Clear Form

Form RD 4280-3B
(02/15)

Form Approved
OMB No. 0570-0067

U.S. DEPARTMENT OF AGRICULTURE

Rural Development – Rural Business-Cooperative Service

RURAL ENERGY FOR AMERICA PROGRAM

APPLICATION FOR RENEWABLE ENERGY SYSTEMS AND ENERGY EFFICIENCY IMPROVEMENT PROJECTS

TOTAL PROJECT COSTS OF LESS THAN $200,000, BUT MORE THAN $80,000

NOTE: *The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Act of 1995, as amended. The authority for requesting the following information is Section 9001 of the Agricultural Act of 2014 (Public Law 113-79). This information may be provided to other agencies, Internal Revenue Service, Department of Justice, or other State and Federal law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 1001; 1014, 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.*

SUBMIT THIS COMPLETED FORM TO THE USDA RURAL DEVELOPMENT OFFICE IN THE STATE IN WHICH THE PROJECT IS LOCATED.

Attached to this form are detailed instructions, the Forms Manual Insert (FMI), for each section. Please refer to the FMI when completing this form for guidance. *Use attachments as necessary.*

I. A. Applicant Legal Name (Block 8a of SF 424):

***** The purpose of these questions is to gather race, ethnicity, and gender information about persons who apply and participate in this USDA program. The information provided will not be used when reviewing the application or when determining eligibility to participate in this program. The answers provided are voluntary and are not required for the application to be considered a complete. The information provided will be used to improve the operation of this program, to help USDA design additional opportunities for program participation, and to monitor enforcement of laws that require equal access to this program for eligible persons. For entities, check all that apply. The information will be kept private to the extent permitted by law.***

****I.B.**What is Applicant's race (check all that apply)?

- American Indian or Alaska Native ☐
- Asian ☐
- Black or African American ☐
- Native Hawaiian or Other Pacific Islander ☐
- White ☐

****I.C.** What is Applicant's Gender?

- Male ☐
- Female ☐

****I.D.**What is Applicant's Ethnicity?

- Hispanic or Latino ☐
- Not Hispanic or Latino ☐

II. Project Title (Block 15 of SF 424):

III. System for Awards Management (SAM) Commercial and Government Entity (CAGE) (N/A Loan Only)
Code: Expiration Date:

IV. Type of Applicant (check one): Rural Small Business ☐ *(Complete part A of this Block)*
Agricultural Producer ☐ *(Complete part B of this Block)*

Rural Small Business or Ag Production Operation Description:

A. Rural Small Businesses: | Annual Average

1. Provide Annual Receipts for business from 3 most recent tax years (Attach documentation, such as tax returns):

   Annual Receipts: 20 $ 20 $ 20 $ | $

2. Is the business a franchise? Yes ☐ No ☐
3. Does the business have any affiliates? Yes ☐ No ☐

   If yes, list name(s) of affiliated businesses and describe the affiliation:

4. Provide the average number of employees for the business over the last 12 months (Attach documentation):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not 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 0570-0067. The time required to complete this information collection is estimated to average 35.6 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

5. a. Provide primary North American Industry Classification System (NAICS) code:

NAICS Code: Corresponding NAICS size limitation:

If using alternative size standard:

b. The maximum tangible net worth of the Applicant and its Affiliates is not more than $15,000,000 ☐ Yes ☐ No and

Average net income (after federal income taxes) for the preceeding two years is not in excess of $5,000,000 ☐ Yes ☐ No

Attach Documenation: 20 $ 20 $ Average: $

B. Agricultural Producers, provide agricultural income data from 3 most recent tax years:				Annual Average
1. Income directly related to agricultural products:	20 $	20 $	20 $	$
2. Total Income: (Includes W-2, Schedule C, & Non-ag income)	20 $	20 $	20 $	$
3. Percent Agricultural Income (Line 1 ÷ Line 2):				0.00% %
4. NAICS Code:				

V. Technical Report - Type of Project (check one): *(See FMI for descriptions.)*

Renewable Energy System ☐ (Complete Block VI) which is either an Energy Generation System ☐ or Energy Replacement System ☐ **OR**

Energy Efficiency Improvement ☐ (Complete Block VII):

A. Project Description. Provide a detailed description of the technology, project location, and of the project site:

B. Project Construction and Equipment Information. Describe how the design, engineering, testing, and monitoring are sufficient to demonstrate that the proposed project will meet its intended purpose, ensure public safety, and comply with applicable laws, regulations, agreements, permits, codes, and standards. Describe how all equipment required for the Renewable Energy System is available and able to be procured and delivered within the proposed project development schedule.

C. Commercially Available. A system that meets the requirements of either C or D: (D is for Renewable Energy Systems only.)

Proposed domestic or foreign system.

1. Has, for at least 1 year, both a proven and reliable operating history and proven performance data: ☐ Yes ☐ No

Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

2. Is based on established design and installation procedures and practices and is replicable: ☐ Yes ☐ No

Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

3. Has professional service providers, trades, large construction equipment providers, and labor who are familiar with installation procedures and practices: ☐ Yes ☐ No

   Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

4. Has proprietary and balance of system equipment that are readily available and available spare parts: ☐ Yes ☐ No

   Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

5. Has services that are readily available to properly maintain and operate the system: ☐ Yes ☐ No

   Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

6. Has an existing established warranty that is valid in the United States for major parts or labor: ☐ Yes ☐ No

   Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

OR

D. A domestic or foreign Renewable Energy System that has been certified by a recognized industry organization whose certification standards are acceptable to the Rural Business-Cooperative Service. ☐ Yes ☐ No

(Name of recognized industry organization):

E. Project Economic Assessment:

1. Project Cost Breakdown:	
Construction Item: *(list itemized costs or attach bids)*:	Cost
	$
	$
	$
	$
	$
a. Total Project Costs: *(Total Project Costs should be the same as in Form SF-424C, "Budget Information-Construction Programs.")*	$ 0.00
b. Eligible Project Costs: *(See FMI to determine eligible project costs.)*	$

