accordance with 40 U.S.C. 31, sections 3141 through 3144, 3146, and 3147.

6. Federal Funding Accountability and Transparency Act. All Applicants, in accordance with 2 CFR part 25, must be registered in SAM and have a UEI number as stated in Section D.3 of this notice. All recipients of Federal financial assistance are required to report information about first-tier sub-awards and executive total compensation in accordance with 2 CFR part 170.

7. Civil Rights Act. All grants made under this notice are subject to Title VI of the Civil Rights Act of 1964 as required by the USDA in 7 CFR part 15, subpart A—Nondiscrimination in Federally-Assisted Programs of the Department of Agriculture—Effectuation of Title VI of the Civil Rights Act of 1964) and section 504 of the Rehabilitation Act of 1973, Title VIII of the Civil Rights Act of 1968, Title IX, Executive Order 13166 (Limited English Proficiency), Executive Order 13246, and the Equal Credit Opportunity Act of 1974.

8. Nondiscrimination Statement. In accordance with Federal civil rights laws and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Mission Areas, agencies, staff offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language) should contact the responsible Mission Area, agency, or staff office; the USDA TARGET Center at (202) 720–2600 (voice and TTY); or the 711 Relay Service.

To file a program discrimination complaint, a complainant should complete a Form AD–3027, USDA Program Discrimination Complaint Form, which can be obtained online at https://www.usda.gov/oascr/program-discrimination-complaint-filing, from any USDA office, by calling (866) 632–9992, or by writing a letter addressed to USDA. The letter must contain the complainant’s name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation.

The completed AD–3027 form or letter must be submitted to USDA by:

1. Mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW, Washington, DC 20250–9410; or

2. Fax: (833) 256–1665 or (202) 690–7442; or

3. Email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.

Andrew Berke,
Administrator, Rural Utilities Service, USDA Rural Development.

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BILLING CODE 3140–15–P

DEPARTMENT OF AGRICULTURE

Rural Utilities Service

[Docket#: RUS–23–ELECTRIC–0003]

Notice of Funding Opportunity for the Powering Affordable Clean Energy (PACE) Program

AGENCY: Rural Utilities Service, USDA.

ACTION: Notice.

SUMMARY: The Rural Utilities Service (RUS or the Agency), a Rural Development (RD) Agency of the United States Department of Agriculture (USDA), is soliciting Letters of Interest (LOI) for loan Applications, announcing the Application process for those loans, and providing deadlines for Applications from eligible entities under the Powering Affordable Clean Energy (PACE) Program. These loan funds will be made to qualified PACE Applicants to finance power generation Projects for Renewable Energy Resource (RER) systems or Energy Storage Systems (ESS) that support RER Projects. The PACE Program has $1,000,000,000 available in appropriated funds under the Inflation Reduction Act of 2022 (IRA).

DATES: Letters of Interest (LOIs) can be submitted beginning at 11:59 a.m. Eastern Time (ET) on June 30, 2023, until 11:59 a.m. ET September 29, 2023. An applicant that is invited by RUS to proceed with the loan Application will have 60 days, or a time agreeable to the Agency, to complete and submit a loan Application beginning from the date the Invitation to Proceed is emailed to the PACE Applicant. If the deadline to submit the completed Application falls on Saturday, Sunday, or a Federal holiday, the Application is due the next business day. RUS reserves the right, in its sole discretion, to extend the deadline upon the written request of the applicant if the applicant demonstrates to the satisfaction of the Administrator that exceptional circumstances exist to warrant the extension.

ADDRESSES:
Letters of Interest (LOI) Submissions. All LOIs must be submitted to RUS electronically through an on-line application window. The Agency will finalize the specific requirements of submitting the LOI through the on-line application window by notice in the Federal Register and the RUS website at https://www.rd.usda.gov/programs-services/electric-programs/powering-affordable-clean-energy-pace-program on or before June 30, 2023. Application Submissions. LOI submitters chosen to proceed with the loan Application must submit a completed loan Application package in accordance with the instructions provided in the RUS’ Invitation to Proceed.

Other information. Additional information and resources are available at https://www.rd.usda.gov/programs-services/electric-programs/powering-affordable-clean-energy-pace-program. Information on IRA Funding for RD is located at the following website: https://www.rd.usda.gov/inflation-reduction-act#fn.

FOR FURTHER INFORMATION CONTACT:
Christopher A. McLean, Assistant Administrator, Electric Program, RUS, RD, USDA, 1400 Independence Avenue SW, STOP 1568, Washington, DC 20250–1560; Telephone: 202–690–4492; Email: SM.RD.RUS.IRA.Questions@usda.gov.

SUPPLEMENTARY INFORMATION:

Overview

Federal Awarding Agency Name: Rural Utilities Service (RUS).

Funding Opportunity Title: Powering Affordable Clean Energy (PACE) Program.

Announcement Type: Notice of Funding Opportunity (NOFO).

Assistance Listing: 10.757.

Dates: Letters of Interest (LOIs) can be submitted beginning at 11:59 a.m. Eastern Time (ET) on June 30, 2023, until 11:59 a.m. ET September 29, 2023.
will have 60 days, or within a time agreeable to the Agency to complete and submit a loan Application beginning from the date the Invitation to Proceed is emailed to the PACE Applicant. If the deadline to submit the completed Application falls on a Saturday, Sunday, or a Federal holiday, the Application is due the next business day. RUS reserves the right, in its sole discretion, to extend the deadline upon the written request of the applicant if the applicant demonstrates to the satisfaction of the Administrator that exceptional circumstances exist to warrant the extension.

**Rural Development Key Priorities:** The Agency encourages applicants to consider projects that will advance the following key priorities:

- Assisting rural communities to recover economically through more and better market opportunities and through improved infrastructure;
- Ensuring all rural residents have equitable access to Rural Development (RD) programs and benefits from RD funded projects; and
- Reducing climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities.

### A. Program Description

1. **Purpose of the Program.** The IRA contains many transformative provisions. Importantly, it makes the largest investment in clean energy in U.S. history, allowing communities that have previously been left out of the clean energy economy to access affordable, reliable, and clean energy. The IRA also marks the largest investment in rural electrification since the 1930s, providing unique opportunities to advance economic development and quality of life in rural communities. The Biden-Harris Administration has prioritized these initiatives, elevating the role of infrastructure and the needs of rural America in its policies and their implementation.

   The goal of the PACE Program is to support clean, affordable energy growth across America. The PACE Program provides loans to eligible entities, with varying levels of loan forgiveness, for Projects that generate and/or store electricity from RER.

2. **Statutory and Regulatory Authority.**

   - **Federal statutes and regulations that apply to this notice are:** Section 317 of the Rural Electrification Act of 1936, 7 U.S.C. 940g (RE Act), 7 U.S.C. 8103, 7 CFR parts 1700–1730, 1767, 1773, and 1787, and 7 CFR part 1970.

   The PACE Program is to be carried out by the RUS pursuant to Section 22001 of the IRA. Section 22001 of the IRA amends Section 9003 of the Farm Security and Rural Investment Act of 2002 by adding new subsection (b). Section 22001 of the IRA provides RUS with $1,000,000,000 in appropriated funds “for the cost of loans under Section 317 of the RE Act.” Additionally, Section 22001 of the IRA provides that PACE funds may be utilized to finance Projects that store electricity generated from eligible renewable energy sources listed under Section 317 of the RE Act. These Project Loans or System Loans will be forgiven up to 50 percent, or more under certain circumstances, provided the Awardee and the Project otherwise meet the term and conditions of the loan forgiveness.

