as a condition of financing that are necessary to carry out the proposed grant project and its estimated schedule for obtaining the necessary approvals. A discussion of RUS compliance with National Environmental Policy Act of 1969 (NEPA) and National Historic Preservation Act (NHPA), for which the provision of funding is considered an action under NEPA and an undertaking under NHPA subject to review should be included. The environmental information that must be supplied by the applicant can be found in environmental report, found in the supplemental application materials. This information will be used to ensure the applicant has addressed all the regulatory requirements necessary in implementing a successful grant project.

F. Rural development initiatives (up to 20 points). The narrative 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. The applicant should also clarify if they are located in a rural community of less than 20,000 people. Projects that do not support a State rural development initiative, but are located in communities of less than 20,000, will still receive points.

G. Proposed Project Budget (up to 10 points). The applicant must submit a proposed budget for the grant program on SF 424A, "Budget Information—Non-Construction Programs" or SF-424C, "Standard Form for Budget Information-Construction Programs," as applicable. All applicants that submit applications through Grants.gov must use SF-424A. The applicant should supplement the budget summary form with more detailed information describing the basis for cost estimates. The detailed budget estimate should itemize and explain major proposed project cost components such as, but not limited to, the expected costs of design and engineering and other professional services, personnel costs (salaries/wages and fringe benefits), equipment, materials, property acquisition, travel (if any), and other direct costs, and indirect costs, if any. The budget must document that planned administrative and other expenses of the project sponsor that are not directly related to performance of the grant will not total more than 4 percent of grant funds. The applicant must also identify the source and amount of any other Federal or non-Federal contributions of funds or services that will be used to support the proposed project. Points will be awarded for budget feasibility, realistic budget costs, and total funds requested.

H. Supplementary Material (0 points). No points will be awarded for supplementary materials and only letters of support will be accepted as Supplementary materials. No other additional information will be accepted or reviewed.

Scoring Criteria for the Bulk Fuel Grant Program

Once an applicant has been deemed eligible, the application will be referred to a panel that will score the projects using the following 100 point criteria.

Table 3
Evaluation Criteria

	Maximum Points
Project Needs	15
Project Description (Design)	20
Project Goals and Objectives and Project Performance Measures	10
Project Management	25
<i>Management Plan and Schedule</i>	10
<i>Project Reporting Plan</i>	5
<i>Relevant Organizational Experience</i>	10
Rural Development Initiatives	20
Proposed Project Budget	10
Supplementary Material (Only Letters of Support Accepted)	0
Maximum Possible Score	100

A. Project needs (Up to 15 points). Under this criterion, reviewers will consider the applicant's assessment of community needs and how the grant project addresses those needs. To the maximum extent possible grant funds will be directed to the smallest communities with the lowest incomes emphasizing areas where according to the American Community Survey data by census tracts show that at least 20 percent of the population is living in poverty. This emphasis supports Rural Development's goal of providing 20 percent of its funding by 2016 to these areas of need. It must also describe the criteria used to identify eligible areas, including the characteristics that make fuel deliveries by surface transportation impossible or impracticable. It must also identify if the community is deemed an economic hardship community or if the community is facing an imminent hazard. A community facing economic hardship is defined as a situation where the 2010 median household income for the community is 20 percent below the State average or where the community suffers from economic conditions that severely constrain its ability to provide or improve energy facilities serving the community. Projects focused in correcting an imminent hazard are defined as projects that will correct a condition posing an imminent hazard to public safety, public welfare, the environment, or to a critical community or residential energy facility in immediate danger of failure because of a deteriorated condition, capacity limitation, or damage from a natural disaster or accident. Applicants must describe in detail and document conditions creating severe community economic hardship or imminent hazard in the proposal.

B. Project Description/Design (Up to 20 points). In this section, the applicant will be awarded points on (1) The legal structure and staffing of the revolving fund proposal for fuel purchase support; (2) The objectives of the project, the proposed criteria for establishing project funding eligibility and how the project is to be staffed, managed and financed; (3) How the potential beneficiaries will be informed of the availability of revolving fund benefits to them; (4) How the proposed revolving fund program will help provide a more cost-effective means of meeting fuel supply needs in eligible areas, encourage the adoption of financially sustainable energy practices, the adequate planning and investment in bulk fuel facility operations and maintenance and cost-effective

C. Project Goals and Objectives and Project Performance Measures (Up to 10 points). Points will be awarded for the total reach of the project; the renewable energy produced, energy saved, or costs avoided. The applicant should clearly identify how the project addresses the energy needs of the community and include appropriate measures of project success such as, for example, expected reductions in household or community energy costs, avoided cost increases, enhanced reliability, or economic or social benefits from improvements in energy services available to the community. The applicant should include quantitative estimates of cost or energy savings and other benefits. The applicant should provide documentation or references to support its statements about cost-

effectiveness savings and improved services. The applicant should also describe how it plans to measure and monitor the effectiveness of the program in delivering its projected benefits

D. Project Management (Up to 25 points). This section must provide a narrative describing the applicant's capabilities and project management plans. The description should be broken down into the following subsections:

- e. Management Plan and Schedule (up to 10 points). This subsection should include the application's organizational structure, method of funding, if the applicant proposes to use affiliated entities, and production schedule in implementing the grant award. Points will be awarded for robust management plans, and realistic succinct schedules. The applicant should provide information that will support a finding that the combination of management team's experience, financial management capabilities, resources and project structure will enable successful completion of the project.
- f. Project Reporting Plan (up to 5 points) This subsection should provide a detailed description of the reporting requirements as well as consequences if the project falls behind. Points will be awarded for a robust reporting plan that clearly identifies consequences for falling behind schedule.
- g. Relevant Organizational Experience (up to 10 points) This subsection should include a detailed description of the organization that will install or implement the proposed projects. Information on success rates, past project long term viability, and consumer complaints are required. If the applicant has received any HECG funding, or other Federal funding a detailed description of past performance is required in this section. Points will be awarded to organizations with proven track records.

E. Rural development initiatives (up to 20 points). The narrative 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. The applicant should also clarify if they are located in a rural community of less than 20,000 people. Projects that do not support a State rural development initiative, but are located in communities of less than 20,000, will still receive points.

F. Proposed Project Budget (up to 10 points). The applicant must submit a proposed budget for the grant program on SF 424A, "Budget Information—Non-Construction Programs" or SF-424C, "Standard Form for Budget Information-Construction Programs," as applicable. All applicants that submit applications through Grants.gov must use SF-424A. The applicant should supplement the budget summary form with more detailed information describing the basis for cost estimates. The detailed budget estimate should itemize and explain major proposed project cost components. The budget must document that planned administrative and other expenses of the project sponsor that are not directly related to performance of the grant will not total more than 4 percent of grant funds. The applicant must also identify the source and amount of any other Federal or non-Federal contributions of funds or services that will be used to support the proposed project. Points will be awarded for budget feasibility, realistic budget costs, and total funds requested.