2. Estimated Project Energy Generation or Savings:	
a. For Renewable Energy Systems:	
i. Annual amount of renewable energy to be generated and unit of energy:	kWh ☐ or BTU ☐
ii. If applicable, historical annual average energy used and unit of measure: The Agency may request additional information to substantiate the above numbers.	kWh ☐ or BTU ☐
iii. Annual percentage of energy being replaced: If the above number exceeds 100 percent and the system is connected to the grid, the amount of energy above 100 percent will be used in 4c. below. If the amount of energy exceeds 150 percent and the system is connected to the grid, the entire amount of energy generated will be entered in 4c below.	(i ÷ ii x 100) = 0.00% %

b. For Energy Efficiency Improvement projects: **(Complete Block VII first with data from the Energy Audit or Energy Assessment.)** Annual amount of energy to be saved and unit of measure:	kWh ☐ or BTU ☐

3. Cost of Energy:	
a. Price per unit of energy paid in prior year: *(This is the retail cost of energy for Renewable Energy System replacement projects.)*	$
b. Price per energy unit to be sold to the grid: *(This is the price the utility will pay for energy put onto the grid.)*	$

4. Energy Value: (See FMI for guidance.)	
a. Value of energy to be replaced via renewable system (if applicable): (2.a. x 3.a.):	$ 0.00
b. Value of energy to be saved via efficiency improvement (if applicable): Dollars saved from VII.	$ 0.00
c. Value of energy to be generated and sold to the grid (if applicable): (2.a.. x 3.b.):	$ 0.00
d. Total value of energy replaced/saved/generated: 4a. + 4b. + 4c. = 4d:	$ 0.00

Energy efficiency Improvement projects can proceed to Number 9.
Renewable Energy System projects continue to next table.

5. Other annual revenue: (List below. *Such as, sale of byproducts.*) If no other income input 0. (Do NOT include renewable energy credits, Government or utility incentives, or other incentives.)		
Source:	Price/Unit:	Total:
	$	$
	$	$
Total other annual revenue:		$ 0.00

6. Annual Revenue: (4.d. + 5):	$ 0.00
7. Annual Operating and Maintenance Costs:	$
8. Earnings before Interest, Taxes, Depreciation, and Amortization (EBITDA): (6-7):	$ 0.00

9. Estimate Simple Payback:	
a. Energy replacement and Energy Efficiency Improvement projects: (1. b. ÷ 4.d.):	$ 0.00 ÷ $ 0.00 = years
b. Energy generation projects: (1. b. ÷ 8):	$ 0.00 ÷ $ 0.00 = years

F. Qualifications of Service Providers (Include information personnel and companies that will be working to construct and install the project, such as: Energy Auditor, site assessor, contractor, installer, electrician, etc.)

Project Role:			
Company Name:			
Individual's Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	
Qualifications (Either attach a resume or complete below):			
Number performed on a similar system as proposed:			
Years of Relevant experience:			
Professional credentials (include training and/or education related to work, certificates, etc.):			
Licenses:			

Project Role:			
Company Name:			
Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	
Qualifications (Either attach a resume or complete below):			
Number performed on a similar system as proposed:			
Years of Relevant experience:			
Professional credentials (include training and/or education related to work, certificates, etc.):			
Licenses:			

Project Role:			
Company Name:			
Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	
Qualifications (Either attach a resume or complete below):			
Number performed on a similar system as proposed:			
Years of Relevant experience:			
Professional credentials (include training and/or education related to work, certificates, etc.):			
Licenses:			

Project Role:			
Company Name:			
Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	
Qualifications (Either attach a resume or complete below):			
Number performed on a similar system as proposed:			
Years of Relevant experience:			
Professional credentials (include training and/or education related to work, certificates, etc.):			
Licenses:			

VI. Renewable Energy System Projects - Technical Requirements: *(For Energy Efficiency Improvement Projects Complete Block VII.)* *If Hybrid project, submit specific technical information for each technology.

A. Project Information:

1. Will project be interconnected with electric utility grid? ☐ Yes ☐ No If yes, name of utility:
2. Will the proposed system be connected to a meter that is also connected to a residence? ☐ Yes ☐ No
   a. If yes, will 51 percent or more of the energy to be generated from the proposed system be used by the business operation of the Rural Small Business or the Agricultural Producer? ☐ Yes ☐ No

      Amount of energy and unit of measure to be used by the business operation in a typical year?

      kWh ☐ or BTU ☐

   b. If the answer to question 2a. is no, the Applicant certifies that any excess power generated by the Renewable Energy System will be sold to the grid and will not be used by the Applicant for residential purposes. ☐ Yes ☐ No
   c. If the answer to question 2b, is no, installation of a second meter (or similar device) that results in all of the energy generated being used for non-residential energy usage or sold to the grid will be required.

B. Renewable Resource Potential: (Additional information may be requested by the Agency to determine resource feasibility.)

1. Check which type of Renewable Energy System is being proposed. Ensure multiple types are checked for hybrid applications:

   Wind ☐ Solar ☐ Bioenergy ☐ Geothermal Electric Generation ☐ Geothermal Direct Generation ☐

   Anaerobic Digester ☐ Hydrogen ☐ Hydroelectric/Ocean Energy Projects ☐

2. An Agency approved Renewable Energy Site Assessment may be used to provide the Project Description, Resource Assessment, and Project Economic Assessment. In such instances, the technical report would consist of Section D and the Renewable Energy Site Assessment. If a renewable energy site assessment is provided, sections 3 and 4 do not need to be completed. If the site assessment does not include all this information, complete the portion of this form with the narratives below to supplement the assessment.