   Pursuant to Section 317(b) of the RE Act, loans shall be made for the purpose of constructing electric generation from renewable energy sources. Section 22001 of the IRA also provides that loan funds may be utilized for Projects that store electricity for such generation facilities. Further, Section 317(b) requires that the power generated from the eligible renewable energy source be for resale to rural and nonrural residents. Lastly, Section 317(c) requires that the rate of a loan shall be equal to the average tax-exempt municipal rate of similar maturities.

3. **Definitions.** The definitions applicable to this notice are as follows:

   - **Administrator.** The Administrator of the RUS, an agency under the RD mission area of the USDA.
   - **Agency.** The Rural Utilities Service (RUS).  
   - **Application.** An application containing all information required by RUS as identified in the Invitation to Proceed. The application is materially complete in form and substance satisfactory to RUS within the specified time.
   - **Award.** The financial assistance offered to a PACE Applicant.  
   - **Awardee.** An entity that has been awarded a PACE Award.

4. **Commercially Available Technology.** Equipment, devices, applications, or systems that have a proven, reliable performance, and replicable operating history specific to the proposed application. The equipment, device, application, or system is based on established patented design or has been certified by an industry-recognized organization and subject to installation, operating, and maintenance procedures generally accepted by industry practices and standards. Service and replacement parts for the equipment, device, application, or system must be readily available in the marketplace with established warranty applicable to parts, labor, and performance.

5. **Commitment Letter.** The notification issued by the Administrator to a PACE Applicant containing the total Award amount, the acceptable security arrangement, the proposed level of loan forgiveness, and such controls and conditions on the PACE Awardee’s financial, investment, operational and managerial activities deemed necessary by the Administrator to adequately secure the Government’s interest. This notification will also describe the accounting standards and audit requirements applicable to the Award.

6. **Community Benefit Plan.** The PACE Applicant’s explanation as to how the Project will benefit the residents of the service area identified in the Application.

7. **Distressed and Disadvantaged Communities.** A Disadvantaged Community is determined by the Agency by using the Council on Environmental Quality’s Climate and Economic Justice Screening Tool (which is incorporated into the USDA look-up map) which identifies communities burdened by climate change and environmental injustice. Distressed Community is determined by the Agency by using the Economic Innovation Group’s Distressed Communities Index (which is incorporated into the USDA look-up map), which uses several socio-economic measures to identify communities with low economic well-being. To determine if your Project is located in a Disadvantaged Community or a Distressed Community, please use the following USDA look-up map: [https://ruraldevelopment.maps.arcgis.com/apps/webappviewer/index.html?id=4ac09083be4c4468bb7864d90f97de9c788](https://ruraldevelopment.maps.arcgis.com/apps/webappviewer/index.html?id=4ac09083be4c4468bb7864d90f97de9c788).

8. **Energy Community.** A community as defined by the Department of Treasury and the Internal Revenue Service.

9. **Energy Storage System (ESS).** A facility capable of accepting energy, storing the energy for a period of time, and then later releasing the stored energy in support of a Renewable Energy Resource (RER).

10. **Environmental Attributes.** All financial attributes that are created or otherwise arise from the Project’s generation of electricity from a renewable or zero emission energy system that include but are not limited to, any environmental air quality...
Power Purchase Agreement (PPA). A binding agreement executed between the PACE Applicant and an Off-Taker under which the Off-Taker agrees to purchase and receive from the PACE Applicant the electrical capacity and associated energy produced by the Project at a pre-determined price and term. The PPA may include other transactions such as the selling and purchasing of Environmental Attributes or ancillary services (e.g., voltage regulation and synchronization, contingency reserves).

Project Loans. A PACE Loan secured by a security interest in the assets and revenues of the Project and supporting credit enhancements relating to the Project rather than by a security interest in all of the assets of the PACE Applicant’s electric utility system. Any PACE Loan to a PACE Applicant that is not a current operating utility shall be a Project Loan.

Renewable Energy Source or Renewable Energy Resource (REER). An energy conversion system fueled from a solar, wind, hydropower, biomass, or geothermal source of energy as defined in Section 317(a) of the RE Act.

Rural Area. A rural area shall mean: (a) Any area other than a city, town, or unincorporated area that has a population of greater than 20,000 inhabitants. or (b) Service areas of current RUS Borrowers or former RUS and Rural Electrification Act (REA) borrowers which will be deemed rural for the purposes of their Applications.

Rural Partners Network (RPN). The RPN is an alliance of Federal agencies and commissions working directly with rural communities to expand rural prosperity through job creation, infrastructure development, and community improvement.

Secretary. The Secretary of the United States Department of Agriculture.
PA is in place with respect to the Project’s assets, the Awardee must collaterally assign the PPA to RUS as security, with the Off-Taker’s consent to such assignment. The Administrator may consider tax credits or direct payments in lieu of tax credits the Awardee receives under the Internal Revenue Code when calculating equity investment requirements for a PACE Applicant’s proposed Project. If the Administrator approves a PACE Applicant to meet the financial equity requirement by utilizing applicable tax benefits, the Administrator may require additional credit support from the PACE Applicant pending the PACE Applicant’s receipt of the tax benefit. Further, the Agency may utilize its authority under Section 306F of the RE Act and finance up to 100% of the cost of Projects benefiting SUTA areas. Project Award funds will only be released after commercial operation of the Project is commenced and RUS has confirmed that the Awardee has satisfied all other conditions specified in the Award.

(b) System Loans. System Loans are only available to currently operating electric utilities. The PACE Applicant will provide, if it has not already provided, RUS with a perfected senior lien on all of its existing assets, both real and personal, including intangible personal property, as well as after-acquired property. At the Administrator’s discretion, PACE Applicants which are generation and transmission suppliers may be permitted to secure a System Loan through an indenture, provided that RUS is granted a perfected senior security interest in all its assets by the trustee. System Loans may finance 100% of the Project costs included in an Application. At the discretion of the Administrator, System Loan funds can be released to finance Projects for costs incurred during construction of the facilities; however, loan forgiveness will not occur until the Project has been completed and RUS has confirmed that the Awardee has satisfied all other conditions specified in the Award.

6. Loan Categories: The following percentages shall be forgiven on Awards meeting the requirements outlined in Sections E and F of this notice. RUS will initially allocate a minimum of $300 million to each category.

(a) Category I. Up to 20 percent total loan forgiveness;

(b) Category II. Up to 40 percent total loan forgiveness if 50 percent or more of the population served by the proposed service area is located within the following areas:

(1) Energy Communities; or

(2) Distressed or Disadvantaged Communities.

(c) Category III. Up to 60 percent total loan forgiveness if:

(1) The proposed service area is located in Puerto Rico, United States Virgin Islands (USVI), Guam, American Samoa or other U.S. territories or Compact of Free Association (COFA) states; or

(2) The proposed service area consists of 60 percent or more of a Tribal area or serves an area that constitutes a SUTA; or

(3) The Project is owned by an Indian Tribe defined by the Federally Recognized Indian Tribe List Act of 1994 (Pub. L. 103–454; 108 Stat. 4791, 4792), including their wholly owned arms and instrumentalities, or an Alaska Native Corporation, including regional or village corporations, as defined under or established pursuant to the Alaska Native Claims Settlement Act (Pub. L. 104–42; 85 State. 688).

7. Anticipated Award Date: From September 2023 to December 2025.

8. Performance Period: Five (5) years from the date of environmental clearance, but no later than September 30, 2031.

9. Use of other governmental funds: The Agency will generally allow the Awardee to combine the incentives contained in this notice with other governmental benefits, provided such combinations are otherwise permitted by law or regulation.

