



# Renewable Energy/Energy Efficiency Program

## FY 2006 Grant Application Review Checklist

USDA-Rural Development - Section 9006 Grant Application Review Checklist

Federal Catalog # 10.755

Applicant Name \_\_\_\_\_

Applicant Address \_\_\_\_\_

Name of Project \_\_\_\_\_

Location of Project \_\_\_\_\_

Type of Project \_\_\_\_\_ *Renewable*  
(A process that produces energy)

\_\_\_\_\_ *Energy Efficiency*  
(Improvements to a facility or process that reduce energy consumption)

Grant Request \_\_\_\_\_

Project Description \_\_\_\_\_

\_\_\_\_\_

- There are 6 questions to be answered:**
- 1. Is the applicant eligible?**
  - 2. Is the project eligible?**
  - 3. Is the application complete?**
  - 4. Does the project meet funding requirements?**
  - 5. Did the technical report pass or fail?**
  - 6. How does the application score (national competition)?**

This program is targeted to Agriculture Producers and Rural Small Businesses.

Separate applications must be submitted for renewable energy system and energy efficiency improvement projects. Only one application per each type of project per applicant may be submitted.

**This document is used by Georgia Rural Development Staff to review renewable energy and energy efficiency grant applications and provide the agency documentation necessary for the borrower file.**

### Evaluation of Grant Applications

**(a) General Review** – The Agency will evaluate each application and make a determination whether the applicant is eligible, the proposed grant is for an eligible project, and the proposed grant complies with all applicable statutes and regulations.

**(b) Ineligible or incomplete applications.** If the applicant is ineligible or the application is incomplete, the Agency will inform the applicant in writing of the decision, reasons therefore, and any appeal rights, and no further evaluation of the application will occur.

**(c) Technical eligibility determination** – The agency's determination of a project's technical eligibility will be based on the information provided by the applicant and any other sources of information, such as recognized industry experts in the applicable technology field, as necessary, to determine technical eligibility of the proposed project.