Agency-approved Site Assessment Completed:	☐ Yes ☐ No
Site Assessor Name:	
Site Assessor Qualifications:	

3. Provide adequate and appropriate data to demonstrate the amount of renewable resource available. For hybrid projects each technology being proposed must be address. Describe the quality, availability, and seasonality (if applicable) of the renewable energy resource:

4. Basis of determination:

   There are several methods to determine resource potential on the site, describe below as applicable and attach as necessary:

Online Estimating Tool:	☐ Yes; List name of Tool: ☐ No
Resource References (Wind Roses, Thematic Maps, etc.):	☐ Yes; List Resource Reference: ☐ No
Site-Specific Evaluation Devices or Site Surveys:	☐ Yes; List device: ☐ No
Photographs of Site:	☐ Yes; Attached to application. ☐ No
Other:	Attach documentation if applicable.

VII. Energy Efficiency Improvement Projects - Technical Requirements: *(If project is a Renewable Energy System, go to Block VIII.)*

A. Existing usage as per Energy Assessment or Energy Audit:

	Energy Used *(converting to BTU)*		Cost
Electricity (kWh)	x 3,412 btu/kWh=	0.00	$
Propane/LP (gal)	x 91,502 btu/gal=	0.00	$
Natural Gas (therm)	x 100,000 btu/therm=	0.00	$
Diesel (gal)	x 139,000 btu/gal=	0.00	$
Other	x =	0.00	$
	Total BTU Existing:	0	Total Existing Energy Cost: $

B. Proposed (estimated) usage following completion of the project as per Energy Assessment or Energy Audit:

	Energy Used *(converting to BTU)*		Cost
Electricity (kWh)	x 3,412 btu/kWh=	0.00	$
Propane/LP (gal)	x 91,502 btu/gal=	0.00	$
Natural Gas (therm)	x 100,000 btu/therm=	0.00	$
Diesel (gal)	x 139,000 btu/gal=	0.00	$
Other	x =	0.00	$
	Total BTU Proposed:	0	Total Proposed Energy Cost:$

Percent Energy Savings: (Total BTU Existing 0 – Total BTU Proposed 0)÷Total BTU Existing: 0 = 0.00%

Dollar Savings: Total Existing Energy Cost $ - Total Proposed Energy Cost $ = $ 0.00 Dollars Saved

VIII. Describe how the proposed project will have a positive effect on:

A. Resource Conservation (e.g. water, soil, forest):

Will the project save or replace fossil fuel consumption from finite resources? ☐ Yes ☐ No

Will the project reduce water consumption? ☐ Yes ☐ No

List additional resource conservation measures if applicable:

B. Public Health (e.g. potable water, improve air quality):

Will the project decrease or replace fossil fuel consumption decreasing emissions leading to better air quality? ☐ Yes ☐ No

List additional public health measures if applicable:

C. Environment (e.g. compliance with the U.S. Environmental Protection Agency (EPA) Renewable Fuel Standard (RFS), greenhouse gases, emissions, particulate matter):

Will the project save or replace fossil fuel consumption reducing greenhouse gas emissions creating a healthier environment? ☐ Yes ☐ No

List additional environmental measures if applicable:

IX. Commitment of Funds: Documentation is required to be attached for points under the commitment of funds scoring criteria.		
Source:	Amount:$	Attached: ☐
Source:	Amount:$	Attached: ☐
Source:	Amount:$	Attached: ☐
Source:	Amount:$	Attached: ☐

X: Relationship:

This is to certify that I, as the Applicant, have ☐ a known or ☐ no known relationship or association with a Rural Development employee.

If there is a known relationship, please indicate the name of the Rural Development employee:

XI. Previous Funding:

I, the Applicant, have ☐ or ☐ have not, received any grants and/or guaranteed loans under the REAP program.

If grants or guaranteed loans have been received, identify each grant and/or guaranteed loan and describe the progress that has made on each project, including projected schedules and actual completions dates, if applicable:

XII. Good Standing:

I, the Applicant, being a legal entity, am ☐ or am not ☐ in good standing and operating in accordance with the laws of the State(s) or Tribe where I, the Applicant, have a place of business.

☐ Not applicable, I am applying as a sole proprietor.

XIII. Certifications:

The Applicant certifies to each of the following: *(Check all that are applicable.)*

☐ A. The Applicant meets each of the Applicant eligibility criteria found in RD Instruction 4280.112.

☐ B. The proposed project meets each of the project eligibility requirements found in RD Instruction 4280.113(a), (b), (d), and (e).

☐ C. Per RD Instruction 4280.113(f), the Applicant acknowledges caution against taking any actions or incurring any obligations prior to the Agency's environmental review that limits the range of alternatives or has an adverse effect on the environment, such initiation of construction. If taken, it could result in project ineligibility.

☐ D. The Applicant meets the criteria for submitting an application for projects with Total Project Costs of less than $200,000, but more than $80,000.

☐ E. The Applicant or the Applicant's prime contractor assumes all risk and responsibilities of project development, including interim financing, including during construction. The Applicant is solely responsible for the execution of all contracts.

☐ F. Construction planning and performing development will be performed in compliance with RD Instruction 4280.118(c).

☐ G. The Applicant agrees not to request reimbursement from funds obligated under this program until after the project has been completed and is operating in accordance with the information provided in the application for the project.

☐ H. The Applicant will maintain insurance coverage as required under RD Instruction 4280.122(b).

☐ I. The equipment required for the project is available, can be procured and delivered within the proposed project development schedule, and will be installed in conformance with manufacturer's specifications and design requirements. This would not be applicable when equipment is not part of the project.

☐ J. The project will be constructed in accordance with applicable laws, regulations, agreements, permits, codes, and standards.

☐ K. The Applicant will abide by the open and free competition requirements in compliance with RD Instruction 4280.124(a)(1).