10. Renewal or Supplemental Awards: None.

11. Type of Assistance Instrument: Loan Agreement.

C. Eligibility Information

1. Eligible Applicants. RUS will accept LOIs and Applications from entities as described below:

(a) For-profit organizations.

(b) State or local governments.

(c) Indian Tribes defined by the Federally Recognized Indian Tribe List Act of 1994 (Pub. L. 103–454; 108 Stat. 4791, 4792), including their wholly owned arms and instrumentalities.

(d) Alaska Native Corporations, including regional or village corporations as defined under or established pursuant to the Alaska Native Claims Settlement Act (Pub. L. 104–42; 85 State. 688).

(e) Nonprofits.

(f) Institutions of higher education.

(g) Community-based organizations, distribution electric cooperatives, and generation and transmission electric cooperatives.

LOIs and Applications from any entity in the above categories will be evaluated for funding. Where applicable and possible, applicants are encouraged to work with Distressed and Disadvantaged Communities, Energy Communities, Puerto Rico, the United States Virgin Islands (USVI), Guam, American Samoa or other U.S. territories or Compact of Free Association (COFA) states, tribal entities, and RPN communities.

2. Cost Sharing and Matching.

(a) Project Loans. Awards will finance up to 75% of the total capitalized costs of a Project. Awardees will be required to provide at least 25% of the Project’s total capitalized cost in the form of cash or equity investments, which may not be derived from debt instruments.

(b) System Loans. PACE System Loans may cover 100% of the total costs of the Project.

3. Other.

(a) Eligible Service Areas.

(1) Electricity generated or stored from facilities shall be provided to “rural and nonresidential residents” in eligible service areas.

(2) Rural Percentage of the Service Territory.

The rural percentage will be calculated at the applicant’s choosing by either:

(i) The population located in the Rural Areas of a service territory versus the total population of the entire service territory; or

(ii) Meters served in the Rural Areas of a service territory versus meters served in the entire service territory.

For the purpose of this notice, the minimum rural percentage by the chosen methodology must be at least 50 percent, unless waived by the Administrator based upon a showing that there exist social equity considerations, such as SUTA, significant energy burdens, severe economic needs, or substantial added benefits to rural consumers.

(3) Rural Determination. If the PACE Applicant is not a RUS Borrower, a rural determination will be conducted by RUS in order to:

(i) Identify the service territory where electricity from the facilities to be financed by PACE Award would be delivered and consumed; and

(ii) Further identify those areas within the service territory that are rural.

(b) Project Eligibility.

(1) Projects can be developed by eligible applicants developing new renewable power generation from RER and ESS for use by Off-Takers through a PPA or a financial guarantee that ensures Financial Feasibility.

(2) New facilities that generate electricity from an RER, including facilities that store electricity that support such assets. However, RUS will not approve facilities that violate the
terms of a PACE Applicant’s existing wholesale power contract.
(3) New linear facilities, including microgrids, and equipment that are necessary to operate the Project including, but not limited to, transmission or distribution facilities that are needed to export, transmit, and deliver power from the generating facility to the Off-Taker.
(4) The upgrading of existing linear facilities and equipment that are necessary to operate the Project including, but not limited to, transmission or distribution facilities that are needed to export, transmit, and deliver power from the generating facility to the Off-Taker.
(5) The Project may include one or more RERs and/or ESSs.
(6) Facilities may be co-located to operate interconnectedly or independently or constructed at separate sites.
(7) RERs and ESSs must be installed so that the RER can provide energy and any ancillary services for resale to rural and nonrural residents located in eligible service areas.
(8) Applicants can request interconnection and other costs associated with being able to deliver the RER and/or the ESS to Off-Takers, including related microgrid investments. Successful applicants may also recover a portion of their capitalizable pre-application costs pursuant to 7 CFR part 1767 and this notice.
(9) Applicant may include in its loan Application the costs specified in 7 CFR 1710.106, including interest during construction (IDC) pursuant to 7 CFR 1710.106(a)(4).

D. Application and Submission Information

1. Address to Request Application Package. The Agency will finalize the on-line application window by notice in the Federal Register on or before June 30, 2023. The PACE Program Application Guide and copies of necessary forms and samples will become available at https://www.rd.usda.gov/programs-services/electric-programs/powering-affordable-clean-energy-pace-program. If you require alternative means of communication for program information (e.g., Braille, large print, audiotape) please contact USDA’s TARGET Center at (202) 720–2600 (voice and TDD) or the 711 Relay Service.

2. Content and Form of Application Submission.

(a) Letter of Interest (LOI) Submission. The LOI must include the information as listed below in this Section. LOI submitters should be aware that the final Application will require more information as included in Section D.2(b) of this notice.

(i) LOI submitter’s profile and point of contact information.

(ii) The LOI submitter’s address and principal place of business.

(iii) The LOI submitter’s tax identification number and its Unique Entity Identifier (UEI) number from the System for Award Management (SAM) registry.

(iv) Legal structure of LOI submitter (e.g., cooperative, corporation, limited-liability company, State or local government entity, municipality, federally recognized Tribe). If the applicant is a non-governmental entity, a statement as to whether the entity is organized as a non-profit.

(v) If the LOI submitter is a State or local governmental entity, a certification that it can enter into contracts with the Federal government, incur debt, and provide security for such debt. Federal government entities are not eligible for financing.

(vi) Name and title of LOI submitter’s manager and/or point of contact, which must include general contact information, as well as an email address to receive RUS’ Invitation to Proceed.

(vii) The location of the Project and the applicable service area using a digital Shapefile. The applicable service area must demonstrate that the Project will provide economical clean energy to rural residents as outlined in Section C.3(a) of this notice.

(viii) The LOI submitter’s net assets value.

(ix) A certification as to whether the LOI submitter over the last 10 years has been placed in receivership liquidation, has been under a workout agreement, has declared bankruptcy, or has had a decree or order issued for relief in any bankruptcy, insolvency, or other similar action.

(x) A statement as to whether the Project(s) will serve a SUTA area as defined in Section A.3 of this notice.

(2) Financial Information. A copy of the LOI submitter’s balance sheet and income statements for the shorter of the last three years or the years the LOI submitter has been in operation. If the LOI submitter has no operating history, the LOI submitter must provide RUS with information RUS deems necessary to evaluate the financial strength of the LOI submitter. The LOI submitter must also provide the balance sheet and income statement for the last three years of any entity or entities providing equity or security for the loan, with an explanation of the legal relationship to the LOI submitter.

(3) Technical Description of the Project. A technical description of the Project, which shall not exceed 1,500 words, and must include the following:

(i) Type of loan being requested, Project Loan or System Loan. See Section B.5 of this notice.

(ii) A description of each RER and ESS being requested for PACE financing including Project name, location, type, size, and renewable energy units generated and saved.

(iii) Verification that the Project(s) will be designed, constructed, and operated based on Commercially Available Technology.

(iv) For each Project, the estimated dates to start construction and to achieve commercial operation.

(v) The estimated total capital cost of each Project and the amount of Award funds being requested to finance each Project.

(vi) Proposed financial structure of the owners, equity investors and other participants, which shall include estimated sources and uses of all funds.

(vii) If applicable, a description and status of any PPA that will be used to sell and deliver the electrical output of the Project(s) to Off-Takers.

(viii) If applicable, a description of any existing power sales contracts, such as wholesale power contracts, between Off-Takers and its members.

(ix) Status of, and estimated timelines to complete, if known, any applicable Federal, State, or local permitting or environmental review processes.

(x) Ratepayer and Community Benefit. A brief discussion from the LOI submitter that if it is invited to submit an Application, it will demonstrate in its Application how it will pass on a portion of the savings from the loan forgiveness to the Off-Taker as described in Section B.6 of this notice and that the LOI submitter will provide the required information from Section D.2(b)(19) for the Community Benefit Plan.