### Is the Application Complete?

Was the document submitted and/or the requirement met?	
(a) Application	<p><b>Two copies</b> of the application documents, including the score sheet and technical report submitted? Separate applications must be submitted for Renewable Energy System and Energy Efficiency Improvement projects.</p>
	<p><b>(1) A detailed table of contents</b> in the order presented below.</p> <p>Include page numbers for each component of the proposal. Begin pagination immediately following the Table of Contents.</p>
	<p><b>(2) Project Summary</b></p> <p>A summary of the project proposal, <u>not to exceed one page</u>, must include the following:          --Title of the project          --a detailed description of the project including its purpose and need,          --goals and tasks to be accomplished,          --names of the individuals responsible for conducting and completing the tasks, including an operational date.          The applicant must also clearly state whether the application is for the purchase of a renewable energy system or to make energy efficiency improvements.</p>
	<p><b>(3) Eligibility – Each applicant must describe how it meets the eligibility requirements.</b></p> <p><u>Applicant eligibility</u> - To receive a grant under this notice, an applicant must meet each of the criteria, as applicable, as set forth in paragraphs (a) through (f).</p> <p style="text-align: center;">(a) The applicant or borrower must be an <b>agricultural producer</b> or a <b>rural small business</b>.</p> <p style="background-color: #f0e6ff; padding: 5px;"><i>An agricultural producer is 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% or greater of their gross income is derived from the operations.</i></p> <p style="color: red;">Is there a Fed Tax ID #? _____ Is there evidence provided that more than 50% of income is from agriculture production? _____</p> <p style="background-color: #f0e6ff; padding: 5px;"><i>An entity is considered a small business accordance with the Small Business Administration (SBA) small business size standards by North American Industry Classification System (NAICS) found in title 13 CFR 121. A private entity including a sole proprietorship, partnership, corporation, cooperative (including a cooperative qualified under section 501(c)(12) of the Internal Revenue Code), and an electric utility including a Tribal or Governmental Electric Utility that provides service to rural consumers on a cost-of-service basis without support from public funds or subsidy from the Government authority establishing the district. These entities must operate independent of direct Government control. <b>Public or private nonprofits are excluded, except as provided above.</b> A very small business is a business with fewer than 15 employees and less than \$1 million in annual receipts.</i></p> <p>SBA small size standards can be found at <a href="http://sba.gov/size/index.html">http://sba.gov/size/index.html</a>          Does the applicant meet the definition of small business? _____ Is there a Fed Tax ID #? _____          NAICS Code for business type _____ Is the entity listed in the Secretary of State's database? _____          NAICS Code limitations _____</p> <p>(b) Individuals must be a <b>citizen of the U.S.</b> or reside in the U.S. after being legally admitted for permanent residence.  <span style="color: red;">Is there a statement regarding their citizenship status? _____</span></p> <p>(c) Entities must be at least <b>51% owned</b>, directly or indirectly, by individuals who are either <b>citizens of the U.S.</b> or reside in the U.S. after being legally admitted for residence.  <span style="color: red;">Is there a statement regarding their citizenship status? _____</span></p> <p>(d) If the applicant or borrower, or an owner has an outstanding judgment obtained by the U.S. in a <b>Federal court (other than in the U.S. Tax Court)</b>, is <b>delinquent</b> in paying <b>Federal income taxes</b>, or is delinquent on a <b>federal debt</b>, the applicant or borrower is not eligible to receive a grant or guaranteed loan until the judgment is paid in full or otherwise satisfied or the delinquency is resolved.  <span style="color: red;">Check CAIVRS _____, 1940-M _____, and Excluded Parties _____ for answer.</span></p> <p>(e) In the case of an applicant or borrower that is applying as a rural small business, the <b>business headquarters</b> must be in a rural area and the project funded must also be in a rural area.</p> <p style="background-color: #f0e6ff; padding: 5px;"><u>Definition of rural:</u> Any area other than a city or town that has a population of greater than 50,000 inhabitants and the urbanized area contiguous and adjacent to such a city or town.</p> <p style="color: red;">Headquarters in _____ 2000 pop. census _____ In an urbanized area? _____          Project in _____ 2000 pop. census _____ In an urbanized area? _____  <a href="http://www.rurdev.usda.gov/rbs/">http://www.rurdev.usda.gov/rbs/</a> (Lower left corner of page) "Rural Area Determinations Here"</p>
	<p><b>Is the Application Complete (cont'd)?</b></p>