☐ L. For bioenergy projects, that any and all woody biomass feedstock from National Forest System land or public lands cannot be used as a higher value wood-based product. (Check if applicable.)

☐ M. The Applicant will abide by the equal employment opportunity requirements in compliance with RD Instruction 4280.124(a)(2).

☐ N. The Applicant certifies that any excess power generated by the Renewable Energy System will be sold to the grid and will not be used by the Applicant for residential purposes. (Check if applicable.)

XIV. Attach the following if not already submitted:

- ☐ Form SF 424.
- ☐ Form SF-424C, “Budget Information-Construction Programs”.
- ☐ Form SF-424D, “Assurances-Construction Programs”.
- ☐ Form RD 1940-20 with documentation.
- ☐ Energy Audit or Energy Assessment.
- ☐ Matching funds documentation.
- ☐ Other. Describe:

XV. Certification of Documentation and Acceptance:

CERTIFICATION AND ACCEPTANCE

I certify that, to the best of my knowledge and belief, the information included with this Application, including all attachments, are true and correct, and that I certify to each of the conditions specified in Section X-XIII of this application.

AGRICULTURAL PRODUCER \ RURAL SMALL BUSINESS

_____

Signature (AGRICULTURAL PRODUCER \ RURAL SMALL BUSINESS NAME)

By: _____ (Officer, Member, Partner, Proprietor)

Title: _____

Date: _____

INSTRUCTIONS FOR FORM RD 4280-3B

The following information is based on the programmatic requirements for the Rural Energy for America Program (REAP) found in RD Instruction 4280 part B. If there are differences between the information found in this form and RD Instruction 4280 part B, RD Instruction 4280 part B will take precedence. Please refer to the detailed instruction listed below when completing each section of the form.

Block I. A. Self Explanatory.

Block I B, C, and D. The purpose of these questions are to gather race, ethnicity, and gender information about persons who apply and participate in this USDA program. The information provided will not be used when reviewing the application or when determining eligibility to participate in this program. The answers provided are voluntary and are not required for the application to be considered complete. The information provided will be used to improve the operation of this program, to help USDA design additional opportunities for program participation, and to monitor enforcement of laws that require equal access to this program for eligible persons. For entities, check all that apply. Information will be kept private to the extent permitted by law.

Block II. Self-Explanatory.

Block III. Each Applicant must have a Dun and Bradstreet Data Universal Number System (DUNS) number corresponding to their tax identification/social security number as provided on the SF424 form. Except for loan only requests, the DUNS number must be registered in the System for Award Management (SAM) (www.sam.gov). Upon successful registration, a Commercial and Government Entity (CAGE) code is assigned. Enter the assigned CAGE code and expiration date.

Block IV. Eligible Applicants must be either an Agricultural Producer or a Rural Small Business. Indicate under which category the applicant is applying. (An Agricultural Producer may apply as a Rural Small Business if they meet the size and Rural Area requirements identified below.)

Provide a description of the operation. This will assist the Agency in evaluating Applicant eligibility and identifying the appropriate North American Industry Classification System (NAICS) code, if unknown by the Applicant.

The following definitions will assist in completing this Block.

Agricultural Producer. An individual or entity directly engaged in the production of agricultural products, including crops (including farming); livestock (including ranching); forestry products; hydroponics; nursery stock; or aquaculture, whereby 50 percent or greater of their gross income is derived from those products.

Rural Small Business. A Small Business that is located in a Rural Area or that can demonstrate the proposed project for which assistance is being applied for under this subpart is located in a Rural Area.

Small Business. An entity or utility, as applicable, that meets the Small Business Administration's (SBA) definition of small business as found in 15 U.S.C. 632 (13 CFR part 121.301 (a) or (b)) and as further defined in RD Instruction 4280.103.

Rural or Rural Area. Any area of a State not in a city or town that has a population of more than 50,000 inhabitants as further defined in RD Instruction 4280.103.

Affiliates. Defined in 13 CFR 121.103, an affiliation exists when one individual or entity controls or has the power to control another or when a third party or parties control or have the power to control both. Factors such as ownership, management's previous relationships with or ties to another entity, and contractual relationships are considered when determining whether affiliation exists. An "affiliate" includes but not limited to: (1) a parent company; (2) subsidiaries and other companies that are owned or controlled by the applicant; (3) companies in which an officer, director, general partner, managing member, or party owning 20 percent or more is also an officer, director, general partner, managing member, or 20 percent or greater owner of the Applicant; (4) companies or individuals with unexercised options to own 50 percent or more of the applicant's stock; and (5) companies that have entered into agreements to merge with the Applicant.

Annual Receipts. Annual Receipts as defined in 13 CFR 121.104. In general, Annual Receipts includes "total income" (or in the case of a sole proprietorship, "gross income") plus "cost of goods sold" as these terms are defined and reported on Internal Revenue Service tax return forms. Receipts are averaged over a concern's latest three (3) completed fiscal years to determine its average annual receipts.

Employees. The number of employees is the average number of persons employed for each pay period over the latest 12 calendar months.

Block IV. A. A Rural Small Business Applicant may qualify under either the industry size standards found in 13 CFR 121.301(a) or the alternative size standards found in 13 CFR 121.301(b)(2) which are described below. Attach documentation for the business such as tax returns and payroll records to verify income or employee numbers. If the business has affiliates, the Agency reserves the right to request additional information on annual receipts or number of employees for affiliates, in order to determine program eligibility.

Provide the NAICS code, if known, applicable to the Rural Small Business. (www.naics.com)

To qualify under the alternative size standard, the Rural Small Business Applicant, including any Affiliates, must meet the following:

(1) The maximum tangible net worth for the Applicant and its Affiliates is not more than $15,000,000; and

(2) The average net income after Federal income taxes (excluding any carry-over losses) for the Applicant and its affiliates, for the 2 full fiscal years before the date of the application, of not more than $5,000,000.