G. Supplementary Material (0 points). No points will be awarded for supplementary materials and only letters of support will be accepted as Supplementary materials. No other additional information will be accepted or reviewed.

SUBMITTING THE APPLICATION

Applicants should follow the directions in NOFA in preparing their application packages. The completed application should be assembled in the order specified with all pages numbered

sequentially. Your application will be rejected if it does conform to the page limits/format requirements and include the information, forms, and certifications required in the NOFA.

Applicants that are submitting paper applications should submit one original application that includes original signatures on all required forms and certifications and two copies. All applications must be on single sided pages, formatted using Times New Roman, with 12 point font, single spaced, minimum of 0.375" margins and all pages must be numbered. Only numbered pages will be reviewed. All applications are limited to the page limits specified by each section in this NOFA. Any additional pages will not be reviewed.

Applicants that are submitting applications online through Grants.gov should follow directions on that site (<http://www.Grants.gov>) to complete the application forms and to attach their narrative and other materials to the application package for electronic filing.

HOW TO SUBMIT AN APPLICATION PACKAGE

PAPER APPLICATIONS

The completed application package must be delivered to the RUS Electric Programs headquarters at:

Rural Utilities Service, Electric Programs
United States Department of Agriculture
1400 Independence Avenue, SW, STOP 1560
Room 5165-South Building
Washington, D.C. 20250-1560

Mark the outside of the Envelope: "Attention: High Energy Cost Community Grant Program" or "Attention: Bulk Fuel Grant Program"

Application packages should be delivered postage paid using United States Mail, overnight delivery service, or by hand. The Electric Programs will not accept applications by email or fax.

Applicants should be advised that regular mail deliveries to Federal Agencies, especially of oversized packages and envelopes, continue to be delayed because of increased security screening requirements. Applicants may wish to consider using Express Mail or a commercial overnight delivery service instead of regular mail. Applicants wishing to hand deliver or use courier services for delivery should contact the Agency representative in advance to arrange for building access. USDA advises applicants that because of intensified security procedures at government facilities that any electronic media included in an application package may be damaged during security screening. If an applicant wishes to submit such materials, they should contact the Agency representative for additional information.

ELECTRONIC APPLICATIONS

We will accept applications submitted through the Federal Government's online application portal, [Grants.gov](http://www.Grants.gov). You can search for grant opportunities, download application materials, complete your application, upload additional information for your application, and submit your application electronically at Grants.gov. USDA will not accept applications by electronic mail.

Please follow the instructions for preparing and submitting applications under the "Apply" tab at Grants.gov. All the forms that you need to submit your application are available there. Follow Grants.gov directions for uploading additional information for your application.

If you encounter a technical problem retrieving or submitting an electronic application, contact the Grants.gov customer support resources directly (click the "Customer Support" tab on any page of Grants.gov to get started). USDA does not control the technical aspects of Grants.gov and we won't

be able to help you if you experience a problem. We can, however, answer questions about the application materials posted there and what we require.

If you want to submit an application on-line, USDA strongly encourages you to allow time to obtain all the necessary registrations, and authorizations well in advance of the deadline. You will need to provide a DUNS number, register with the System for Award Management (SAM) (formerly the Central Contractor Registry (CCR)) and finalize your grants.gov organization or individual registration before you can submit electronically. Applicants may register for the SAM at <https://www.sam.gov/>. These procedures may take up to a week or more to complete. Please make sure that your credentials and registration are up to date. Some or all of SAM and Grants.gov registrations require an annual update.

If you are applying through Grants.gov, you do not need to submit two copies as required for mailed applications. We may, however, request that you provide original signatures on paper as part of the pre-award review if your project is selected.

IMPORTANT: If you are applying through Grants.gov, you are responsible for assuring that the electronic files submitted are in a format that can be read by RUS. Please check the Grants.gov website for information on compatible formats. If you encounter problems submitting your application through Grants.gov and cannot resolve the issue through their assistance hotline, please get in touch with the Agency contact before the application deadline for advice on how to proceed.

DEADLINE FOR SUBMISSION AND LATE APPLICATIONS

VERY IMPORTANT: Your application package must be postmarked and mailed through the United States Postal Service or commercial overnight delivery service on or before **August 1, 2014**, or hand delivered to the RUS Electric Programs by 4:00 pm August 1, 2014. Electronic Applications must also be filed with Grants.gov on or before midnight (EDT) August 1, 2014. The Electric Programs will accept for review all applications postmarked, submitted to Grants.gov, or hand delivered to by this deadline. Late applications will not be considered and will be returned to the Applicant.

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APPENDIX A

RESOURCES

Target Area Worksheets for the High Energy Cost Grant

Many applicants find it useful to present information in tabular format. These optional worksheets are provided for the convenience of applicants in assembling and organizing community information to support their applications. Applicants are not required to use these worksheets in their applications.

Geographic, Population, Income, and Community Characteristics Worksheet

This worksheet is useful for presenting descriptive information about the community that can be used for determining eligibility and supporting the award of additional priority points for rurality and economic hardship.

Community Energy Characteristics Worksheet

This worksheet is useful for presenting information about community energy use and costs necessary for establishing eligibility.

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Applicant: _____

Project: _____

Page _____ of _____

Extremely High Energy Cost Community Grant Program Optional Area Worksheet

GEOGRAPHIC, POPULATION, INCOME, AND COMMUNITY CHARACTERISTICS

COMMUNITY NAME City, town, village, Census designated place, or local name for each community in the area	County	Incorporated Area? Yes/No	Census 2010 Population	County Median Income as Percent of State Median Income

Notes:

Applicant: _____

Project: _____

Page _____ of _____

**Extremely High Energy Cost Community Grant Program
Optional Area Worksheet**

COMMUNITY ENERGY CHARACTERISTICS

COMMUNITY City, town, village, Census designated place or local name	Local Energy Provider	Fuel or Energy Source	Annual Household Consumption	Annual Household Expenditure	Average Per unit cost

Notes:

Examples of Eligible Projects for the High Energy Cost Grant Program

The RUS has developed four examples of communities and projects that may qualify under this program. The examples are illustrative only and do not reflect any actual grant proposals. The examples demonstrate how the eligibility requirements of this NOFA can be satisfied using alternative benchmarks and measures for diverse projects.