<p><b>Was the document submitted and/or the requirement met?</b></p>	<p><u>Applicant eligibility (cont'd)</u></p> <p>(f) The applicant must have demonstrated <b>financial need</b>.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p><b>Definition</b> -The demonstration by an applicant that the applicant is unable to finance the project from its own resources or other funding sources without grant assistance.</p> </div> <p>Has the applicant stated in writing financial need? _____          To what extent have they used their own resources? _____          Is there a letter from a lender? _____</p> <p><b>Question #1 - The applicant is _____ eligible _____ not eligible.</b></p> <p>Reviewer _____ Date _____</p> <p>Adverse actions made on applications are appealable pursuant to 7 CFR part 11.</p>
	<p><u>Project eligibility</u> – For a project to be eligible to receive a grant under this notice, the proposed project must meet each of the criteria, as applicable, in paragraphs (a) through (f).</p> <p>(a) The project must be for the purchase of a renewable energy system or to make energy efficiency improvements.          Is there a clear statement from the applicant regarding this item? _____</p> <p>(b) The project must be for a pre-commercial or commercially available, and replicable technology, not for research and development.          Is there information presented to support this? _____</p> <p>(c) The project must be technically feasible.          Has NREL made a decision on whether their report passes or fails? _____</p> <p>(d) The project must be located in a rural area.  <a href="http://www.rurdev.usda.gov/rbs/">http://www.rurdev.usda.gov/rbs/</a> (Lower left corner of page)          “Rural Area Determinations Here”          Project in _____ 2000 pop. census _____          In an urbanized area? _____</p> <p>(e) The applicant must be the owner of the system and control the operation and maintenance of the proposed project. A qualified third party operator may be used to manage the operation and/or maintenance of the proposed project.          Is there an explanation of the required information listed above? _____</p> <p>(f) All projects must be based on satisfactory sources of revenue in an amount sufficient to provide for the operation and maintenance of the system or project.          Is there documentation to support this? _____          The applicant can refer to the feasibility report (if a renewable energy project)          – or to the financial feasibility portion of the technical report.</p> <p><b>Question 2 - The project is _____ eligible _____ not eligible.</b></p> <p>Reviewer _____ Date _____</p> <p>(g) The total input from a nonrenewable energy source for necessary and incidental requirements of the energy system will be determined by the technical reviewers.</p>
	<p><b>(4) Agricultural producer/small business information</b> – All applications must contain the following information on the agricultural producer or small business seeking funds under this program:</p> <p>(i) Business/farm/ranch operation</p> <p>(A) A description of the ownership, including a list of individuals and/or entities with ownership interest, names of any corporate parents, affiliates, and subsidiaries, as well as a description of the relationship, including products, between these entities.</p> <p>(B) A description of the operation.</p>

## Is the Application Complete (cont'd)?

Was the document submitted and/or the requirement met?

### (4) Agricultural producer/small business information (cont'd)

(ii) Management

The resume of key managers focusing on relevant business experience. If a third-party operator is used to monitor and manage the project, provide a discussion on the benefits and burdens of such monitoring and management, as well as the qualifications of the third party.

(iii) Financial information

(A) Explanation of **demonstrated financial need**.

(B) For rural small businesses, a **current balance sheet and income statement** prepared in accordance with generally accepted accounting principles (GAAP) and dated within 90 days of the application.

Agricultural producers must present financial information in the format that is generally required by commercial agriculture lenders.

Financial information is required on the total operations of the agricultural producer/small business and its parent, subsidiary, or affiliates at other locations.

(C) Rural small businesses must provide sufficient information to determine **total annual receipts** of the business and any parent, subsidiary, or affiliates at other locations.

Voluntarily providing tax returns is one means of satisfying this requirement.

Information provided must be sufficient for the Agency to make a determination of total income and cost of goods sold by the business.

(D) If available, **historical financial statements** prepared in accordance with GAAP for the **past 3 years**, including income statements and balance sheets.

If agricultural producers are unable to present this information in accordance with GAAP, they may instead present financial information for the past 3 years in the format that is generally required by commercial agriculture lenders.

(E) **Pro forma balance sheet at startup** of the agricultural producer's/small business' business that reflects the use of the loan proceeds or grant award; **and 3 additional years**, indicating the necessary startup capital, operating capital, and short-term credit; **and projected cash flow and income statements for 3 years** supported by a list of assumptions showing the basis for the projections.

(iv) Production information for renewable energy system projects.

(A) Provide a statement as to whether the technology to be employed by the facility is commercially or pre-commercially available and replicable. Provide information to support this position.

(B) Describe the availability of materials, labor, and equipment for the facility.

(v) Business market information for renewable energy system projects.

(A) Demand. Identify the demand (past, present, and future) for the product and/or service and who will buy the product and/or service.

(B) Supply. Identify the supply (past, present, and future) of the product and/or service and your competitors.

(C) Market niche. Given the trends in demand and supply, describe how the business will be able to sell enough of its product/service to be profitable.

(vi) A Dun and Bradstreet Universal Numbering System (DUNS) number.