Block IV. B. To qualify as an Agricultural Producer the Applicant must be engaged in agricultural production including the growing, raising labor, management, and field operations associated with the agricultural production. Fifty percent or more of Applicant's income must come from the production and raising of agricultural products. Agricultural production income includes: sale of crops, livestock, fish and seafood, and payments related to crops or livestock production, such as insurance and commodity payments. Agricultural income does not include purchase and resale of agricultural products, custom hire income, or conservation and land trust payments made to keep land out of production. Attach documentation, such as tax returns. The Agency will use information from 3 most recent years to calculate and verify eligibility as an Agricultural Producer.

Block IV. B. 1. Income directly related to agricultural products. Examples include: income (less cost of goods sold) received from the sale of crops, livestock, timber, fish and seafood; crop insurance; and commodity payments. The Agency will average agricultural production income over the 3 most recent years.

Block IV. B. 2. Include all income sources W-2 income, Schedule C, and non-ag income. Include custom hire, cooperative dividends, payments received for taking land out of production such as conservation and land trust payments. The Agency will average total income over the 3 most recent years.

Block IV. B. 3. Average of 3 years agricultural production income (B.1) ÷ Average of 3 years total income (B.2).

Block IV. B. 4. Provide the NAICS code, if known, applicable to Applicant's agricultural production operation. (www.naics.com)

Block V. Indicate the type of project: Renewable Energy System or Energy Efficiency Improvement. For Renewable Energy System projects, the information for this section may be contained in an Agency approved Renewable Energy Site Assessment.

A Renewable Energy System is a system that produces usable energy from a renewable energy source (wind, solar, renewable biomass, ocean, geothermal, hydroelectric, or hydrogen derived from one of these renewable energy resources).

An Energy Efficiency Improvement is an improvement to or replacement of an existing building and/or equipment that reduces energy consumption on an annual basis. *Note: an Applicant proposing to install a Renewable Energy System may file an Energy Efficiency Improvement application, if an energy audit or energy assessment has been completed and indicates that there will be energy savings.*

Block V. A. Project description should include: Size of the project, projected energy generation (including energy generated for sale if applicable), intended purpose, (i.e. new facility and the energy produced by the Renewable Energy System will be used by the new facility for on-site use or replacing an existing fossil fuel energy source with a Renewable Energy System for on-site use and includes net metering agreement for any excess energy produced). Name of equipment and model numbers (as applicable) should be noted in detailed description.

Provide the location of the project site and a description of the site. Location can be an address or legal description. Include information about whether site is wooded, open, industrial park, or farm land. Is the project close to buildings, etc.?

Block V. B. Describe how the design, engineering, testing, and monitoring are sufficient to demonstrate that the proposed project will meet its intended purpose, ensure public safety, and comply with applicable laws, regulations, agreements, permits, codes, and standards. Describe how all equipment required for the RES is available and able to be procured and delivered within the proposed project development schedule.

Block V. C.- D. For commercially available complete either part C or part D, as appropriate, for Renewable Energy Systems.

A Renewable Energy System can demonstrate commercial availability if it has been certified by a recognized industry organization whose certification standards are acceptable to the Agency. Examples of recognized industry organization whose certification standards are acceptable to the Agency include, but are not limited to: *Small Wind Certification Council, Certified Wind Turbines, http://smallwindcertification.org/certified-small-turbines/;* Solar Rating and Certification Corporation (SRCC) *http://www.solar-rating.org/index.html; Florida Solar Energy Center, http://www.fsec.ucf.edu/en/. A full list can be found in RD Instruction 4280.103.*

Complete commercially available Block V. C. for Energy Efficiency Improvements.

Include discussion on how the projects technology meets the commercially available definition and identify what the warranties are for the major components.

Block V. E. Describe the projected financial performance of the proposed project. For Renewable Energy System projects, the information for this section may be contained in an Agency approved Renewable Energy Site Assessment. The description shall address total project costs and eligible project costs; energy replacement/savings; and revenues from energy sold to the grid and revenues from byproducts. Do not include any investment and other production incentives Revenues to be considered shall accrue from the sale of energy, replacement (offset) or savings in energy costs, and sale of byproducts.

Block V. E. 1. Total Project Costs. The sum of all costs associated with a completed project known at time of application submittal. Total Project Cost shall include all costs directly related to the purchase, installation, and construction of the Renewable Energy System or Energy Efficiency Improvement project that are known and planned to be incurred for the project. Total project costs do not include construction or equipment costs that would be incurred regardless of the installation of the Renewable Energy System or Energy Efficiency Improvement project. For example, the foundation for a building where a Renewable Energy System is being installed, storage only grain bins connected to drying systems, and roofing of a building where solar panels are being attached.

Eligible Project Costs. The total project costs that are eligible to be paid or guaranteed with REAP funds.

Eligible Project Costs for grants are identified in RD Instruction 4280.114 (c) and described below, are **only those costs incurred after a Complete Application has been received by the Agency** and are directly related to and its use and purpose is limited to the Renewable Energy System or Energy Efficiency Improvement:

(1) Purchase and installation of new or refurbished equipment.

(2) Construction, retrofitting, replacement, and improvements.

(3) Energy Efficiency Improvement(s) identified in the applicable Energy Assessment or Energy Audit.

(4) Fees for construction permits and licenses.

(5) Professional service fees for Qualified Consultants, contractors, installers, and other third-party services.

(6) For an eligible Renewable Energy System in which a residence is closely associated with the Rural Small Business or agricultural operation the installation of a second meter to separate the residence from the portion of the project that benefits the Rural Small Business or agricultural operation, as applicable.

For guaranteed loans eligible project cost can also include:

(1) Working capital.

(2) Land, building, and equipment acquisition.

(3) Routine lender fees.

(4) Energy Assessments, Energy Audits, technical reports, business plans, and Feasibility Studies, except if any portion was financed by any other Federal or State grant or payment assistance.