(xi) Prevailing wage. Pursuant to 7 U.S.C. 8103(f), a certification that, pursuant to 7 U.S.C. 8103(f), the LOI submitter will comply with the provisions of the Davis-Bacon Act so that any laborers and mechanics employed on the Project or any contractor or subcontractor in: (A) the construction of such facility, and (B) with respect to any taxable year, for any portion of such taxable year the alteration or repair of such facility, shall be paid wages at rates not less than the prevailing rates for construction, alteration or repair of a similar character in the locality in which such facility is located as most recently
determined by the Secretary of Labor, in accordance with subchapter IV of chapter 31 of title 40, United States Code.

(ii) Loan Forgiveness Level. A statement as to what level of loan forgiveness outlined in Section B.6 of the notice that the LOI submitter believes is eligible and the reason(s) why it believes it is eligible for that specific level of loan forgiveness.

If the LOI submitter cannot provide any of the information or documents listed above, it must notify RUS prior to submitting an Application.

(b) Application Submission. An LOI submitter that receives an Invitation to Proceed must submit Application packages containing the information and documents required in 7 CFR 1710.501, as well as the following information and documentation:

(1) Loan Application letter. The letter may be signed by any authorized representative of the PACE Applicant; however, the application must also be submitted with the Application.

(2) Articles of incorporation and bylaws and other governing and organizational documents. The PACE Applicant must provide the articles of incorporation, bylaws, and other organizational documents currently in effect. PACE Applicants that are RUS Borrowers may comply with this requirement by notifying in writing to RUS that there are no material changes to the documents already on file with RUS. Other governmental applicants must only provide evidence of their ability to enter into debt obligations.

(3) Environmental and Historic Preservation Requirements. If the PACE Applicant has not received written notice from RUS that the Project environmental review process is formally concluded as provided in 7 CFR 1970.11, it must submit documents that establish that a review is in progress and no ground disturbance activities have started prior to receiving notice that the Environmental and Historic Preservation review requirements have been completed. This requirement requires the PACE Applicant to include a certification that construction has not started and that it will not start prior to obtaining written notice from RUS. The PACE Applicant must further state the type of environmental review document it believes needs to be prepared in accordance with 7 CFR part 1970 (e.g., a Categorical Exclusion with an Environmental Report, an Environmental Assessment, or Environmental Impact Statement in accordance with subparts B, C, or D, respectively). The PACE Applicant must provide a description of any potential environmental controversy or extraordinary circumstances, and the estimated timelines for completing the environmental process. PACE Applicants are strongly advised that commencing construction prior to environmental or historic preservation clearance could make a Project ineligible for RUS financing, regardless of a Project’s place in the queue.

(4) Financial Forecast. In order to demonstrate that the loan is feasible as required in 7 CFR 1710.112, the PACE Applicant must submit a financial forecast. For System Loans, the financial forecast must cover at least 10 years from the commercial operating date of the Project to be financed, must demonstrate that the PACE Applicant’s operation is economically viable and that the proposed loan is financially feasible. RUS may request projections for a longer period of time or additional information, if RUS deems it necessary based on the financial structure of the PACE Applicant. The PACE Applicant must submit the financial forecast in the form prescribed by RUS in the Invitation to Proceed.

(5) PPA. If the PACE Applicant proposes to sell power generated from the Project to an Off-Taker under a PPA, the PACE Applicant must provide a draft copy of the PPA with the Application, which must be structured to allow two different rate schedules; one for the case without loan forgiveness and the other for the case with loan forgiveness. Because the PPA is essentially the mechanism by which consumers will benefit from the PACE program, all draft PPAs must be approved by RUS prior to being executed. RUS approval of the PACE Application is predicated upon an executed PPA that has been approved by the Agency.

(6) Power Resources Owned, Co-owned or Leased. If applicable, provide a discussion or table of the existing power resources available to the applicant that includes generation facilities owned, co-owned or leased. The information provided should include: name of plant and unit, ownership interest (%), type of unit and fuel used, net peak capacity, and in-service date.

(7) Power Purchase Contracts. If applicable, provide a discussion of the applicant’s power purchase contracts (with terms greater than two years) that describes the capacity and energy resources purchased. The information should include: type of contract (take-or-pay, revenue participation, etc.), parties to the contract, amount (capacity and energy); and term and expiration date.

(8) Power Sales Contracts. A description of any existing power sales contracts, such as wholesale power contracts, between an Off-Taker and its members must be provided that includes the type of agreements (e.g., all or partial requirements), the initial execution dates, and the dates the agreements expire. The PACE Applicant must provide copies of the agreements if requested by the Agency.

(9) Engineering Report. A signed final engineering report or final engineering and power cost study must be provided with the Application, or soon thereafter. The report must describe the purpose, design, costs, construction, and operation of the Project(s). A draft engineering report must be submitted for RUS approval prior to it being finalized and signed. An approved engineering report is a prerequisite to the obligation of RUS funds; however, the PACE borrower may amend the engineering report with RUS’ written approval. The finalized engineering report must be signed or approved by licensed professional engineers.

(10) Project Contracting. The PACE Applicant must provide a list of all engineering, procurement, and construction contracts it intends to use on the Project(s), with a brief description and cost estimate of each contract. At the Agency’s discretion, any contracts selected by the Agency for review and approval must be submitted within the period of time requested by the Agency. In no event will Award funds be disbursed prior to the selected Project contracts receiving Agency approval and any other necessary approvals.

(11) Interconnection Agreements. If an interconnection agreement is needed, draft agreements required to interconnect an RER, ESS, or related microgrid system to a distribution or transmission network must be included with the Application. These agreements must be approved by the Agency before the Award funds are disbursed.

(12) System Impact Studies. The status and summary of any related system impact studies as they may pertain to the interconnection of the Project with a distribution or transmission network must be provided with the Application. System impact studies must be conducted, as applicable, to include load flow studies, short circuit analysis, system stability analysis, and conclusions (e.g., identify voltage, overload, stability problems and proposed actions or contingencies; single contingency analysis of proposed facilities; transmission; and system improvements needed). The nature of any required system upgrades
and associated costs to be incurred by the Awardee, Off-Taker, or other entity must be identified. The Agency may request a copy of any system impact studies or links to review such studies.

13. Transmission Service Agreements. Transmission service agreements required to export, transmit or deliver the power from the Project to the Off-Taker, if any, must be included with the Application. These agreements must receive Agency approval before Award funds are disbursed.

14. Other Major Agreements. The PACE Applicant must provide a list and a brief description of all other major agreements that will need to be executed for the Project. Such agreements, if applicable, include, but are not limited to O&M arrangements, joint ownership arrangements, fuel management, and fuel supply and transportation. Agreements selected for approval by the Agency should be submitted within the period of time requested by the Agency. RUS will not approve an application until all agreements requested for review have been approved by the Agency.

15. Meteorological Data and Studies. RERS such as solar and wind Projects must be supported with meteorological data and studies to determine the expected energy generation of the facility during the initial year of operation. The PACE Applicant must identify the amount and basis of any annual degradation in energy output of the RERS.

16. Fuel and Fuel Transportation Strategies. If applicable to the Project, the PACE Applicant must describe the fuel and fuel transportation strategies of the Project and show that the fuel supply for the life of the Project is adequate. Fuel supply contracts and fuel transportation contracts must be identified, including the term of each contract. Copies of the fuel contracts or arrangements must be provided if requested by the Agency.