Is the Application Complete (cont'd)?	
Was the document submitted and/or the requirement met?	
(b) Forms, certifications, and agreements	<p>Each application submitted must contain, as applicable, the items identified in paragraphs (b) (1) through (15) of this section.</p> <p>(1) <b>SF 424 – Application For Federal Assistance</b></p> <p>(2) <b>SF 424-C</b> Budget Information – Construction Programs            Each cost classification category listed on the form must be filled out if it applies to your project.            Any cost category item not listed on the form that applies to your project can be put under the miscellaneous category. Attach a separate sheet if you are using the miscellaneous category and list each miscellaneous cost by not allowable and allowable costs in the same format as on Form SF 424C.            All project costs must be categorized as either allowable or not allowable.</p> <p>(3) <b>SF 424-D</b> Assurances – Construction Programs</p> <p>(4) <b>AD 1049</b> Certification Regarding Drug Free Workplace Requirements</p> <p>(5) <b>AD 1048</b> Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tiered Covered Transactions</p> <p>(6) A copy of a bank statement or a copy of the confirmed funding commitment from the funding source. Matching funds must be included on Forms SF-424 and SF-424C.</p> <p>(7) <b>Exh. A-1 of 1940-Q</b> (Certification for Contracts, Grants and Loans) of RD Instruction 1940-Q required by Section 319 of Public Law 101-121 if the grant exceeds \$100,000.</p> <p>(8) <b>Form SF-LLL</b> Disclosure of Lobbying Activities, if the applicant or borrower has made or agreed to make payment using funds other than Federal appropriated funds to influence or attempt to influence a decision in connection with the application.</p> <p>(9) <b>AD 1047</b> Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Primary Covered Transactions</p> <p>(10) <b>Form 400-1</b> Equal Opportunity Agreement</p> <p>(11) <b>Form 400-4</b> Assurance Agreement</p> <p>(12) If the project involves interconnection to an electric utility, a copy of a letter of intent to purchase power, a power purchase agreement, a copy of a letter of intent for an interconnection agreement, or an interconnection agreement will be required from your utility company or other purchaser for renewable energy systems.</p> <p>NA in Georgia</p> <p>(13) If applicable, intergovernmental comments in accordance with Executive Order 12372.</p> <p>(14) Applicants and borrowers must provide a certification whether or not there is a known relationship or association with an Agency employee.</p> <p>(15) <b>Environmental Review</b> – All applicants must complete Form RD 1940-20 <b>“Request for Environmental Information”</b>. All applicants will be responsible for providing all information necessary for the Agency to do a National Environmental Policy Act (NEPA) review and analysis in accordance with 7 CFR part 1940, subpart G.</p> <p>Any additional environmental information required will be conveyed to the applicant after a preliminary review of the grant application by the State RD Office.</p> <p>Any applicable analyses and studies required as part of completing the NEPA analysis (i.e. Historical and Cultural Resource, Biological Assessments, etc.) will be the responsibility of the applicant. The applicant should strive to achieve positive community support, select good sites, and mitigate environmental impacts resulting from his/her proposal.</p>
(c) Feasibility study for renewable energy systems	<p>Each application for a renewable energy system project,  <u>Except for grant requests of \$200,000 or less,</u>            Must include a project-specific feasibility study prepared by a qualified independent consultant.</p> <p>The feasibility study must include: an analysis of the market,            financial,            economic,            technical,            and management feasibility of the proposed project.</p> <p>The feasibility study must also include an opinion and a recommendation by the independent consultant.  <b>Note: The technical report has a subsection entitled financial feasibility.</b></p>
For Each Energy Efficiency Project	<p><b>ENERGY ASSESSMENT OR ENERGY AUDIT</b>            An energy assessment or energy audit is needed            --to determine if project costs are eligible            --to be able to answer the evaluation criteria on the score sheet and            --for the technical report reviewer to determine if the project is technically feasible.</p>
Is the Application Complete (cont'd)?	