- Example 1. Electric Distribution System Upgrade and Replacement of Bulk Fuel Storage Facilities
- Example 2. Rural Electrification Project – Electric Distribution, Native American Reservation
- Example 3. Rural Electrification Project with Renewable Energy
- Example 4. Low-Income Residential Energy Efficiency and Weatherization Program

Example 1. Electric Distribution System Upgrade and Replacement of Bulk Fuel Storage Facilities and Rural Power System Improvements in a Rural and Remote Village

Target Community A is a remote rural Alaskan village of less than 2,000 inhabitants. It is served by a municipal utility. Its county median household income is 75 percent of the statewide average.

The primary residential energy sources used in the community are electricity and fuel oil. The average revenue per kilowatt hour (kWh) for residential customers is 23 cents per kilowatt-hour. The typical residential customer uses 500 kilowatt hours per month. Annual household electricity bills average \$1,380. Because of its remote location, fuel oil is more expensive in this community than in more urban areas. In recent years fuel oil has averaged over \$4.35 per gallon, delivered. Because of the harsh climate, the average household uses over 1,000 gallons of fuel oil per year and the average annual household fuel oil bill totals over \$4,350.

The local government-owned utility of Community A submits a proposal for a rural power system upgrade to repair and replace segments of its electric distribution system and to replace and upgrade the village's deteriorated fuel oil storage tanks and bulk fuel handling system to comply with Federal environmental requirements. Use of grant funds for the project will avoid increases in home energy costs, enhance the reliability of the village energy infrastructure, and remedy an imminent environmental hazard. Total cost of the project is estimated at \$ 2.5 million. The applicant proposes to contribute \$250,000 towards project costs from a combination of internal funds and a State grant.

Is Community A an eligible applicant?

Yes. A local government body is an eligible applicant.

Is Community A an eligible extremely high energy cost community?

Yes. The average annual household consumption in Community A totals over 1,000 gallons of fuel oil per year and the average annual household fuel oil bill is over \$4,350. This expenditure is substantially over the high energy cost benchmark of \$3,680 per year representing 275 percent of the national average annual household expenditure for fuel oil. Therefore, the community qualifies as an extremely high energy cost under this NOFA based on average annual expenditure for fuel oil.

The reported average per unit household energy cost of \$0.23 per kWh and annual expenditures of \$1,380 for electricity in Community A, while above the national average, does not meet the eligibility benchmarks for electricity of \$0.33 per kWh or \$3,685 per year as provided in the NOFA. However, the average household energy expenditures for fuel oil and electricity combined total \$5,730 which exceeds the total annual household energy cost benchmark of \$5,566 per year. The community is eligible under the total household energy cost benchmark.

Is Community A's proposed grant project an eligible purpose?

Yes. Repair, replacement, and upgrades of electric generation and distribution facilities and bulk fuel facilities are eligible purposes under this program.

Example 2. Rural Electrification Project – Electric Distribution, Native American Reservation

Target Community B is located in an extremely rural area of an Indian Reservation that currently does not have central station electric service. Less than 5,000 people live within the boundaries of this Federally-recognized reservation. The largest Census Designated Place (CDP) within the reservation has a population of 1,100 people. The median household income of the county in which the reservation is located is 75 percent of the statewide average. Median household incomes on the reservation are less than 60 percent of the statewide average. About 3,000 people live in the proposed area.

Households in the area rely on a variety of fuels and technologies for energy services. Some households rely on gasoline-driven electric generators to provide electricity for their individual homes. Members of the community also rely on wood, kerosene, and propane for heating and cooking. A small, densely settled area on the boundaries of the reservation receives electric service from a neighboring investor-owned electric system under the utility's state-approved residential rate. Other areas on the reservation are served by the Tribal Utility. Monthly electricity use for tribal homes in this area averages about 700 kWh.

About 40 percent of the homes on the reservation lack on-grid electric service. Because of the widespread lack of commercial energy services, there is little available information on average community energy costs. Surveys of a representative sample of homes indicate that residents rely on a combination of gasoline generators, propane, kerosene, and fire wood to meet their energy needs. Average household energy costs are estimated to be in excess of \$5,000 per year exclusive of the costs of firewood. In the most recent year, the fuel cost for running a gasoline powered generator has averaged in excess of \$0.79 per kilowatt hour. The average annual cost of generating approximately 400 kWh per month for household needs using a gasoline generator exceeds \$3,700 per year.

The Tribal utility proposes to extend its electric distribution system within the unserved areas of the reservation. The Tribal utility submits an application for grant funds for system design and planning, and construction to expand its electric distribution to serve community facilities and approximately 300 residences. Utility revenues and conventional financing will support subsequent expansion of the system. The Tribe believes that an important benefit of the project will be that the availability of modern utility infrastructure on the reservation will improve the living conditions of residents, support economic development, and encourage younger members of the tribe to make their homes on the reservation.

A preliminary engineering study is available providing cost estimates for building out the tribal distribution system, future wholesale power costs, and projected electricity demand. If the project is completed, electricity is expected to be the major source of home energy.

The estimated cost of constructing phase I of the distribution system to serve 300 residential customers is \$5,500,000. Estimated monthly electricity use for new residential customers after project completion is about 700 kWh based on characteristics of similar communities. The engineering study reports the average regional cost of wholesale power delivered is \$0.08 and the average cost of distribution expenses for the tribal utility is \$0.04 kWh for residential customers. Assuming that the \$5,500,000 project cost is financed at 6 percent interest over a period of 35 years, estimated fully-allocated costs to serve the 300 homes in the area (excluding margins) can be calculated as follows:

Annual system electric usage (including losses)	2,646,000 kWh
Net annual system electric usage	2,520,000 kWh
Annual debt service	\$376,325
Annual power purchase costs	\$500,000
Annual distribution system expenses	<u>\$105,840</u>
Total Costs	\$981,165

Cost per kWh

\$0.389

Is Community B an eligible applicant?

Yes. An Indian tribe or a tribal utility owned, controlled by, or sanctioned by the tribal government is an eligible applicant under this program.

Is Community B an eligible extremely high energy cost community?

Yes. Because the area is not served energy utilities, determination of eligibility will have to be based either the projected costs of constructing the new system and procuring power supplies or the estimated average annual costs of providing typical levels of household energy services using existing combination of gasoline generators, propane, firewood, and kerosene.

In this example, Community B is able to demonstrate that the average revenue per kWh cost for a new on-grid electric distribution system with a small customer base is projected to be \$0.389 per kWh. This estimated residential electric cost exceeds the eligibility benchmark for per unit electricity costs of \$0.33 per kWh. Community B's area qualifies as an extremely high energy cost community under this program.

Alternatively, the cost of providing electricity via gasoline generators is over \$0.79 per kWh –well in excess of the benchmark of \$0.33 per kWh and would exceed over \$3,700 per year to provide an average of 400 kWh per month. The community qualifies under both the electricity benchmarks. In this example, the community may also qualify if the applicant can demonstrate that estimated annual costs of providing household energy services using the existing combination of gasoline, propane, kerosene, and firewood exceed the total annual energy expenditure benchmark of \$5,566.