17. Sources and Uses of Water. The PACE Applicant must identify the uses and source of water for the Project, as well as evidence that the water supply will be adequate to meet both daily demands and demands for the life of the Project. If requested by the Agency, the PACE Applicant must provide copies of any agreements or arrangements that would be used to purchase or receive water used and consumed by the Project and the applicable water balance diagram of the facilities.

18. Real Estate Matters. If the PACE Applicant is leasing the real estate upon which it will build and operate the Project, the PACE Applicant must submit an executed copy of the lease agreement with the Application. Lease agreements must contain, or be amended to contain, a provision that allows the PACE Applicant to collaterally assign the lease to RUS as security for the loan. Further, to the extent that the lessor under any lease with the PACE Applicant has executed a mortgage or deed of trust with respect to the real estate to another party, that party must execute an attornment and non-disturbance agreement in favor of the PACE Applicant that will allow the PACE Applicant to continue to lease the real property and operate the Project in the event of the lessor’s default under the mortgage or deed of trust. The PACE Applicant must submit any attornment and non-disturbance agreements to RUS with its PACE Application.

19. Community Benefit Plan. The PACE Applicant must submit a Community Benefit Plan, which should be implemented within the first year of receiving Award funds, but which is expected to be provided beyond the Project itself, including, but not limited to:

(i) Investments in the American workforce such as local worker retention, retraining and job creation;
(ii) The launch or expansion of systemic or consumer-based energy efficiency and carbon reduction measures such as providing on-bill financing or Pay as You Save programs to improve the energy efficiency and beneficial electrification for consumers;
(iii) Land use agricultural integration that demonstrates ways for traditional farming and ranching to benefit from clean energy projects;
(iv) Diversity, equity, inclusion, and accessibility goals set forth in the Justice40 Initiative.

20. Tribal Governance Resolution of Consent. A certification from the appropriate Tribal official is required if the Project, or any part of it, will be sited on Tribal land where a Tribal government has regulatory authority. Any non-Tribal PACE Applicant that fails to provide a certification to provide service on the Tribal lands identified in the proposed Project or the proposed service area will not be considered for funding.

21. Estimated Costs. The applicant must include in its loan Application a breakdown of the estimated costs listed in Section C.3(b)(9) of this notice for which it intends to seek reimbursement.

3. System for Award Management and Unique Entity Identifier.

(a) At the time of Application, each PACE Applicant must have an active registration in the System for Award Management (SAM) before submitting its Application in accordance with 2 CFR part 25. In order to register in SAM, entities will be required to obtain a Unique Entity Identifier (UEI). Instructions for obtaining the UEI are available at https://sam.gov/content/entity-registration.

(b) PACE Applicants must maintain an active SAM registration, with current, accurate and complete information, at all times during which it has an active Federal award or an Application under consideration by a Federal awarding agency.

(c) PACE Applicants must ensure they complete the Financial Assistance General Certifications and Representations in SAM.

(d) PACE Applicants must provide a valid UEI in its Application, unless determined exempt under 2 CFR 25.110.

(e) The Agency will not make an Award until the PACE Applicant has complied with all SAM requirements. If a PACE Applicant has not fully complied with the requirements by the time the Agency is ready to make an Award, the Agency may determine that the PACE Applicant is not qualified to receive a Federal Award and use that determination as a basis for making a Federal Award to another PACE Applicant.


(a) LOI Submissions. LOIs can be submitted beginning at 11:59 a.m. Eastern Time (ET) on June 30, 2023 until 11:59 a.m. ET on September 29, 2023.

(b) Application Submissions. A LOI submitter that receives an Invitation to Proceed will have 60 days, or a time agreeable to the Agency, to complete and submit its loan Application. If the deadline to submit the Application falls on Saturday, Sunday, or a Federal holiday, the Application is due the next business day. The Administrator may grant an extension of time to complete the documentation required for an Application if, in the Administrator’s sole judgment, extraordinary circumstances prevented the PACE Applicant from completing the Application within the timeframe herein stipulated. In extending an Invitation to Proceed to a LOI submitter in the queue, RUS reserves the right to meet overall RUS program objectives and therefore, may notify the PACE Applicant that the amount of financing to be Awarded is below the level sought by the PACE Applicant.

(c) General. RUS reserves the right to ask PACE Applicants for clarifying information on, or additional information related to, the LOI or Application.

5. Intergovernmental Review. Intergovernmental Review under
Executive Order 12372 is not required in this program.

6. Funding Restrictions.
(a) Entities that plan to submit or have submitted Applications under the RUS Empowering Rural America (New ERA) Program may not apply for the same Project under the PACE Program.
(b) Only Projects where construction began after August 16, 2022, the effective date of the IRA, will be eligible for funding under PACE Program.
(c) Funding will not be provided for merchant power Projects or Projects where a non-utility entity is generating power for its own use.
(d) Funding will not be provided for the purchase of any existing RER or ESS.
(e) There are no Application or origination fees for loans under the PACE Program.
(f) RUS will only finance Projects that utilize Commercially Available Technology under this notice.
(g) PACE Applicants can request interconnection and other costs associated with being able to deliver the RER and/or the ESS to Off-Takers.

7. Other Submission Requirements.
(a) An entity may only submit one LOI. RUS will not accept paper LOIs. A sample LOI and additional information is available at https://www.rd.usda.gov/programs-services/electric-programs/powering-affordable-clean-energy-pace-program.
(b) Each LOI submitter may only submit one Application, upon receiving a RUS Invitation to Proceed.
(c) Each PACE Applicant may only receive one Award.
(d) An Invitation to Proceed or RUS’ approval of a PACE Application does not constitute approval of any agreement or document that the PACE Applicant must provide to RUS for RUS’ approval as outlined in this notice or in the applicable PACE loan agreement.
(e) A PACE Applicant must, after submitting a LOI or loan Application, promptly notify RUS of any changes in its circumstances that materially affect the information contained in the loan Application.
(f) Applicants (“co-applicants”) may submit a joint/consolidated LOI or a Joint Application for consideration (collectively the “Joint LOI” or “Joint Application”). If a joint LOI contains two or more proposed Projects, the Agency may evaluate each proposed Project separately as to whether to provide an Invitation to Proceed concerning each proposed Project. The Agency may also disaggregate its review of the technical and Financial Feasibility of the individual Projects contained in a joint LOI or a joint Application. Further, the Agency may require co-applicants to accept separate contractual and financial commitments relating to the Project or Projects contained in the joint Application.