Was the document submitted and/or the requirement met?	
<b>(d) Technical requirements reports-</b>  <b>Required for all projects</b>  <b>NREL has the responsibility for reviewing and determining the merit of each technical report.</b>	<p>The technical report must demonstrate that the project design, procurement, installation, startup, operation and maintenance of the Renewable Energy System or Energy Efficiency Improvement will operate or perform as specified over its design life in a reliable and a cost effective manner.</p> <p>The technical report must also identify all necessary project agreements, demonstrate that those agreements will be in place, and that necessary project equipment and services are available over the design life.</p> <p>All technical information provided must follow the format specified in paragraphs (d) (1) through (10).</p> <p>The technical reports will provide the basis for the technical merit score and project eligibility determination as required by this notice.</p> <p>Supporting information may be submitted in other formats.</p>
<p>The 10 technologies are:          --biomass, bio-energy          --biomass, anaerobic digesters          --geothermal, electric generation          --geothermal, direct use          --hydrogen          --solar, small          --solar, large          --wind, small          --wind, large          --energy efficiency improvements</p>	<p>Preliminary design drawings and process flow charts should be included as exhibits.</p> <p>A discussion of each topic identified in paragraphs (d) (1) through (10) is not necessary if the topic is not applicable to the specific project.</p> <p>Questions identified in the Agency's technical review of the project must be answered to the Agency's satisfaction before the application will be approved.</p> <p>The applicant must submit the original and one copy of the technical requirements report to the State Rural Development Office.</p> <p><u>Projects requesting more than \$200,000 (efficiency) or \$400,000 (system) grant</u> require the services of a professional engineer (PE).</p> <p>Depending on the level of engineering required for the specific project or if necessary to ensure public safety, the services of a PE may be required for smaller projects.</p> <p>It is only necessary to read the technical reports requirements for the one that fits your proposed project.</p>
	<p><b>A Technical report will be prepared in the following format:</b></p> <ul style="list-style-type: none"> <li>(i) Qualifications of the project team</li> <li>(ii) Agreements and Permits</li> <li>(iii) Resource Assessment</li> <li>(iv) Design and engineering</li> <li>(v) Project Development schedule</li> <li>(vi) Financial feasibility</li> <li>(vii) Equipment Procurement</li> <li>(viii) Equipment Installation</li> <li>(ix) Operations and Maintenance</li> <li>(x) Decommissioning</li> </ul>
<b>Scoresheet</b>	<b>The applicant is encouraged to self score their application.</b>
	Complete the score sheet and attach the documentation to justify the score awarded.

**Question #3 - The application is \_\_\_\_\_ complete \_\_\_\_\_ not complete.**

Comments:

Reviewer\_\_\_\_\_ Date\_\_\_\_\_

**Does the Project meet Funding Requirements?**

*Funds may be used only for certain specified project costs, provided these costs are an integral and necessary part of the total project.*

Is the proposal for eligible project costs?	(a) The grant cannot exceed 25% of eligible project costs. (1) The only eligible project costs are those costs associated with the items identified in paragraphs (a)(1)(i) through (ix). (2) The applicant must provide at least 75% of eligible project costs to complete the project. Applicant in-kind and other Federal grant awards cannot be used to meet the 75% match requirements. However, the Agency will allow third-party, in-kind contributions to be used in meeting the matching requirement. Third party, in-kind contributions will be limited to 10% of the 75% match requirement of the grantee. The Agency will advise if the third-party, in-kind contributions are acceptable in accordance with 7 CFR part 3015.
\$	(i) Post application purchase and installation of equipment, except agricultural tillage equipment and vehicles;
\$	(ii) Post application construction or project improvements, except residential;
\$	(iii) Energy audits or assessments;
\$	(iv) Permit fees;
\$	(v) Professional service fees, except for application preparation;
\$	(vi) Feasibility studies;
\$	(vii) Business plans;
\$	(viii) Retrofitting;
\$	(ix) Construction of a new facility only when the facility is used for the same purpose; is approximately the same size; and based on the energy audit, will provide more energy savings than improving an existing facility. Only costs identified in the energy audit for energy efficiency projects are allowed.
\$	<b>TOTAL ELIGIBLE COSTS</b>