Is Community B's proposed grant project an eligible purpose?

Yes. The proposed construction of a distribution system under the tribe's electrification project qualifies as an eligible purpose.

Example 3. Rural Electrification Project with Distributed Renewable Energy

Target Area C is within a utility service territory located in a sparsely populated rural area and encompassing portions of an Indian Reservation. Applicant C a local electric distribution utility, which serves the reservation and surrounding areas, proposes to provide electricity to unserved areas in its service territory through line extensions or by providing a package of an off-grid renewable generator and energy efficient electric appliances to provide basic home energy services in lieu of extending distribution lines and central station service.

The grant would help reduce the costs for participating households. The grant will benefit scattered rural communities that, although located within the service area of an existing electric utility, do not have any central station electric service because of the costs. Together these scattered households comprise the grant's proposed target areas. These unserved areas consist of clusters of up to ten single-family units in close proximity. These household clusters are isolated from each other and are located over a large geographical area. Some of these households have gasoline-driven electric generators that serve their individual homes or family-communities. Other sources of energy, such as wood, oil, and propane are also used for heating and cooking. Because of the lack of centralized utility services, there is little available information on total household energy costs. Eligibility of the target community will be determined based on the estimated incremental costs of extending service to these new customers and/or the costs of providing off-grid (distributed) energy service.

The service area extends over several counties and has about 3,700 customers. Most of the service area, including all of the proposed target area, however, is located outside CDPs. The largest incorporated town in the target area has a population of 3,400 persons. County median household income is 74 percent of the statewide average.

The utility's planning and engineering studies document the high costs of extending service to these remote settlements. In rugged areas of its service territory, costs for constructing distribution lines exceed \$100,000 to \$150,000 per mile. The utility serves fewer than four customers per mile on average. The utility estimates that average costs of extending its distribution system to connect these settlements will be over \$45,000 per household, excluding costs of power supply. The costs of line extension far exceed the construction allowance provided by the utility. Extending service is not cost-effective for the local utility under its rate structure. The average rural household with electric service uses only about 800 kWh per month at a residential rate of \$0.109 per kWh. The average monthly bill is about \$87.20. The fully allocated cost to recover average line extension costs of \$45,000 per household over a 35 year period would add approximately \$227.11 per month. Revenues from typical residential loads in the unserved areas would be insufficient to recover the \$227/month or more needed to recover the initial investment to extend distribution service over a 35 year period, exclusive of the costs of generation and distribution service. The fully allocated monthly costs to serve these households would total over \$314 and the annual costs of providing service would average \$3,772, above the \$3,685 per year eligibility benchmark for annual electric expenditures. This annual cost of \$3,772 to connect unserved homes establishes the community as eligible. The inability of many low incomes residents to afford the additional customer contribution above the utility's standard line extension allowance has proved to be a significant deterrence to electrification. The costs of averaging service extension costs for all unserved areas across its customer rate base would substantially raise consumer rates to other mostly low-income consumers.

As an alternative to extending distribution lines, the utility estimates that it could provide a modest level of electric service of about 400 kWh per month to a typical off-grid home by installing individual renewable energy generation systems (such as solar or wind) with energy storage and backups to provide electricity for a single family or cluster of households. The cost of a solar power installation is estimated at approximately \$32,000 per household –less than the costs of line extensions for many homes. Even so, the utility estimates that cost recovery for the solar system would require a payment of slightly over \$270 per month over a 15 year period – over six times the average residential electric bill for 400 kWh/month (\$43.60) but less than the allocated cost of the line extension. The off-grid solar systems would provide electricity at a cost of about \$0.67 per kWh, exclusive of backup generation fuel costs. Larger systems would be made available at additional cost. The grant would be used to help bring down the costs of the solar systems.

The grant application proposes to use a combination of customer revenues, utility cost contributions, and grant funds to support the off-grid electrification project. As an additional benefit, the project will create several new community-based jobs in installing and servicing the household energy systems. The project also benefits the utility and its existing ratepayers by avoiding the higher costs of extending the utility's distribution system into these sparsely-populated areas and the costs of procuring wholesale power to serve the new loads.

The applicant documents that distributed generation is the lowest cost option for providing basic electric service to many residences in the target area. The applicant's engineering study describes the units that will be required and the costs associated with operating the facilities. The costs of providing and operating each unit will not vary greatly because these solar units will be operated off-grid. Thus, an analysis of one unit will be sufficient to show feasibility and cost of service.

Each installation is assumed to have a total project cost of about \$32,000 and will supply average household electricity usage of 400 kWh per month. The analysis assumes costs would be recovered over a 15 year period at an interest rate of 6 percent with a monthly payment of \$270. Total annual household electricity use is 4,800 kWh at an annual cost of \$3,240. The cost of electric service is approximately \$0.675 per kWh. This exceeds the electricity eligibility benchmarks of \$0.33 per kWh and establishes the target area as an eligible extremely high energy cost area even though it is located in the service territory with per unit electricity costs that are close to the national average.

Is Applicant C an eligible applicant?

Yes. Applicant C as a local electric utility organized under State law is an eligible applicant.

Does Applicant C's identified target group of unserved off-grid homes qualify as an eligible extremely high energy cost community?

Yes. The annual average cost for providing a modest level of electric service of 400 kWh/month to the currently off-grid households in the target area with PV systems is \$0.675 per kWh and exceeds 275 percent of the national average on a per unit basis. The annual costs of extending service to the off-grid residences can also be reasonably determined to exceed \$3,772 on a fully-allocated cost basis and is above the \$3,685 per year eligibility benchmark for annual electric expenditures. The group of unserved off-grid homes in the service territory target area qualifies as an extremely high energy cost community under either option.

Is Applicant C's proposed off-grid electrification project an eligible purpose?

Yes. Applicant C proposes to extend and improve household energy services through a combination of off-grid renewable generation, battery storage, and efficient appliances. For situations where the cost of a line extension is less than off-grid service the applicant proposes to use grant funds to fund the difference between the cost of connecting the customer and utility's extension allowance. These activities are eligible purposes under this program.

Example 4. Low-Income Residential Energy Efficiency and Weatherization Program

Target Area D is located within a utility service territory that encompasses rural portions of several counties. The area experiences extreme winter and summer weather resulting in annual household energy bills for many rural consumers that exceed one or more of the total annual expenditure eligibility benchmarks. The system-wide average electric rate is 16.04 cents per kilowatt-hour. Most rural households rely on a combination of electricity, propane, kerosene, wood for home energy needs. The extremely high energy costs impose substantial economic burdens on low-income households and many are having difficulty in paying their bills.