(5) Refinancing outstanding debt.

For a complete list of eligible costs and funding restrictions for guaranteed loans see RD Instruction 4280.129(e).

Block V. E. 2. a. Identify the amount of renewable energy to be generated through the deployment of the proposed system.

If applicable, identify the existing energy system and type(s) of fuel used, including historical annual energy consumption at the facility for energy replacement projects, based upon previous 12 months of energy consumption. Note only energy used by the eligible Rural Small Business or agricultural production facility should be included. Any historical residential usage must be deducted.

If applicable, calculate the percentage of energy being replaced by the proposed system. Percent energy replaced is calculated by dividing the annual amount of renewable energy to be generated by the historical annual energy usage of the business operation then multiplying by 100.

If the percentage exceeds 100 percent, there are special instructions for calculating the energy revenue for the proposed system in the Block VI. E. 2. a. iii.

If the amount of energy exceeds 150 percent the project will be treated as an energy generation project. Ensure like units (British Thermal Units (BTU), kilowatt hours (kWh), etc.) are used when making the calculation.

Please identify the units of measure for the energy that is being used: kWh or BTU. Information must be provided to allow the calculation of Simple Payback as defined below and in RD Instruction 4280.103.

Block V. E. 3. Enter the average energy retail price paid over the most recent 12 months in E. 3. a. Enter the rate the utility will be paying for energy produced from the Renewable Energy System in E. 3. b.

Block V. E. 4. Energy replacement projects (Renewable Energy System projects that will offset current energy usage of the Applicant), replacing less than or equal to 100 percent of the Applicant's current energy usage will use line E. 4. a. to determine value of energy, using the total amount of energy identified in E. 2.a. i.

Energy replacement projects that replace over 100 percent but less than 150 percent will complete both lines E. 4. a., and E. 4. c. Line E. 4. a. will be the value of the amount of energy replaced or line E. 2. a. ii. multiplied by E. 3. a. For the energy that exceeds 100 percent of replacement energy or (E. 2. a. i. - E. 2. a. ii.), will be multiplied by E. 3. b., which is the energy rate received from the utility for the power being sold onto the grid.

For projects that are energy generation projects, including those energy replacement projects that replace over 150 percent, complete line E. 4. c. Line E. 4. c. will be the amount of energy generated, which was identified in line E. 2. a. i., multiplied by the value in line E. 3. b.

Energy Efficiency Improvement project (energy saving project) should use the amount of energy identified in E. 2. b. multiplied by the retail cost of energy identified in E. 3. a.

E. 4. d. should total the value of all energy, including the value of the energy replaced and the value of the energy sold to the grid or the value of the energy saved.

Block V. E. 5. For energy generation projects only, all energy-related revenue streams and all revenue from byproducts expected to be produced by the energy system for a typical year including the fair market value of byproducts produced by and used in the project or related enterprises should be listed here.

Block V. E. 6. Self-Explanatory.

Block V. E. 7. Self-Explanatory.

Block V. E. 8. Self-Explanatory.

Block V. E. 9. Self-Explanatory.

Block V. E.8.-9. Definitions.

Simple Payback. The estimated Simple Payback of a project funded under this subpart is calculated using paragraph (1) or (2) as applicable:

(1) **For projects that generate energy for use offsite**, Simple Payback is calculated as follows:

(i) Simple Payback = (Eligible Project Costs) ÷ (typical years earnings before interest, taxes, depreciation, and amortization (EBITDA) for the project only).

(ii) EBITDA is based on:

(A) All energy-related revenue streams and all revenue from byproducts produced by the energy system for a typical year including the fair market value of byproducts produced by and used in the project or related enterprises.

(B) Income remaining after all project obligations are paid (operating and maintenance).

(C) The Agency's review and acceptance of the project's typical year income (which is after the project is operating and stabilized) projections at the time of application submittal.

(D) Does not include any tax credits, carbon credits, renewable energy credits, and construction and investment-related benefits.

(2) **For projects that reduce (save) or replace onsite energy use,** (e.g., Energy Efficiency Improvement projects that reduce and Renewable Energy System projects that replace onsite energy use)**,** Simple Payback is calculated as follows:

(i) Simple Payback = (Eligible Project Costs) ÷ (Dollar Value of Energy reduced or replaced):

(ii) Dollar Value of Energy reduced or replaced incorporates the following:

(A) Energy reduced or replaced will be calculated on the quantity of energy saved or replaced as determined by subtracting the result obtained under paragraph (A)(2) from the result obtained under paragraph (A)(1) of this definition, and converting to a monetary value using a constant value or price of energy (as determined under paragraph (A)(3) of this definition).

(1) Actual energy used in the original building and/or equipment, as applicable, prior to the Renewable Energy System or Energy Efficiency Improvement project, must be based on the actual average annual total energy used in BTU over the most recent 12, 24, 36, 48, or 60 consecutive months of operation.

(2) Projected energy use if the proposed Renewable Energy System or Energy Efficiency Improvement project had been in place for the original building and/or equipment, as applicable, for the same time period used to determine that actual energy use under paragraph (2)(ii)(A)(1) of this definition.

(3) Value or price of energy must be the actual average price paid over the same time period used to calculate the actual energy used under paragraph (2)(ii)(A)(1) of this definition. Renewable Energy System projects that will replace 100 percent of an Applicant's energy use will be required to use the actual average price paid for the energy replaced and the projected revenue received from energy sold in a typical year.

(B) Does not allow Energy Efficiency Improvements to monetize benefits other than the dollar amount of the energy savings the Agricultural Producer or Rural Small Business realizes as a result of the improvement.

(C) Does not include any tax credits, carbon credits, renewable energy credits, and one-time construction and investment-related benefits.