\$ \_\_\_\_\_ **Total Eligible Project Costs**  
 \$ \_\_\_\_\_ + Ineligible Project Costs  
 \$ \_\_\_\_\_ = Total Project Costs

Total Eligible Project Costs \_\_\_\_\_ X 25% = \$ \_\_\_\_\_ = Maximum Grant  
 Compared to Grant Request of \$ \_\_\_\_\_

Minimum level of grant	\$1500
Maximum grant for <b>energy efficiency</b>	\$250,000
Maximum grant for <b>renewable energy</b>	\$500,000
The maximum amount of grant assistance to one individual or entity will not exceed \$750,000.	

**Question #4 -**  
 The application \_\_\_\_\_ meets funding requirements \_\_\_\_\_ **does not meet funding requirements.**

Comments:

Reviewer \_\_\_\_\_ Date \_\_\_\_\_



	Yes	No
<b>Question 1 – Is the Applicant Eligible?</b>		
<b>Question 2 – Is the Project Eligible?</b>		
<b>Question 3 – Is the Application Complete?</b>		
<b>Question 4 – Does the Project meet Funding Requirements?</b>		
<b>Question 5 – Did the technical requirements report pass?</b> The National Renewable Energy Lab (NREL) makes this determination. What points did they award for the technical merit score?		
<b>Question 6 – How does the Application Score?</b> This is a nationwide competition. Use the score sheet (with documentation) submitted by the applicant, Use the NREL score for technical merit, and Double check and adjust, if necessary, the points for each evaluation criteria to determine the total final points to be awarded.		

Comments:

Reviewer \_\_\_\_\_ Date \_\_\_\_\_

Tracking system updated \_\_\_\_\_ by \_\_\_\_\_

I \_\_\_\_\_ recommend \_\_\_\_\_ do not recommend this project be forwarded to the National Office for consideration of funding.

\_\_\_\_\_ Date \_\_\_\_\_

**Business-Cooperative Program Manager, Rural Development**

**Insurance** - Insurance is required to protect the interest of the recipient of funds under this notice and the Agency; The coverage must be maintained for the life of the grant unless this requirement is waived or modified by the Agency in writing.

- (a) Worker compensation insurance is required in accordance with State law.
- (b) National flood insurance is required, if applicable.
- (c) Business interruption insurance is required.

**Laws, executive orders and regulations that contain other compliance requirements.**

- Equal Employment Opportunity* – for all construction contracts and grants in excess of \$10,000
- Civil Rights Compliance* – 400-4 Assurance Agreement, 400-8 Compliance Review (initial review prior to grant obligation and final within 90 days after grant disbursement).
- National Environmental Policy Act - Environmental Assessment will be completed prior to grant obligation.* .
- Civil Rights Impact Analysis Certification* 2006-38 to be completed prior to grant obligation.

**Construction planning and performing development**

Recipients of grants are not authorized to construct the facility, project, or improvement in total, or in part, or utilize their own personnel and or equipment.

**Grants Requirements**

(a) **Letter of Conditions (LOC)** – which is prepared by the Agency, establishes conditions that must be understood and agreed to by the applicant before any obligation of funds can occur. The applicant must sign: Letter of Intent to Meet Conditions (RD form 1942-46), and RD form 1940-1 - Request for Obligation of Funds (*if they accept the conditions of the grant*).

These forms will be enclosed with the Letter of Conditions.

The grant will be obligated when the Agency receives an executed 1942-46 and 1940-1 from the applicant agreeing to all provisions in the LOC.

(b) The grantee must sign and abide by all requirements contained in the “Grant Agreement” or any other Federal statutes or regulations governing this program. Failure to follow the requirements may result in termination of the grant and adoption of other remedies provided for in the Grant Agreement.