Applicant D, a local electric distribution utility that serves the areas, has analyzed its customer usage data and conducted extensive home energy audits. It has determined that its territory includes more than 1000 customers in clusters of low-income customer households with disproportionately high energy consumption and annual electricity bills in excess of \$3,685 per year.

The utility estimates that this usage could be reduced substantially through a comprehensive package combining energy efficient appliances, lighting, and heating and cooling equipment, weatherization, and repairs. Many of these families live in older manufactured homes with inefficient electric heat systems and inadequate weatherization that were built before the current more stringent energy efficiency standards and industry practices. Unfortunately, the customers often lack access to the financial resources that would allow them to take advantage of energy-saving opportunities.

The utility proposes to use high energy cost grant funds to assist low-income households in implementing energy-saving measures identified through energy audits. The utility estimates that these measures could reduce the annual energy usage for participating households by up to half. The utility proposes that its eligible high energy cost grant community consist of low-income high energy consumption households in its service territory that exceed one or more of the annual home energy expenditure benchmarks.

The utility's service area extends over several counties has more than 13,000 customers. Most of the service area, including all of the proposed target area, however, is located outside CDPs. The largest incorporated town among the target communities has a population of 2,200 persons. County median household income is 65 percent of the statewide average.

The utility's customer records, energy audits and planning studies document the pattern of low-income – high usage customers in rural areas. The average household in its service territory uses only about 1,031 kWh per month at a residential rate of \$0.1604 per kWh and the average annual bill averages about \$1,985. In contrast, these high-usage households often average in excess of 2000

kWh per month and have average annual bills exceeding \$3,850, which is above the total annual electricity cost benchmark of \$3,685.

The utility estimates that a modest investment in cost-effective energy efficiency measures could reduce household energy use by 30-40 percent, providing savings to the customer and making energy bills more affordable. The utility has enlisted the assistance of the local community action agency, local social services agency, and the State Energy Office to help identify eligible low-income households, cooperate in consumer education and outreach efforts, and to coordinate volunteer activities.

The grant application proposes to use a combination of grant funds, utility funds, sliding-scale customer cost contributions, and contributions of funds and services from local community action groups and the State energy office to support the project. The non-Federal resources would provide over 20 percent of the project costs. As an additional benefit, the project will create and/or support new community-based jobs in conducting energy audits and education, installing energy efficient equipment and lighting, and making energy-saving repairs. Selected homeowners would participate in training on efficiency and the importance of maintenance of the efficiency measures. The project also benefits the utility and all its ratepayers by reducing energy demand and avoiding the costs of procuring wholesale power to meet these loads and deferring the need to upgrade distribution facilities to meet loads.

Is Applicant D an eligible applicant?

Yes. Applicant D as a local electric utility organized under State law is an eligible applicant.

Does Applicant D's identified target group of low-income high-energy-use households qualify as an eligible extremely high energy cost community?

Yes. Extremely high costs to serve areas of a utility service territory are eligible as a target area even if the entire service territory or target community is not. The utility's customer usage, billing, and location information allows the identification and verification of clusters of qualifying rural households with average home electricity costs in excess of \$3,850 per year and which comprise the target area. These target area household costs are well over the eligibility benchmark of \$3,685 per year. This identifiable group of eligible beneficiaries within the target area qualifies as an extremely high energy cost community.

Is Applicant D's proposed residential energy efficiency project an eligible purpose?

Yes. Applicant D proposes to provide and improve energy delivery to eligible households by reducing energy usage and annual costs through a combination of installed energy efficiency measures and weatherization. This is an eligible purpose under this program.

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APPENDIX B.

Required Forms, Certifications, and Templates

STANDARD FORMS

SF-424 Application for Federal Assistance
SF-424A Budget Information - Non-Construction Programs
SF-424B Assurances - Non-Construction Programs
SF-424C Budget Information-Construction Programs
SF-424D Assurances - Construction Programs
SF-LLL Disclosure of Lobbying Activities
SF-LLL-A Disclosure of Lobbying Activities (Continuation Sheet)

OTHER REQUIRED FORMS AND CERTIFICATIONS

Certification Regarding Debarment, Suspension and Other Responsibility Matter
High Energy Cost Grant Program Environmental Questionnaire (see Appendix C)

NOTE: The above documents can also be accessed electronically at the High Energy Cost Grant Program How to Apply website under "Required Forms and Certifications" at:
[http://www.rurdev.usda.gov/UEP HECG How to Apply.html](http://www.rurdev.usda.gov/UEP_HECG_How_to_Apply.html) under

**APPLICATION FOR
FEDERAL ASSISTANCE**

Version 7/03

1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED	Applicant Identifier
<input type="checkbox"/> Construction	Pre-application	3. DATE RECEIVED BY STATE	State Application Identifier
<input type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction	4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier
<input type="checkbox"/> Non-Construction	<input type="checkbox"/> Non-Construction		
5. APPLICANT INFORMATION			
Legal Name:		Organizational Unit:	
		Department:	
Organizational DUNS:		Division:	
Address:		Name and telephone number of person to be contacted on matters involving this application (give area code)	
Street:		Prefix:	First Name:
City:		Middle Name	
County:		Last Name	
State:	Zip Code	Suffix:	
Country:		Email:	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): □□-□□□□□□□□		Phone Number (give area code)	Fax Number (give area code)
8. TYPE OF APPLICATION: <input type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> <input type="checkbox"/>		7. TYPE OF APPLICANT: (See back of form for Application Types) Other (specify)	
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): □□-□□□□		9. NAME OF FEDERAL AGENCY:	
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:	
13. PROPOSED PROJECT Start Date: Ending Date:		14. CONGRESSIONAL DISTRICTS OF: a. Applicant b. Project	
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
a. Federal	\$.00	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON	
b. Applicant	\$.00	DATE:	
c. State	\$.00	b. No. <input type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
d. Local	\$.00	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
e. Other	\$.00	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?	
f. Program Income	\$.00	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input type="checkbox"/> No	
g. TOTAL	\$.00		
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.			
a. Authorized Representative			
Prefix	First Name	Middle Name	
Last Name		Suffix	
b. Title		c. Telephone Number (give area code)	
d. Signature of Authorized Representative		e. Date Signed	

INSTRUCTIONS FOR THE SF-424

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This is a standard form used by applicants as a required face sheet for pre-applications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to Executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