E. Application Review Information
1. Criteria.
(a) LOI. RUS will process and evaluate complete LOI on a rolling basis in the order they are received. In reviewing LOIs, RUS will assess the following:
   (1) Applicant eligibility. The applicant’s eligibility to participate in the PACE Program.
   (2) Project eligibility. The eligibility of the proposed Project under the terms of Section 22001 of the IRA and the technical feasibility of the proposed Project.
   (3) Geographic Diversity. The Administrator may consider geographic diversity in reviewing and evaluating LOIs.
   (4) Financial status. The financial status of the applicant to determine the applicant’s likelihood to successfully secure and repay the PACE loan.
   (5) Allocation of Funds Among Categories. The amount of funding available in the category due to a disproportionate number of LOI in that category and whether RUS will be able to reallocate funding from another category listed in Section B.6 of this notice.
   (b) Application. RUS will evaluate and review each Application based on the criteria provided in 7 CFR part 1710 subpart D and will assess the following:
      (1) Financial coverage ratios. The Administrator may set financial coverage ratios based on the risk profile of the PACE Applicant and specific loan terms. Those financial ratios will be included in the PACE borrower’s loan documents with RUS. RUS Borrowers will be subject to their current debt service coverage ratios in their current loan documents, unless notified otherwise.
      (2) Financial Equity Requirements. As noted in Section C.2 of this notice, RUS will require the Awardee to provide at least 25% equity in the Project for PACE Project loans. However, the Administrator may consider requests to waive the 25% financial equity requirement for PACE Awards where the Project will serve areas covered under SUTA. System Loans that provided RUS with a perfected senior lien on all assets of the PACE Applicant will have an additional equity requirement. The required financial equity position will be set forth in the Commitment Letter and the loan documents as a condition to the PACE loan. RUS may consider allowing the Awardee to meet the financial equity requirements by utilizing any applicable direct payment or tax credit relating to the Project as provided in Internal Revenue Code of 1986 and its implementing regulations. If the Administrator allows a PACE Applicant to meet the financial equity requirement by utilizing applicable tax credits or direct payments relating to the Project, the Agency may require additional security or credit support from the PACE Applicant pending the PACE Applicant’s receipt of the tax credit or direct payment.
      (3) Community Benefit Plan.
      (4) Loan forgiveness minimum requirements.
         (i) Ratepayer Benefit. Loan forgiveness must provide demonstrable benefits to ratepayers located in the service area. The PACE Applicant must demonstrate in its LOI that the consumer benefits and financial benefits resulting from the forgivable portion of the loan will be shared between the Awardee and the Off-Taker. This must be shown through a long-range financial forecast scenario that establishes that the revenue per kilowatt hour (KWh) the PACE Applicant will receive from the sale of the power to the Off-Taker would have been higher but for the loan forgiveness. Additionally, a net present value (NPV) calculation should be performed to demonstrate the financial benefit to the rate payer with the addition of the loan forgiveness versus business as usual without loan forgiveness.
         (ii) Technical Feasibility and Commercially Available Technology. RUS must determine that the Project is technically feasible and confirm that the Project uses a Commercially Available Technology.
         (iii) Financially Feasible. The proposal must be financially feasible and adequately securable, as outlined in 7 CFR 1710.112.
2. Review and Selection Process.
(a) LOI. RUS will consider only complete LOIs as they are received. LOIs will be accepted on a rolling basis and evaluated as received based on the criteria described in Section E.1(a) of this notice. Only LOIs selected to receive an Invitation to Proceed will be able to proceed with the Application.
(b) Application. LOI submitters that receive an Invitation to Proceed will have 60 days, or a time agreeable to the Agency, from the date RUS sends the Invitation to Proceed to submit an Application to the Agency. A General Field Representative (GFR) will be
assigned to assist the PACE Applicant during this part of the Application process. RUS will process Applications in the order they are received.

All Applications will be reviewed based on the criteria provided in Section E.1(b) of this notice. RUS will make Awards under the PACE Program based on Applications that meet the requirements contained in this notice. The Agency reserves the right to offer the PACE Applicant less than the loan funding and loan forgiveness requested.

**F. Federal Award Administration Information**

1. **Loan Terms and Conditions.** A successful PACE Applicant will receive a Commitment Letter from the Administrator notifying of the following: total Award amount approved by RUS; the amount of the loan that will be forgiven; any additional controls on its financial, investment, operational and managerial activities; acceptable security arrangements; and such other conditions deemed necessary by the Administrator to adequately secure the Government’s interest and ensure repayment. Upon receipt of the acceptance of the Award offer by the PACE Awardee, RUS will begin to prepare the loan documents. Upon completion of the loan documents, RUS will forward the loan documents to the PACE Applicant.

Receipt of a Commitment Letter from the Administrator does not authorize the PACE Awardee to commence construction on the Project and before RUS will disperse the proceeds of the Award, including but not limited to the Awardee receiving notice that the Environmental and Historic Preservation requirements have been completed. RUS will notify the Awardee when it is authorized to commence construction of the Projects.

(a) **Maturity of a PACE Loan.** The maturity of a PACE loan will be the lesser of:

1. The expected useful life of the Project,
2. The term of the PPA (if required for execution between the PACE Applicant and the Off-Taker),
3. The term of the lease for the land that the Project will occupy (if such land is not owned by the PACE Applicant),
4. The expiration dates of power sales contracts between the PACE Applicant and its members should the PACE Applicant provide the power supply needs of the members under such power sales contracts.
5. The term loan requested by the PACE Applicant, or
6. 35 years.

(b) **Waiver and Modification of Term and Conditions.** The Administrator reserves the right to modify or waive certain requirements if:

1. The Administrator believes such modifications or waivers are in the best interest of the government.
2. The Administrator has determined that the loan will be repaid on or before the maturity date, and
3. The security is adequate.

The Awardee may be required to establish and maintain reserves sufficient for timely loan payments, emergency maintenance, extensions to the facilities, and replacement of short-lived assets.

(c) **Interest rate.** Loans made under PACE Program will bear interest equal to the municipal rate as provided in Section 317(c) of the RE Act, and as further described in the first sentence of 7 CFR 1714.4(a) and 7 CFR 1714.5(a)–(c). Municipal rates can be found at https://www.rd.usda.gov/page/rural-utilities-loan-interest-rates. Note that because there is no interest rate cap for the PACE Program, the third sentence of 7 CFR 1714.4(a) and 7 CFR 1714.5(d) shall not apply.

(d) **Prepayment.** Prepayment of PACE loans will be governed by Sections 305(c) and 306B of the RE Act and the provisions of 7 CFR part 1714, subpart A and 7 CFR 1786, subpart F that relate to municipal rate loans. If the Awardee prepays a PACE loan, its obligations under the Community Benefit Plan will continue for a period equal to the shorter of: (1) the original term of the Award, or (2) five years from the date the Project was placed in service.

(e) **Repayment.** The repayment of each advance to the PACE borrower must be amortized over the term on the PACE loan, such that the Awardee will make equal monthly payments that will pay all principal and interest on such advance no later than the maturity date.

(f) **Financial Ratios.** Financial ratios shall be determined as set forth in Section E.1(b)(1) of this notice.

(g) **Collateral.** Project Loans will be secured through a senior security interest on the Project’s assets and the revenues generated from the Project’s assets. System Loans will be secured by assets of the Awardee. For RUS Borrowers, the Agency may rely, at its sole discretion, on existing security arrangements with RUS if it is determined that such arrangement has adequate collateral. When an Awardee is unable to reason by preexisting encumbrances, or otherwise, to furnish a senior perfected security interest on the entire system, the Administrator may accept other forms of security, such as a guarantee from the appropriate party, an irrevocable letter of credit, or revenue pledges, if the Administrator determines that such credit support is reasonably adequate and acceptable.

(h) **Opinion of counsel.** An opinion of counsel is required at closing and must be acceptable to the Administrator, notarizing, inter alia, that the Awardee is properly organized and has the authority to enter into the Award and that RUS has a first priority, senior lien on the required collateral, unless other collateral arrangements have been agreed to with the Agency.

(i) **Cybersecurity.** An Awardee must certify that it has adopted and implemented a cybersecurity risk mitigation and remediation plan that is consistent with prudent utility practice. Additionally, the Awardee must certify that such cybersecurity risk mitigation and remediation plan is in effect at the time of each advance request.

(j) **General Provisions.** Unless otherwise stated in this notice or in the loan documents, a PACE loan will be governed by the municipal rate loan provisions contained in 7 CFR parts 1710, 1714, and 1721.

(k) **Funding Disbursements and Restriction.**

1. **General.** RUS will disburse funds to the Awardee in accordance with the terms of the Award documents. All Award funds will be disbursed as a reimbursement for eligible program costs after the Project is complete, and its performance verified in a manner that is sufficient to RUS. RUS reserves the right to consider requests to disburse funds prior to completion of the Project by Awardees with System Loans.