Block V.F. Describe the key service providers for the project, including the number of similar systems installed and/or manufactured, professional credentials, licenses, and relevant experience. When specific numbers are not available for similar systems, estimations will be acceptable. Attach additional pages if required.

Block VI. Complete this Block for Renewable Energy System projects only. Energy Efficiency Improvement projects should complete Block VII. Hybrid projects are a combination of two or more Renewable Energy System technologies that are incorporated into a unified system to support a single project. *Projects which propose two or more different Renewable Energy System technologies at two or more locations (a different technology at each site) are not eligible.*

Block VI. A. 1. Self-Explanatory.

Block VI. A. 2. An application for installation of a Renewable Energy System to serve a residence only is not eligible. For an installation of Renewable Energy System that is closely associated with and shares an energy metering device with the Rural Small Business or agricultural operation, the application is eligible if one of the following options is met.

(1) Demonstration that 51 percent or greater of the energy to be generated will benefit the Rural Small Business or agricultural operation; (In this scenario the eligible project cost will be determined based on the actual percentage of energy determined to benefit the Rural Small Business or agricultural operation.) (Example. If 56 percent of the energy from the project is going to benefit the business operation 56 percent of the total project cost will be considered eligible for REAP assistance);

(2) The Applicant certifies in the application that any excess power generated by the Renewable Energy System will be sold to the grid and will not be used by the Applicant for residential purposes; or

(3) If the project cannot meet either of the above criteria, installation of a second meter (or similar device) that results in all of the energy generated being used for non-residential energy usage will be required.

Block VI. B. Provide information which allows the Agency to determine that an adequate renewable energy resource is available at the project site. Cite the source used in making the determination that an adequate resource exists.

Examples of online estimating tools may include, but are not limited to: PVWatts, National Renewable Energy Laboratory (NREL) solar and wind maps, etc.

Examples of site specific monitoring devices may include, but are not limited to: Solar pathfinder or anemometer (wind) installations, etc.

Other tools may include, but are not limited to: GeoExcel or similar design software used in geothermal analysis, airport wind roses, Geographic Information System (GIS), energy calculators (EIA.gov), United States Geological Survey (USGS) maps and images, Global Positioning System (GPS) receivers, etc.

An Agency approved Site Assessment may be used to provide information on Project Description, Resource Assessment, and Project Economic Assessment. In such instances, the technical report would consist of Section D and the Renewable Energy Site Assessment. If a site assessment was completed for the project that does not provide Project Description, Resource Assessment, and Project Economic Assessment, the site assessment can still be used, but the information missing will need to be provided to the Agency in this form.

Block VII. This Block is for Energy Efficiency Improvement projects only. Renewable Energy Systems can go to Block VIII to continue with the application process.

Provide the information relating to the Energy Efficiency Improvement as documented in an Energy Assessment or Energy Audit. Convert energy to BTU by use of the noted conversion factors. ATTACH THE ENERGY ASSESSMENT OR ENERGY AUDIT TO THIS FORM.

Definitions

Energy Assessment. Defined in RD Instruction 4280.103, an Agency-approved report assessing energy use, cost, and efficiency by analyzing the energy bills and surveying the target building and/or equipment sufficiently to provide an Agency-approved assessment.

The assessment may be conducted by an Energy Auditor or an Energy Assessor or an individual supervised by either an Energy Assessor or Energy Auditor. The final Energy Assessment must be validated and signed by the author. OR

Energy Assessor. A Qualified Consultant who has at least 3 years of experience and completed at least five energy assessments or energy audits on similar type projects and who adheres to generally recognized engineering principles and practices.

Qualified Consultant. An independent third-party individual or entity possessing the knowledge, expertise, and experience to perform the specific task required.

Energy Audit. As further defined in RD Instruction 4280.103 a comprehensive report meeting Agency approval approved by an Energy Auditor an individual supervised by an Energy auditor that documents current energy usage; recommended potential improvements and their costs; energy savings from the improvements; dollars saved per

year; and Simple Payback. The methodology of the Energy Audit must meet professional and industry standards. The final Energy Audit must be validated and signed by the author.

Energy Auditor. A Qualified Consultant that meets one of the following criteria:

(1) A Certified Energy Auditor certified by the Association of Energy Engineers;

(2) A Certified Energy Manager certified by the Association of Energy Engineers;

(3) A Licensed Professional Engineer in the state in which the audit is conducted with at least 1 year experience and who has completed at least two similar type energy audits; or

(4) An individual with a 4-year engineering or architectural degree with at least 3 years of experience and who has completed at least five similar type energy audits.

Block VII. B. Self explanatory

Block VIII. An application will be scored on environmental benefits and will receive a maximum of 5 points if the Applicant has indicated in the application that the proposed project will have a positive effect on any of the three impact areas: resource conservation (e.g., water, soil, forest), public health (e.g., potable water, air quality), and the environment (e.g., compliance with EPA(s) RFS(s), greenhouse gases, emissions, particulate matter). Points will be awarded as follows:

(1) If the proposed project has a positive impact on any one of the three impact areas, 1 point will be awarded.

(2) If the proposed project has a positive impact on any two of the three impact areas, 3 points will be awarded.

(3) If the proposed project has a positive impact on all three impact areas, 5 points will be awarded.

Block IX. Describe sources and amount of all funds that will be used to complete the project. In order to receive points under the readiness scoring criteria written commitments must be attached. Attach written commitments (e.g. Letter of Commitment, bank statement) from each source that is providing funds. Third party commitment letters must be signed by the authorized party, be specific to the project and identify the dollar amount and any applicable rates and terms. Letter of intent, pre-qualification, subject to bank approval, or other underwriting requirements are NOT acceptable. Conditionalizing on receipt of REAP funds or appraisal is acceptable.

Block X. Self Explanatory.

Block XI. Self Explanatory.

Block XII. Self Explanatory.

Block XIII A. Applicant eligibility requirements as defined in RD Instruction 4280.112 include:

The Applicant must be an agricultural producer or rural small business, as defined in RD Instruction 4280.103.

The Applicant must (1) own or be the prospective owner of the project; and (2) own or control the site for the project described in the application at the time of application and, if an award is made, for the useful life of the project as described in the grant agreement.

The Applicant must have available at the time of application satisfactory sources of revenue in an amount sufficient to provide for the operation, management, maintenance, and any debt service of the project for the useful life of the project. In addition, the Applicant must control the revenues and expenses of the project, including its operation and maintenance, for which the assistance is sought. Notwithstanding the provisions of this paragraph, the Applicant may employ a qualified consultant under contract to the owner to manage revenues and expenses of the project and its operation and/or maintenance.

Block XIII. B. Project eligibility requirements as defined in RD Instruction 4280.113 include:

(1) Be for the purchase of a new or refurbished Renewable Energy System, the retrofitting of an existing Renewable Energy System, or making Energy Efficiency Improvements that will use less energy on an annual basis than the original building and/or equipment that it will improve or replace as per an energy assessment or energy audit. Types of improvements include, but are not limited to:

(i) Efficiency improvements to existing Renewable Energy Systems.

(ii) Construction of a new energy efficiency building only when the building is used for the same purpose as the existing building, and, based on an energy assessment or energy audit, as applicable, it will be more cost effective to construct a new building and will use less energy on an annual basis than improving the existing building.

(iii) Subsequent improvements such as those that replace or duplicate improvements previously funded under this subpart may or may not be eligible for funding:

(A) If the replacement is prior to the end of the existing funded equipment's useful life, then the proposed improvement even if more energy efficient is ineligible.

(B) If the replacement is at or after the end of the existing funded equipment's useful life, then it is eligible for funding provided it is more energy efficient than the previously funded improvement.

(2) Be for a commercially available and replicable technology;

(3) Have technical merit as defined in RD Instruction 4280.116;

(4) Be located in a rural area in a State if the type of Applicant is a rural small business, or in a rural or non-rural area in a State if the type of Applicant is an agricultural producer. If the agricultural producer's facility is in a non-rural area, then the application can only be for Renewable Energy Systems or Energy Efficiency Improvements on integral components of or that are directly related to the facility, such as vertically integrated operations, and other value added components of the agricultural production operation, and are part of and co-located with the agriculture production operation.

Block XIII. C. Self Explanatory.

Block XIII. D. Self Explanatory.

Block XIII. E. Self Explanatory.

Block XIII. F. As defined in RD Instruction 4280.118(c), the Applicant is solely responsible for the execution of all contracts and Agency review and approval are not required.

Upon completion of the project, if awarded, the grantee must submit to the Agency a copy of the contractor's certification of final completion for the project and a statement that the grantee accepts the work completed. At its discretion, the Agency may require the Applicant to have an Inspector certify that the project is constructed and installed correctly.

The Renewable Energy System or Energy Efficiency Improvement must be constructed, installed, and operating as described in the technical report prior to disbursement of funds. Renewable Energy Systems must be operating at the noted steady state operating level for a period of not less than 30 days prior to disbursement of funds.

Executed contracting forms as outlined by the Agency in the Letter of Conditions will be required by all persons who furnished materials and labor in connection with the contract.

Block XIII. G. Projects as proposed, must be completed in their entirety prior to requesting reimbursement of funds.

Block XIII. H. Required insurance identified in RD Instruction 4280.122(b) is:

Agency approved insurance coverage must be maintained for 3 years after the Agency has approved the final performance report unless this requirement is waived or modified by the Agency in writing. Insurance coverage shall include, but is not limited to:

(1) Property insurance, such as fire and extended coverage, will normally be maintained on all structures and equipment.

(2) Liability.

(3) National flood insurance is required in accordance with 7 CFR part 1806, subpart B, of this title, if applicable.

Block XIII. I. Self Explanatory.

Block XIII. J. Self Explanatory.

Block XIII. K. Open and Free competition requirements require applicants to solicit prices from multiple sources before deciding on one vendor.

All procurement transactions, regardless of procurement method and dollar value, must be conducted in a manner that provides maximum open and free competition. Procurement procedures must not restrict or eliminate competition. Competitive restriction examples include, but are not limited to, the following: placing unreasonable requirements on firms in order for them to qualify to do business; noncompetitive practices between firms; organizational conflicts of interest; and unnecessary experience or excessive bonding requirements. In specifying material(s), the grantee and its consultant will consider all materials normally suitable for the project commensurate with sound engineering practices and project requirements. The Agency will consider any recommendation made by the grantee's consultant concerning the technical design and choice of materials to be used for such a project. If the Agency determines that a design or material, other than those that were recommended, should be considered by including them in the procurement process as an acceptable design or material in the project, the Agency will provide such Applicant or grantee with a comprehensive justification for such a determination. The justification will be documented in writing.

Block XIII. L. This certification is required for bioenergy projects that proposed to use woody biomass from a National Forest System or public lands, as a feedstock. The applicant must certify that any and all woody biomass that comes from a National Forest System land or public lands cannot be used as a higher value wood-based product. For bioenergy projects that use woody biomass from private land, this certification is not required.

Block XIII. M. Self Explanatory.

Block XIII. N. For a project that involves an installation of Renewable Energy System that is closely associated with and shares an energy metering device with the Rural Small Business or agricultural operation, the applicant must either:

(A) demonstrate that 51 percent or more of the energy will benefit the Rural Small Business or agricultural operation,

(B) install a second meter (or similar device) that results in all of the energy generated being used for non-residential energy usage or sold to the grid, or

(C) provide the certification identified.

Block XIV. Self Explanatory.

Block XV. Original signature in blue ink required. Agency reserves the right to ask for additional information to verify certifications made or to determine project and Applicant eligibility.