Item:	Entry:	Item:	Entry:																
1.	Select Type of Submission.	11.	Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of this project.																
2.	Date application submitted to Federal agency (or State if applicable) and applicant's control number (if applicable).	12.	List only the largest political entities affected (e.g., State, counties, cities).																
3.	State use only (if applicable).	13.	Enter the proposed start date and end date of the project.																
4.	Enter Date Received by Federal Agency Federal identifier number: If this application is a continuation or revision to an existing award, enter the present Federal Identifier number. If for a new project, leave blank.	14.	List the applicant's Congressional District and any District(s) affected by the program or project																
5.	Enter legal name of applicant, name of primary organizational unit (including division, if applicable), which will undertake the assistance activity, enter the organization's DUNS number (received from Dun and Bradstreet), enter the complete address of the applicant (including country), and name, telephone number, e-mail and fax of the person to contact on matters related to this application.	15.	Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15.																
6.	Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service.	16.	Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.																
7.	Select the appropriate letter in the space provided. <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">A. State</td> <td style="width: 50%;">I. State Controlled Institution of Higher Learning</td> </tr> <tr> <td>B. County</td> <td>J. Private University</td> </tr> <tr> <td>C. Municipal</td> <td>K. Indian Tribe</td> </tr> <tr> <td>D. Township</td> <td>L. Individual</td> </tr> <tr> <td>E. Interstate</td> <td>M. Profit Organization</td> </tr> <tr> <td>F. Intermunicipal</td> <td>N. Other (Specify)</td> </tr> <tr> <td>G. Special District</td> <td>O. Not for Profit Organization</td> </tr> <tr> <td>H. Independent School District</td> <td></td> </tr> </table>	A. State	I. State Controlled Institution of Higher Learning	B. County	J. Private University	C. Municipal	K. Indian Tribe	D. Township	L. Individual	E. Interstate	M. Profit Organization	F. Intermunicipal	N. Other (Specify)	G. Special District	O. Not for Profit Organization	H. Independent School District		17.	This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.
A. State	I. State Controlled Institution of Higher Learning																		
B. County	J. Private University																		
C. Municipal	K. Indian Tribe																		
D. Township	L. Individual																		
E. Interstate	M. Profit Organization																		
F. Intermunicipal	N. Other (Specify)																		
G. Special District	O. Not for Profit Organization																		
H. Independent School District																			
8.	Select the type from the following list: <ul style="list-style-type: none"> • "New" means a new assistance award. • "Continuation" means an extension for an additional funding/budget period for a project with a projected completion date. • "Revision" means any change in the Federal Government's financial obligation or contingent liability from an existing obligation. If a revision enter the appropriate letter: <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">A. Increase Award</td> <td style="width: 50%;">B. Decrease Award</td> </tr> <tr> <td>C. Increase Duration</td> <td>D. Decrease Duration</td> </tr> </table> 	A. Increase Award	B. Decrease Award	C. Increase Duration	D. Decrease Duration	18.	To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)												
A. Increase Award	B. Decrease Award																		
C. Increase Duration	D. Decrease Duration																		
9.	Name of Federal agency from which assistance is being requested with this application.																		
10.	Use the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested.																		

BUDGET INFORMATION - Non-Construction Programs

SECTION A - BUDGET SUMMARY						
Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		Total (g)
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	
1.		\$	\$	\$	\$	\$
2.						
3.						
4.						
5.	Totals	\$	\$	\$	\$	\$
SECTION B - BUDGET CATEGORIES						
6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY					
	(1)	(2)	(3)	(4)	(5)	
a. Personnel	\$	\$	\$	\$	\$	
b. Fringe Benefits						
c. Travel						
d. Equipment						
e. Supplies						
f. Contractual						
g. Construction						
h. Other						
i. Total Direct Charges (sum of 6a-6h)						
j. Indirect Charges						
k. TOTALS (sum of 6i and 6j)	\$	\$	\$	\$	\$	
7. Program Income						
	\$	\$	\$	\$	\$	

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SECTION C - NON-FEDERAL RESOURCES				
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	\$	\$	\$	\$
9.				
10.				
11.				
12. TOTAL (sum of lines 8-11)	\$	\$	\$	\$

SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	13. Federal	\$	\$	\$	\$
14. Non-Federal					
15. TOTAL (sum of lines 13 and 14)	\$	\$	\$	\$	\$

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT				
(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16.	\$	\$	\$	\$
17.				
18.				
19.				
20. TOTAL (sum of lines 16-19)	\$	\$	\$	\$

SECTION F - OTHER BUDGET INFORMATION	
21. Direct Charges:	22. Indirect Charges:
23. Remarks:	

INSTRUCTIONS FOR THE SF-424A

Public reporting burden for this collection of information is estimated to average 180 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0044), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

General Instructions

This form is designed so that application can be made for funds from one or more grant programs. In preparing the budget, adhere to any existing Federal grantor agency guidelines which prescribe how and whether budgeted amounts should be separately shown for different functions or activities within the program. For some programs, grantor agencies may require budgets to be separately shown by function or activity. For other programs, grantor agencies may require a breakdown by function or activity. Sections A, B, C, and D should include budget estimates for the whole project except when applying for assistance which requires Federal authorization in annual or other funding period increments. In the latter case, Sections A, B, C, and D should provide the budget for the first budget period (usually a year) and Section E should present the need for Federal assistance in the subsequent budget periods. All applications should contain a breakdown by the object class categories shown in Lines a-k of Section B.

Section A. Budget Summary Lines 1-4 Columns (a) and (b)

For applications pertaining to a *single* Federal grant program (Federal Domestic Assistance Catalog number) and *not requiring* a functional or activity breakdown, enter on Line 1 under Column (a) the Catalog program title and the Catalog number in Column (b).

For applications pertaining to a *single* program *requiring* budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a), and enter the Catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the Catalog program title on each line in *Column (a)* and the respective Catalog number on each line in Column (b).

For applications pertaining to *multiple* programs where one or more programs *require* a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

Lines 1-4, Columns (c) through (g)

For *new applications*, leave Column (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project for the first funding period (usually a year).

For *continuing grant program applications*, submit these forms before the end of each funding period as required by the grantor agency. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the grant funding period only if the Federal grantor agency instructions provide for this. Otherwise, leave these columns blank. Enter in columns (e) and (f) the amounts of funds needed for the upcoming period. The amount(s) in Column (g) should be the sum of amounts in Columns (e) and (f).

For *supplemental grants and changes* to existing grants, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of Federal funds and enter in Column (f) the amount of the increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Column (g) should not equal the sum of amounts in Columns (e) and (f).

Line 5 - Show the totals for all columns used.

Section B Budget Categories

In the column headings (1) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets are prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

Line 6a-i - Show the totals of Lines 6a to 6h in each column.

Line 6j - Show the amount of indirect cost.

Line 6k - Enter the total of amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)-(4), Line 6k should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5.

Line 7 - Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount, Show under the program

INSTRUCTIONS FOR THE SF-424A (continued)

narrative statement the nature and source of income. The estimated amount of program income may be considered by the Federal grantor agency in determining the total amount of the grant.

Section C. Non-Federal Resources

Lines 8-11 Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.

Column (a) - Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.

Column (b) - Enter the contribution to be made by the applicant.