Pursuant to Section 22001 of the IRA, the Award agreements must contain a provision that requires the advance of all loan funds on or before September 30, 2031. All undisbursed funds as of close of business on September 30, 2031, will automatically be rescinded; however, the Agency will set a last day for advance in the Award agreements well in advance of the statutory limit.

2. **Advances and Loan Forgiveness Information.** RUS will disburse Award funds to the Awardee after the Awardee has satisfied all conditions of its Award agreement with respect to the release of funds. This may include, but not be limited to, certain milestone conditions being achieved during construction to the satisfaction of RUS or the results of any required performance testing of the Project that RUS has reviewed and determined to be acceptable. RUS will
forbear the portion of the loan specified in the Award agreement at the time RUS disburses the Award proceeds if the Awardee demonstrates to RUS' satisfaction that the Project is functioning as represented in the PACE Application. The maximum loan forgiveness amount for each loan forgiveness category is described in Section B.6 of this notice.

If, however, RUS determines after having forgiven a portion of the loan that the Awardee is no longer in compliance with the terms of the Award agreement, RUS will require the Awardee to repay the entire PACE loan in full.

(3) Signage. The Awardee is encouraged to display USDA standard infrastructure investment signage, available for download from the Agency, during construction of the Project. Expenditures for such signage shall be a permitted eligible cost of the Project.

2. Administrative and National Policy Requirements. The items listed in this notice implement the appropriate administrative and national policy requirements, which include but are not limited to:

(a) Execution of a PACE loan agreement and related loan documents;
(b) Compliance with policies, guidance, and requirements as described in Section A.2 of this notice, and any successor regulations.
(c) Except as provided in the notice and in the executed loan agreements, all other generally applicable regulations contained in 7 CFR parts 1700–1730, 1767, 1773, and 1787, and 7 CFR part 1970 will apply to PACE loans, as well as relevant Bulletins published by the RUS Electric Program.

As required by 7 U.S.C. 8103(f), the Projects financed through the PACE Program will be subject to the Wage Rate Requirements (formerly Davis-Bacon Act) prevailing wage requirements contained in Subchapter IV of Chapter 31 of Title 40 of the United States Code and the Department of Labor's implementing regulations contained in 29 CFR parts 1.3, and 5.

(d) Pursuant to the Defense Production Act of 1950 and the Foreign Investment Risk Review Modernization Act of 2018, RUS will require PACE Applicants to disclose any foreign person or foreign entity that has an ownership, management rights, or voting interest in the PACE Applicant or the Project.

3. Reporting.
(a) Performance Reporting. RUS will establish periodic reporting requirements that will be outlined in the Award documents.

(b) Accounting Requirements. Awardees must comply with Accounting Principles Generally Accepted in the United States, (GAAP), as well as compliance with the requirements of the applicable regulations: 2 CFR part 200 subpart E Cost Principles, 48 CFR 31 Federal Acquisition Regulations Contract Cost Principles, and the system of accounting prescribed by 7 CFR part 1767 Accounting Requirements for RUS Electric Borrowers.

(c) Audit Requirements. Awardees will be required to prepare and furnish to RUS audits as follows:

(1) Awardees that are Non-Federal Entities shall provide RUS with an audit pursuant to 2 CFR part 200, subpart F, Audit Requirements. The Non-Federal Entity Awardee must follow subsection 2 CFR 200.502 in determining federal awards expended.

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

(i) 30 calendar days after receipt of the auditor’s report; or
(ii) nine months after the end of the Awardee’s audit period.

(2) For all other entities, Awardees shall provide RUS with an audit within 120 days after the as of audit date in accordance with 7 CFR part 1773. Note that with respect to advances that contain loan funds, the audit is required after an advance has been made, and, thereafter, from the close of each subsequent fiscal year until the loan is repaid in full. While an audit is required, Awardees must also submit a report on compliance with federal awards expended during a fiscal year. As required, Awardees are governed by the requirements of the applicable federal law or regulation.

(c) All construction materials (excludes cement and cementitious materials, aggregates such as stone, sand, or gravel, or aggregate binding agents or additives) are manufactured in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.

Awardees must comply with all reasonable RUS requests to support ongoing monitoring efforts. Awardees must afford RUS, through their representatives, a reasonable opportunity, at all times during business hours and in full federal awards, to have access to and the right to inspect any or all books, records, accounts, invoices, contracts, leases, payrolls, timesheets, cancelled checks, statements, and other documents, electronic or paper of every kind belonging to or in possession of the Awardee or in any way pertaining to its property or business, including its parents, affiliates, and subsidiaries, if any, and to make copies or extracts therefrom. Failure to comply with reasonable RUS requests could result in a termination of the Award agreement.

G. Federal Awarding Agency Contact(s)

For general questions about this announcement, please contact the point of contact listed in the FOR FURTHER INFORMATION CONTACT Section of this notice.

H. Build America, Buy America Requirements

Infrastructure Project Awards under this announcement must meet the following domestic preference requirements:

1. Funding to Non-Federal Entities

Awardees that are Non-Federal Entities shall be governed by the requirements of Section 70914 of the Build America, Buy America Act (BABAA) within the Infrastructure Investment and Jobs Act (IIJA), and its implementing regulations. The Act requires the following Buy America preference:

(a) All iron and steel used in the Project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, incurred in the United States.

(b) All manufactured products used in the Project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.

(c) All construction materials (excludes cement and cementitious materials, aggregates such as stone, sand, or gravel, or aggregate binding agents or additives) are manufactured in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.

2. Mandatory Preference for Products of the United States

The Act requires the following Domestic preference:

(a) All iron and steel used in the Project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, incurred in the United States.

(b) All manufactured products used in the Project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.

(c) All construction materials (excludes cement and cementitious materials, aggregates such as stone, sand, or gravel, or aggregate binding agents or additives) are manufactured in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.

3. Limited Preference for Keep America Strong Act (KASA)

The Act requires the following Limited preference:

(a) All iron and steel used in the Project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, incurred in the United States.

(b) All manufactured products used in the Project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.

(c) All construction materials (excludes cement and cementitious materials, aggregates such as stone, sand, or gravel, or aggregate binding agents or additives) are manufactured in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.
equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does BABAA apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project. Any requests for waiver of these requirements must be submitted pursuant to USDA’s guidance available online at https://www.usda.gov/ocfo/federal-financial-assistance-policy/USDABuyAmericaWaiver.

2. Funding to all other entities. All other Awardees shall be governed by the Agency’s Buy American requirement at 7 CFR part 1787. For purposes of BABAA compliance, for-profit organizations are not considered Non-Federal Entities. However, this does not alter independent statutory authorities that USDA may have to include domestic content requirements in awards of Federal financial assistance issued to for-profit organizations. Any requests for waiver of these requirements must be submitted pursuant to those regulations.

I. Other Information

1. Administrative Procedure Act Statement. This notice is being issued without advance rulemaking or public comment. The Administrative Procedure Act of 1946 (APA), as amended (5 U.S.C. 553), has several exemptions to rulemaking requirements. Among them is an exception for a matter relating to “loans, grants, benefits, or contracts.”

2. Congressional Review Act Statement. Pursuant to Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (also known as the Congressional Review Act or CRA); 5 U.S.C. 801 et seq., the Office of Information and Regulatory Affairs in the Office of Management and Budget designated this action as a major rule as defined by 5 U.S.C. 804(2), because it is likely to result in an annual effect on the economy of $100,000,000 or more. Accordingly, there is a 60-day delay in the effective date of this action, and the Agency will not take action on LOIs until the later of 60 days after notification to Congress or July 17, 2023. The 60-day delay required by the CRA is not expected to have a material impact upon the administration and/or implementation of this program.


In addition to the emergency clearance, the regular clearance process is hereby being initiated to provide the public with the opportunity to comment under a full comment period, as the Agency intends to request regular approval from OMB for this information collection. Comments from the public on new, proposed, revised, and continuing collections of information help the Agency assess the impact of its information collection requirements and minimize the public’s reporting burden. Comments may be submitted regarding this information collection through the Federal eRulemaking Portal at https://www.regulations.gov. In the “Search for dockets and documents on agency actions” box, type in the DOCKET # from this notice to submit or view public comments and to view supporting and related materials available electronically. Information on using Regulations.gov, including instructions for accessing documents, submitting comments, and viewing the docket after the close of the comment period, is available through the site’s “FAQ” link. Comments on this information collection must be received by July 17, 2023.

Title: Powering Affordable Clean Energy (PACE) Program.

OMB Control Number: 0572–NEW.

The following estimates are based on the average over the first 3 years the program is in place.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 10.632 hours per response.

Respondents: Private entities, governmental entities, nonprofits, Indian Tribes, district organizations, institutions of higher education.

Estimated Number of Respondents: 200.

Estimated Number of Responses per Respondent: 8.47.

Estimated Number of Responses: 1,694.

Estimated Total Annual Burden (hours) on Respondents: 18,010.

Copies of this information collection may be obtained from Katherine Anne Mathis, Management Analyst, Regulatory Division, RD Innovation Center, telephone: 202–713–7565; email: katherine.mathis@usda.gov. All responses to this information collection and recordkeeping notice will be summarized in the request for OMB approval. All comments will also become a matter of public record.

4. National Environmental Policy Act. All recipients under this notice are subject to the requirements of 7 CFR part 1970.

5. Federal Funding Accountability and Transparency Act. All applicants, in accordance with 2 CFR part 25, must be registered in SAM and have a UEI number as stated in Section D.3 of this notice. All recipients of Federal financial assistance are required to report information about first-tier subawards and executive total compensation in accordance with 2 CFR part 170.

6. Wage Rate Requirements. As provided in 7 U.S.C. 8103(f) all Projects funded under the PACE Program, as a condition of receiving a grant or loan under this Section, an eligible entity shall ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed, in whole or in part, with the grant or loan, as the case may be, shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with 40 U.S.C. 31, Sections 3141 through 3144, 3146, and 3147.

7. Civil Rights Act. All grants made under this notice are subject to Title VI of the Civil Rights Act of 1964 as required by the USDA in 7 CFR part 15, subpart A (eCFR: 7 CFR part 15 Subpart A—Nondiscrimination in Federally-Assisted Programs of the Department of Agriculture—Effectuation of Title VI of the Civil Rights Act of 1964) and Section 504 of the Rehabilitation Act of 1973, Title VIII of the Civil Rights Act of 1968, Title IX, Executive Order 13166 (Limited English Proficiency), Executive Order 11246, and the Equal Credit Opportunity Act of 1974.

8. Nondiscrimination Statement. In accordance with Federal civil rights laws and the USDA civil rights regulations and policies, the USDA, its Mission Areas, agencies, staff offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Program information may be made available in languages other than
English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language) should contact the responsible Mission Area, agency, or staff office; the USDA TARGET Center at (202) 720–2600 (voice and TTY); or the 711 Relay Service. To file a program discrimination complaint, a complainant should complete a Form AD–3027, USDA Program Discrimination Complaint Form, which can be obtained online at https://www.usda.gov/sites/default/files/documents/ad-3027.pdf from any USDA office, by calling (866) 632–9992, or by writing a letter addressed to USDA. The letter must contain the complainant’s name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD–3027 form or letter must be submitted to USDA by:

(1) Mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW, Washington, DC 20250–9410; or
(2) Fax: (833) 256–1665 or (202) 690–7442; or
(3) Email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

Andrew Berke,
Administrator, Rural Utilities Service, USDA Rural Development.

[FR Doc. 2023–10388 Filed 5–15–23; 8:45 am]
BILLING CODE 3510–33–P

DEPARTMENT OF COMMERCE

Bureau of Industry and Security

Agency Information Collection Activities; Submission to the Office of Management and Budget (OMB) for Review and Approval; Comment Request; Technology Letter of Explanation

The Department of Commerce will submit the following information collection request to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995, on or after the date of publication of this notice. We invite the general public and other Federal agencies to comment on proposed, and continuing information collections, which helps us assess the impact of our information collection requirements and minimize the public’s reporting burden. Public comments were previously requested via the Federal Register on March 8, 2023, during a 60-day comment period. This notice allows for an additional 30 days for public comments.

Agency: Bureau of Industry and Security, Department of Commerce.
Title: Technology Letter of Explanation.
OMB Control Number: 0694–0047.
Form Number(s): None.
Type of Request: Extension of a currently approved information collection.
Number of Respondents: 6,283.
Average Hours per Response: 30 minutes to 2 hours.
Burden Hours: 9,416.
Needs and Uses: This collection is necessary under section 748.8(o) and supplement 2 section (o) to Part 748 of the Export Administration Regulations (EAR). Licensing officers must make decisions on licensing the export of United States commodities and technical data to foreign countries. When an export involves certain technical data or knowhow described in the Export Administration Regulation, additional information is required to fully understand the transaction and make a licensing decision. The Technology Letter of Explanation provides a written description of the technology proposed for export sufficient to allow BIS technical staff to evaluate the impact of licensing the export on United States national security and foreign policy. The letter of assurance puts the consignee on notice that the technology is subject to U.S. export controls and causes the consignee to certify that it will not release the data or the direct product of the data to certain specified country group nationals; thus providing assurance that U.S. national security data will be safeguarded and used only for the stated end use. The additional information is necessary to evaluate technology exports as covered under this collection.

Affected Public: Business or other for-profit organizations.
Frequency: On Occasion.
Respondent’s Obligation: Voluntary.
Legal Authority: EAR sections 748.8 and sup 2 section (o) to part 748.

This information collection request may be viewed at www.reginfo.gov. Follow the instructions to view the Department of Commerce collections currently under review by OMB.

Written comments and recommendations for the proposed information collection should be submitted within 30 days of the publication of this notice on the following website www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting “Currently under 30-day Review—Open for Public Comments” or by using the search function and entering either the title of the collection or the OMB Control Number 0694–0047.

Shelleen Dumas,
Department PRA Clearance Officer, Office of the Under Secretary for Economic Affairs, Commerce Department.

[FR Doc. 2023–10431 Filed 5–15–23; 8:45 am]
BILLING CODE 3510–33–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–570–089]

Certain Steel Racks and Parts Thereof From the People’s Republic of China: Amended Final Results of Countervailing Duty Administrative Review in Part; 2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) is amending the final results of the administrative review of the countervailing duty (CVD) order on certain steel racks and parts thereof from the People’s Republic of China (China), covering the period of review (POR) January 1, 2020, through December 31, 2020, to correct ministerial errors.


FOR FURTHER INFORMATION CONTACT:

SUPPLEMENTARY INFORMATION:

Background

Commerce published the final results of this review on April 10, 2023. On April 11 and 12, 2023, we received timely submitted ministerial error comments from the petitioner and Nanjing Dongsheng Shelf Manufacturing Co., Ltd. (Dongsheng), respectively. We


4 The petitioner is the Coalition for Fair Racks Imports.

5 See Petitioner’s Letter, “Ministerial Error Allegations,” dated April 11, 2023; see also