Column (c) - Enter the amount of the State's cash and in-kind contribution if the applicant is not a State or State agency. Applicants which are a State or State agencies should leave this column blank.

Column (d) - Enter the amount of cash and in-kind contributions to be made from all other sources.

Column (e) - Enter totals of Columns (b), (c), and (d).

Line 12 - Enter the total for each of Columns (b)-(e). The amount in Column (e) should be equal to the amount on Line 5, Column (f), Section A.

Section D. Forecasted Cash Needs

Line 13 - Enter the amount of cash needed by quarter from the grantor agency during the first year.

Line 14 - Enter the amount of cash from all other sources needed by quarter during the first year.

Line 15 - Enter the totals of amounts on Lines 13 and 14.

Section E. Budget Estimates of Federal Funds Needed for Balance of the Project

Lines 16-19 - Enter in Column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually in years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.

If more than four lines are needed to list the program titles, submit additional schedules as necessary.

Line 20 - Enter the total for each of the Columns (b)-(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.

Section F. Other Budget Information

Line 21 - Use this space to explain amounts for individual direct object class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.

Line 22 - Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.

Line 23 - Provide any other explanations or comments deemed necessary.

ASSURANCES - NON-CONSTRUCTION PROGRAMS

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PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE	
APPLICANT ORGANIZATION	DATE SUBMITTED	

BUDGET INFORMATION - Construction Programs

NOTE: Certain Federal assistance programs require additional computations to arrive at the Federal share of project costs eligible for participation. If such is the case, you will be notified.

COST CLASSIFICATION	a. Total Cost	b. Costs Not Allowable for Participation	c. Total Allowable Costs (Columns a-b)
1. Administrative and legal expenses	\$.00	\$.00	\$.00
2. Land, structures, rights-of-way, appraisals, etc.	\$.00	\$.00	\$.00
3. Relocation expenses and payments	\$.00	\$.00	\$.00
4. Architectural and engineering fees	\$.00	\$.00	\$.00
5. Other architectural and engineering fees	\$.00	\$.00	\$.00
6. Project inspection fees	\$.00	\$.00	\$.00
7. Site work	\$.00	\$.00	\$.00
8. Demolition and removal	\$.00	\$.00	\$.00
9. Construction	\$.00	\$.00	\$.00
10. Equipment	\$.00	\$.00	\$.00
11. Miscellaneous	\$.00	\$.00	\$.00
12. SUBTOTAL (sum of lines 1-11)	\$.00	\$.00	\$.00
13. Contingencies	\$.00	\$.00	\$.00
14. SUBTOTAL	\$.00	\$.00	\$.00
15. Project (program) income	\$.00	\$.00	\$.00
16. TOTAL PROJECT COSTS (subtract #15 from #14)	\$.00	\$.00	\$.00

FEDERAL FUNDING

17. Federal assistance requested, calculate as follows: (Consult Federal agency for Federal percentage share.) Enter the resulting Federal share.	Enter eligible costs from line 16c Multiply X _____%	\$.00
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INSTRUCTIONS FOR THE SF-424C

Public reporting burden for this collection of information is estimated to average 180 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0041), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET.
SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

This sheet is to be used for the following types of applications: (1) "New" (means a new [previously unfunded] assistance award); (2) "Continuation" (means funding in a succeeding budget period which stemmed from a prior agreement to fund); and (3) "Revised" (means any changes in the Federal Government's financial obligations or contingent liability from an existing obligation). If there is no change in the award amount, there is no need to complete this form. Certain Federal agencies may require only an explanatory letter to effect minor (no cost) changes. If you have questions, please contact the Federal agency.

Column a. - If this is an application for a "New" project, enter the total estimated cost of each of the items listed on lines 1 through 16 (as applicable) under "COST CLASSIFICATION."

If this application entails a change to an existing award, enter the eligible amounts *approved under the previous award* for the items under "COST CLASSIFICATION."

Column b. - If this is an application for a "New" project, enter that portion of the cost of each item in Column a. which is *not* allowable for Federal assistance. Contact the Federal agency for assistance in determining the allowability of specific costs.

If this application entails a change to an existing award, enter the adjustment [+ or (-)] to the previously approved costs (from column a.) reflected in this application.

Column. - This is the net of lines 1 through 16 in columns "a." and "b."

Line 4 - Enter estimated basic engineering fees related to construction (this includes start-up services and preparation of project performance work plan).

Line 5 - Enter estimated engineering costs, such as surveys, tests, soil borings, etc.

Line 6 - Enter estimated engineering inspection costs.

Line 7 - Enter estimated costs of site preparation and restoration which are not included in the basic construction contract.

Line 9 - Enter estimated cost of the construction contract.

Line 10 - Enter estimated cost of office, shop, laboratory, safety equipment, etc. to be used at the facility, if such costs are not included in the construction contract.

Line 11 - Enter estimated miscellaneous costs.

Line 12 - Total of items 1 through 11.

Line 13 - Enter estimated contingency costs. (Consult the Federal agency for the percentage of the estimated construction cost to use.)

Line 14 - Enter the total of lines 12 and 13.

Line 15 - Enter estimated program income to be earned during the grant period, e.g., salvaged materials, etc.

Line 16 - Subtract line 15 from line 14.

Line 17 - This block is for the computation of the Federal share. Multiply the total allowable project costs from line 16, column "c." by the Federal percentage share (this may be up to 100 percent; consult Federal agency for Federal percentage share) and enter the product on line 17.

Line 1 - Enter estimated amounts needed to cover administrative expenses. Do not include costs which are related to the normal functions of government. Allowable legal costs are generally only those associated with the purchases of land which is allowable for Federal participation and certain services in support of construction of the project.

Line 2 - Enter estimated site and right(s)-of-way acquisition costs (this includes purchase, lease, and/or easements).

Line 3 - Enter estimated costs related to relocation advisory assistance, replacement housing, relocation payments to displaced persons and businesses, etc.

ASSURANCES - CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
APPLICANT ORGANIZATION	DATE SUBMITTED

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB

0348-0046

(See reverse for public burden disclosure.)

1. Type of Federal Action: <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Congressional District, if known:	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known:	
6. Federal Department/Agency:	7. Federal Program Name/Description: CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$ _____	
10. a. Name and Address of Lobbying Registrant <i>(if individual, last name, first name, MI):</i>	b. Individuals Performing Services <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i>	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____	
Federal Use Only:		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

**DISCLOSURE OF LOBBYING ACTIVITIES
CONTINUATION SHEET**

Approved by OMB
0348-0046

Reporting Entity: _____ Page _____ of _____

**United States Department of Agriculture
Rural Utilities Service**

***Certification Regarding Debarment, Suspension, and Other
Responsibility Matters – Primary Covered Transactions***

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017, Section 3017.510, Participants' Responsibilities. The regulations were published as Part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the proposed transaction.

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - (a) are not presently debarred, suspended, proposed for Debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have not within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) have not within a 3-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Organization Name

Name and Title of Authorized Representative

Signature

Date

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Program for Assistance to Rural Communities with Extremely High Energy Costs.)

High Energy Cost Grant Program Environmental Questionnaire

Overview

The USDA Rural Utilities Service (RUS) is required to assess the potential impacts of proposed federal actions, including the provision of financial assistance through the High Energy Cost Grant Program (HECG), to the human environment in accordance with the National Environmental Policy Act (NEPA), the National Historic Preservation Act (NHPA), and other federal, state, and local environmental laws. HECG applicants must complete and submit this Environmental Questionnaire (EQ) with their applications for financial assistance. This EQ provides information to RUS so that I can either complete the environmental review process or determine the appropriate level of additional impact analyses need in accordance with RUS Environmental Policies and Procedures, [7 CFR Part 1794](#). RUS will notify applicants if additional information or analyses are necessary beyond what is submitted in the EQ.

No construction activities may begin until final environmental approval from RUS is granted. In accordance with 7 CFR § 1794.15, awardees are prohibited from taking actions that may have an adverse environmental impact or limit the choice of practicable alternatives that may be considered until RUS has concluded the environmental review process. If the proposed project involves construction activities or property acquisition, the applicant is generally prohibited from acquiring, rehabilitating, converting, leasing, repairing or constructing property or facilities, or committing or expending Agency or non-Agency funds until after RUS has concluded its environmental review requirements.

An applicant may submit to RUS a copy of any environmental review document that has been prepared in connection with obtaining permits, approvals, or other financing for the proposed project from state, local or other federal agencies. Such material, to the extent determined to be relevant, may be used to fulfill RUS environmental review requirements. Applicants shall not reference items provided in other parts of the application package in the EQ; all materials relevant to the EQ must be integrated herein to facilitate timely review.

Requested Information

- A. Project Description and Location:** Provide a concise description of all project related activities. Complete descriptions and locations must be provided for each site affected by project-related construction activities. Complete descriptions, locations and mapping must be provided for each site affected by project-related construction activities (recommend U.S. Geological Survey 7.5-minute quadrangle maps at a map scale of 1:24,000; larger scale maps may be provided for site-specific proposals). USGS maps may be obtained and purchased on the USGS [website](#). All project elements, if known at the time of the application, must be clearly depicted on any map provided. If appropriate, photographs or aerial photographs of site-specific proposals may be provided.
- B. Land Ownership and Use:** Describe the amount of property to be cleared, excavated, fenced, or otherwise disturbed by the proposed project, and the current land use and zoning for each project site affected by construction. Applicants must determine and document the land ownership of the proposed construction site or right-of-way (ROW) (all roads and associated ROWs traversing federal lands are controlled by the appropriate federal agency). You may find information related to federal lands on the ArcGIS [website](#).
- C. Farmlands:** Determine whether the project will may irreversibly convert farmland (directly or indirectly) to nonagricultural use in accordance with the Farmland Protection Policy Act (FPPA). FPPA is intended to minimize the impact Federal programs have on the unnecessary and irreversible conversion of farmland to nonagricultural uses. The USDA, Natural Resources Conservation Service (NRCS) establishes a farmland conversion impact rating score used to consider alternative sites if the score exceeds the recommended allowable level. This assessment is completed on Form AD-1006, which can be found on the NRCS [website](#). The applicant is responsible for filling out Parts I, V, and VI of the form for submittal to the local NRCS office; the criteria for Part VI are found [here](#).

- D. Wetlands:** Describe and indicate whether wetlands are present on or near the project site(s) affected by proposed construction (maps of wetlands may be obtained from the U.S. Fish and Wildlife Service's National Wetland Inventory [website](#)). If wetlands are identified within the project area, please document where the project components will be located in relation to the identified wetland areas. In most cases for buried cable, applicants will be able to utilize the U.S. Army Corps of Engineers, Nationwide Permit Number 12, Utility Line Activities.
- E. Floodplains:** Describe and indicate whether or not any facility(ies) or site(s) are located within the 100 and 500-year floodplain. If any project-related construction activities are within floodplains, a copy of a Flood Insurance Rate Map (FIRM) that depicts construction activities must be included. Information related to floodplains and National Flood Insurance Maps may be obtained from the Federal Emergency Management Agency's (FEMA) [website](#).
- F. Coastal Areas:** Determine whether or not the project is within the boundaries of a coastal zone management area (CZMA). For boundary related and contact information related to CZMA, see National Oceanic and Atmospheric Administration, Office of Ocean and Coastal Resource Management's [website](#).
- G. Protected Species:** Describe and indicate whether any proposed project site(s) and activities will directly or indirectly affect any threatened, endangered or candidate species, or is/are within or near designated critical habitat as designated under the Endangered Species Act of 1973. Applicants must obtain and provide species lists and appropriate species accounts (i.e. requisite habitat) from the U.S. Fish and Wildlife Service's [website](#) for each county affected by construction. Information about potential critical habitat areas is found on the U.S. Fish and Wildlife Service's [website](#).
- H. Section 106 of the National Historic Preservation Act (NHPA) Review:** Determine whether the project will cause any effects to any historic properties eligible for listing or listed on the National Register of Historic Places (NRHP). Databases and maps to assist in identifying known archeological sites and NRHP listed or eligible resources can be obtained from the State Historic Preservation Officer (SHPO) in your respective state. The National Conference of State Historic Preservation Officers [website](#) provides a directory of SHPOs.

Applicants must also indicate if any portion of the project is located on tribal lands, meaning lands within the exterior boundaries of any Indian reservation and all dependent Indian communities. Information regarding historic properties located on tribal lands may be obtained from the Tribal Historic Preservation Officer (THPO) or the tribe's official representative for historic preservation. A listing of the designated THPOs is listed on the National Park Service [website](#).

Additional Assistance/Contact Information

In addition to the resource specific references provided above, general NEPA related information and guidance can be found on both the CEQ [website](#) and the EPA [website](#). For information related to Section 106, see the Advisory Council on Historic Preservation [website](#).

Please direct any questions regarding the environmental review process to Emily Orler, Environmental Protection Specialist, who may be reached by phone at 202-720-1414, or by email at emily.orler@wdc.usda.gov.

High Energy Cost Grant Program Environmental Questionnaire Template

Applicant:

Project Title

Requested Information

A. Project Description and Location:

B. Land Ownership and Use:

C. Farmlands:

D. Wetlands:

E. Floodplains:

F. Coastal Areas:

G. Protected Species:

H. Section 106 of the National Historic Preservation Act (NHPA) Review: