

grapple piling, crushing, felling, hand herbicide applications (glyphosate or triclopyr), and aerial herbicide (glyphosate) applications. Reforestation treatment would include planting and re-planting if needed. Release treatments would include hand herbicide (glyphosate or triclopyr) application and a second hand herbicide (glyphosate or triclopyr) application if needed. Precommercial thinning treatments would include shredding, hand felling and piling, and hand felling with lopping and scattering of slash. Prescribed burning treatments would include broadcast, underburn, and pile burning. Defensible fuel profile zone construction would include tractor piling and shredding.

Possible Alternatives

A range of reasonable alternatives will be considered as long as they meet the purpose and need of the proposed action, meet the project objectives of the proposed action, and are consistent with the Forest and Resource Management Plan. A "no action" alternative will also be considered.

Responsible Official

The Responsible Official is Glenn Gottschall, Acting Forest Supervisor, Stanislaus National Forest, Supervisor's Office, 19777 Greenley Road, Sonora, CA 95370.

Nature of Decision To Be Made

The decision to be made is how to restore and reforest the land that was burned in the Stanislaus Complex Fire of 1987 to meet a variety of resource needs (i.e., recreation, timber, watershed, wildlife). The Forest Supervisor may select one of the proposed alternatives for reforesting the burn area, modify one of the proposed alternatives by adding additional management requirements or mitigation measures, or defer reforestation treatments of the burned area.

Scoping Process

The Larson Reforestation and Fuels Reduction Project encouraged public participation through notification in the Stanislaus National Forest Schedule of Proposed Actions (SOPA), a publication mailed to over 500 governmental agencies, organizations, groups, and interested individuals. In addition, the project is listed on the Stanislaus National Forest SOPA web site (<http://www.r5.fs.fed.us/stanislaus/planning/sopa/index.htm>). Furthermore, a preliminary scoping letter was mailed out to various individuals, organizations and government agencies in September of 1997 and August of 1998 requesting

public comments. This project will also be listed in the **Federal Register**.

Preliminary Issues

Preliminary concerns include the effects of mechanical, chemical, and prescribed burning treatments on air quality, soil quality, water quality, and threatened and endangered species.

Permits or Licenses Required

A county burning permit will be required for prescribed burning operations. A California Pesticide Applicators License will be required for herbicide operations.

Comment Requested

This notice of intent initiates the scoping process which guides the development of the environmental impact statement. The Forest Service will be seeking information, comments, and assistance from Federal, State, and local agencies, and other individuals or organizations that may be interested in, or affected by, the proposed action. Scoping comments will be used to refine the proposed action; develop management requirements, mitigation measures, or alternatives; and identify potential issues and environmental effects of the proposal and the alternatives. This input will be used in the preparation of the draft environmental impact statement (DEIS).

Early Notice of Importance of Public Participation in Subsequent Environmental Review: A draft environmental impact statement will be prepared for comment. The comment period on the draft environmental impact statement will be 45-days from the date the Environmental Protection Agency publishes the notice of availability in the **Federal Register**.

The Forest Service believes, at this early stage, it is important to give reviewers notice of several court rulings related to public participation in the environmental review process. First, reviewers of draft environmental impact statements must structure their participation in the environmental review of the proposal so that it is meaningful and alerts an agency to the reviewer's position and contentions. *Vermont Yankee Nuclear Power Corp. v. NRDC*, 435 U.S. 519, 553 (1978). Also, environmental objections that could be raised at the draft environmental impact statement stage but that are not raised until after completion of the final environmental impact statement may be waived or dismissed by the courts. *City of Angoon v. Hodel*, 803 F.2d 1016, 1022 (9th Cir. 1986) and *Wisconsin Heritages, Inc. v. Harris*, 490 F. Supp. 1334, 1338 (E.D. Wis. 1980). Because of

these court rulings it is very important that those interested in this proposed action participate by the close of the 45-day comment period so that substantive comments and objections are made available to the Forest Service at a time when it can meaningfully consider them and respond to them in the final environmental impact statement.

To assist the Forest Service in identifying and considering issues and concerns on the proposed action, comments on the draft environmental impact statement should be as specific as possible. It is also helpful if comments refer to specific pages or chapters of the draft statement. Comments may also address the adequacy of the draft environmental impact statement or the merits of the alternatives formulated and discussed in the statement. Reviewers may wish to refer to the Council on Environmental Quality Regulations for implementing the procedural provisions of the National Environmental Policy Act at 40 CFR 1503.3 in addressing these points.

Comments received, including the names and addresses of those who comment, will be considered part of the public record on this proposal and will be available for public inspection.

(Authority: 40 CFR 1501.7 and 1508.22; Forest Service Handbook 1909.15, Section 21)

Dated: November 26, 2002.

Glenn J. Gottschall,

Acting Forest Supervisor, Stanislaus National Forest.

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DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Assistance to High Energy Cost Rural Communities

AGENCY: Rural Utilities Service, USDA.

ACTION: Notice of funding availability (NOFA).

SUMMARY: The Rural Utilities Service (RUS) of the United States Department of Agriculture (USDA) announces the availability of \$14.9 million in a new program of competitive grants to assist communities with extremely high energy costs. This grant program is authorized under section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 1918a). The grant funds may be used to acquire, construct, extend, upgrade, or otherwise improve energy generation, transmission, or distribution facilities serving communities in which the average residential expenditure for

home energy exceeds 275 percent of the national average. Eligible applicants include persons, States, political subdivisions of States, and other entities organized under State law. Federally-recognized Indian tribes and tribal entities are eligible applicants. This notice describes the eligibility and application requirements, the criteria that will be used by RUS to award funding and information on how to obtain application materials.

DATES: All applications must be postmarked or delivered to RUS no later than February 7, 2003.

Applications will be accepted on publication of this notice.

ADDRESSES: Applications are to be submitted to the Rural Utilities Service, U.S. Department of Agriculture, 1400 Independence Avenue, SW, STOP 1522, Room 4034 South Building, Washington, DC 20250-1522. Applications should be marked "Attention: High Energy Cost Community Grant Program."

FOR FURTHER INFORMATION CONTACT: Karen Larsen, Management Analyst, U.S. Department of Agriculture, Rural Utilities Service, Electric Program, 1400 Independence Avenue, SW, STOP 1560, Room 4037 South Building, Washington, DC 20250-1560. Telephone 202-720-9545, Fax 202-690-0717, email HEnergy02@rus.usda.gov.

SUPPLEMENTARY INFORMATION:

Programs Affected

This program is listed in the Catalog of Federal Domestic Assistance Programs (CFDA) as "Assistance to High Energy Cost Rural Communities." The CFDA number assigned to this program is 10.859.

Executive Order 12372

This program is not subject to the requirements of Executive Order 12372, "Intergovernmental Review of Federal Programs," as implemented under USDA's regulations at 7 CFR part 3015.

Information Collection and Recordkeeping Requirements

Under the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) (the "Act"), OMB must approve all "collections of information" by RUS. The Act defines "collection of information" as a requirement for "answer to * * * identical reporting or recordkeeping requirements imposed on ten or more persons * * *." (44 U.S.C. 3502(3)(A).) RUS has determined that it is likely that fewer than ten applications will be received because of stringent eligibility requirements. Therefore, this NOFA

does not involve the imposition of identical reporting and recordkeeping requirements on ten or more persons and does not require approval under the Act. If RUS receives ten or more applications in response to this NOFA, the Agency will submit a request for approval under the Paperwork Reduction Act.

Background

RUS is making available \$14.9 million in competitive grants through a new financial assistance program under the Rural Electrification Act of 1936 (7 U.S.C. 901 *et seq.*) (the "RE Act"). Under section 19 of the RE Act (7 U.S.C. 918a), RUS is authorized to make grants to "acquire, construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities" serving communities in which the average residential expenditure for home energy is at least 275 percent of the national average residential expenditure for home energy."

The purpose of this new program is to provide financial assistance for a broad range of energy facilities, equipment and related activities to offset the impacts of extremely high residential energy costs on eligible communities. Grants funds may be used to "acquire, construct, extend, upgrade and otherwise improve energy generation, transmission, or distribution facilities" serving extremely high energy cost communities. Eligible facilities include on-grid and off-grid renewable energy systems and implementation of cost-effective demand side management and energy conservation programs that benefit eligible communities.

Eligible applicants include "persons, States, political subdivisions of States, and other entities organized under the laws of States." Under section 13 of the RE Act (7 U.S.C. 913) "the term person shall be deemed to mean any natural person, firm, corporation, or association." Indian tribes and tribal entities are eligible applicants and beneficiaries under this program.

No cost sharing or matching funds are required as a condition of eligibility under this grant program. However, RUS will consider other financial resources available to the grantee and any voluntary commitment of matching funds or other contributions in assessing the grantee's capacity to carry out the grant program successfully and will award additional evaluation points to proposals that include such contributions.

As a further condition of each grant, section 19(b)(2) of the RE Act requires that planning and administrative

expenses may not exceed 4 percent of the grant funds.

This NOFA provides an overview of the grant program, eligibility and application requirements, and selection criteria. Applicants should consult the detailed grant Application Guide for additional information on application requirements and copies of all required forms and certifications. The Application Guide is available on the Internet from the RUS Web site at <http://www.usda.gov/rus/electric/hecgp/index.htm>. The application guide may also be requested from the Agency contact listed above.

Definitions

As used in this NOFA:
Administrator means the Administrator of the RUS.

Agency means the Rural Utilities Service.

Application Guide means the Application Guide prepared by RUS for the High Energy Cost Grant program containing detailed instructions for determining eligibility and preparing grant applications, and copies of required forms, questionnaires, and model certifications.

Census block means the smallest geographic entity for which the Census Bureau collects and tabulates decennial census information and which are defined by boundaries shown on census maps.

Census designated place (CDP) means a statistical entity recognized by the U.S. Census comprising a dense concentration of population that is not within an incorporated place but is locally identified by a name and with boundaries defined on census maps.

Extremely high energy costs means local community average residential energy costs that are at least 275 percent of one or more home energy cost benchmarks identified by RUS based on the national average residential energy expenditures as reported by the Energy Information Administration (EIA).

Home energy means any energy source or fuel used by a household including electricity, natural gas, fuel oil, kerosene, liquefied petroleum gas (propane), other petroleum products, wood and other biomass fuels, coal, wind, and solar energy. Fuels used for subsistence activities in remote rural areas are also included. Other transportation fuel uses are not included, however.

Home energy cost benchmarks means the criteria established by RUS for eligibility as an extremely high energy cost community. Home energy cost benchmarks are calculated for total annual household energy expenditures;

total annual expenditures for individual fuels; annual average per unit energy costs for primary home energy sources at 275 percent of EIA estimates of national average residential energy expenditure.

Indian Tribe means a Federally recognized tribe as defined under section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b) to include “* * * any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688) [43 U.S.C. 1601 *et seq.*], which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.”

Person means any natural person, firm, corporation, or association and for purposes of this notice, includes Indian tribes and tribal entities.

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

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

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

Target community means the unit or units of local government in which the target area is located.

Tribal entity means a legal entity that is owned, controlled, sanctioned, or chartered by the recognized governing body of an Indian tribe as defined in this NOFA.

Award Information

The total amount of funds available for grants under this notice is \$14.9 million. The number of grants awarded under this NOFA will depend on the number of applications submitted, the amount of grant funds requested, and the quality and competitiveness of applications submitted.

The funding instrument available under this NOFA will be a grant agreement. Grants awarded under this notice must comply with all applicable USDA and Federal regulations concerning financial assistance, with the terms of this notice, and with the requirements of section 19 of the RE Act. Grants made under this NOFA will be administered under and are subject to USDA financial assistance regulations at 7 CFR parts 3015, 3016, 3017, 3018,

3019, and 3052, as applicable. The maximum amount of grant assistance that will be considered for funding in a grant application under this notice is \$5,000,000. The minimum amount of assistance for a grant application under this program is \$75,000. The award period will generally be for 36 months, however, longer periods may be approved depending on the project involved.

All timely submitted and complete applications will be reviewed for eligibility and rated according to the criteria described in this NOFA. Applications will be ranked in order of their numerical scores on the rating criteria and forwarded to the RUS Administrator. The Administrator will review the rankings and the recommendations of the rating panels. The RUS Administrator will then fund grant applications in rank order.

RUS reserves the right not to award any or all the funds made available under this notice, if in the sole opinion of the Administrator, the grant proposals submitted are not deemed feasible. RUS also reserves the right to partially fund grants if grant applications exceed the available funds. RUS will advise applicants if it cannot fully fund a grant request.

Eligible Projects

Grantees must use grant funds to acquire, construct, extend, upgrade, or otherwise improve energy generation, transmission, or distribution facilities serving eligible communities. All energy generation, transmission, and distribution facilities, equipment, and associated services used to provide electricity, natural gas, home heating fuels, and other residential energy service are eligible. On-grid and off-grid renewable energy projects, and energy efficiency, and energy conservation projects that serve eligible communities are included.

Grants may cover up to the full costs of any eligible projects subject to the statutory condition that no more than 4 percent of grant funds may be used for the planning and administrative expenses of the grantee.

The project must serve communities that meet the extremely high energy cost eligibility requirements described in this NOFA. The grantee must demonstrate that the proposed project will benefit eligible communities. Additional information on eligible activities is contained in the Application Guide.

Ineligible Grant Purposes

Grant funds cannot be used for: preparation of the grant application, fuel

purchases, routine maintenance or other operating costs, and purchase of equipment, structures, or real estate not directly associated with provision of residential energy services. In general, grant funds may not be used to support projects that primarily benefit areas outside of eligible target communities. However, grant funds may be used to finance an eligible target community's proportionate share of a larger energy project.

Consistent with USDA policy, grant funds awarded under this program generally cannot be used to replace other USDA assistance or to refinance or repay outstanding RUS loans. Grant funds may, however, be used in combination with other USDA assistance programs including RUS loans. Grants may be applied toward grantee contributions under other USDA programs depending on the terms of those programs. For example, an applicant may propose to use grant funds to offset the costs of electric system improvements in extremely high cost areas and as a cost contribution as part of the utility's expansion of its distribution system financed in whole or part by an RUS electric loan. An applicant may propose to finance a portion of an energy project for an extremely high energy cost community through this grant program and secure the remaining project costs through a loan or loan guarantee or grant from RUS or other sources.

Each grant applicant must demonstrate the economic and technical feasibility of its proposed project. Activities or equipment that would commonly be considered as research and development activities, or commercial demonstration projects for new energy technologies will not be considered as technologically feasible projects and would, thus, be ineligible grant purposes. However, grant funds may be used for projects that involve the innovative use or adaptation of energy-related technologies that have been commercially proven.

Eligible Applicants

Under Section 19 eligible applicants include “persons, States, political subdivisions of States, and other entities organized under the laws of States” (7 U.S.C. 918a). Under section 13 of the RE Act, the term “person” means “any natural person, firm, corporation, or association” (7 U.S.C. 913). Examples of eligible applicants include: for-profit and nonprofit organizations, including corporations, associations, partnerships (including limited liability partnerships), cooperatives, trusts, and sole proprietorships; State and local

governments, counties, cities, towns, boroughs, or other agencies or units of State or local governments; Indian tribes, other tribal entities, Alaska Native Corporations; and individuals.

An individual is an eligible applicant under this program, however, the proposed grant project must provide community benefits and not be for the sole benefit of an individual applicant.

All applicants must demonstrate the legal capacity to enter into a binding grant agreement with the Federal Government at the time of the award and to carry out the proposed grant funded project according to its terms.

Eligible Communities

The grant project must benefit communities with extremely high energy costs. The RE Act defines an

extremely high energy cost community as one in which “the average residential expenditure for home energy is at least 275 percent of the national average residential expenditure for home energy” as determined by the Energy Information Administration (EIA) using the most recent data available. 7 U.S.C. 918a.

The statutory requirement that community residential expenditures for home energy exceed 275 percent of national average establishes a very high threshold for eligibility under this program. RUS has calculated high energy cost benchmarks based on EIA national average home energy expenditure data. Communities must meet one or more high energy cost benchmarks to qualify as an eligible beneficiary of a grant under this

program. Based on available published information on residential energy costs, RUS anticipates that only those communities with the highest energy costs across the country will qualify under this congressionally-mandated standard.

The EIA’s Residential Energy Consumption and Expenditure Surveys (RECS) and reports provide the baseline national average household energy costs that were used by RUS for establishing extremely high energy cost community eligibility criteria for this grant program. The RECS data base and reports provide national and regional information on residential energy use, expenditures, and housing characteristics. The latest available RECS home energy expenditure estimates are based on 1997 survey data and are shown in Table 1.

TABLE 1.—EIA AVERAGE ANNUAL HOUSEHOLD ENERGY EXPENDITURES AND RUS EXTREMELY HIGH ENERGY COST ELIGIBILITY CRITERIA BENCHMARKS

Fuel	Average total consumption	National average	Extremely high energy cost benchmark
Average annual household expenditure:			
Electricity	10,219 kilowatt hours (kWh)	\$871 per year	\$2,341 per year
Natural Gas	83 thousand cubic feet	579 per year	1,547 per year
Fuel Oil	730 gallons	714 per year	1,870 per year
LPG/Propane	488 gallons	500 per year	1,266 per year
Total Household Energy Use	101 million Btus	1,338 per year	3,613 per year
Annual average per unit residential energy costs:			
Electricity .....	.....	0.085 per kWh	0.229 per kWh
Natural Gas .....	.....	6.96 per thousand cubic feet	18.78 per thousand cubic feet
Fuel Oil .....	.....	0.96 per gallon	2.62 per gallon
LPG/Propane .....	.....	1.03 per gallon	2.72 per gallon
Total Household Energy cost per Btus.	.....	13.25 per million Btus	36.10 per million Btus

Sources: U.S. Department of Energy, Energy Information Administration, Residential Energy Consumption and Expenditure Surveys 1997. The RUS benchmarks calculations include adjustments to reflect the uncertainties inherent in EIA’s statistical methodology for estimating home energy costs. The benchmarks are set based on the EIA’s lower range estimates using the specified EIA methods.

Extremely high energy costs in rural and remote communities typically result from a combination of factors. The most prevalent include high energy consumption, high per unit energy costs in local markets, limited availability of energy sources, extreme climate conditions, and housing characteristics. The relative impacts of these conditions exhibit regional and seasonal diversity. Market factors have created an additional complication in recent years as the prices of the major commercial residential energy sources—electricity, fuel oil, natural gas, and LPG/propane—have fluctuated dramatically in some areas.

RUS has established community eligibility criteria based on EIA’s estimates of national average residential energy expenditures. Table 1 shows the national averages and RUS benchmark

criteria for extremely high energy costs. The applicant must demonstrate that each community in the grant’s proposed target area exceeds one or more of these high energy cost benchmarks to be eligible for assistance under this program.

RUS High Energy Cost Benchmarks.

The benchmarks measure extremely high energy costs for residential consumers. These benchmarks were calculated using EIA’s estimates of national average residential energy expenditures per household and by primary home energy source. The benchmarks recognize the diverse factors that contribute to extremely high home energy costs in rural communities. The benchmarks allow extremely high energy cost communities several alternatives for demonstrating

eligibility. Communities may qualify based on: total annual household energy expenditures; total annual expenditures for commercially-supplied primary home energy sources, *i.e.*, electricity, natural gas, oil, or propane; or average annual per unit home energy costs. By providing alternative measures for demonstrating eligibility, the benchmarks reduce the burden on potential applicants created by the limited public availability of comprehensive data on local community energy consumption and expenditures.

RUS is adopting the following high energy cost benchmarks as eligibility criteria for competitive grant applications submitted in response to this NOFA. A target community or target area will qualify as an extremely high cost energy community if it meets

one or more of the energy cost benchmarks described below.

1. *Extremely High Average Annual Household Expenditure For Home Energy.* The target area or community exceeds one or more of the following:

- Average annual residential electricity expenditure of \$2,341 per household;
- Average annual residential natural gas expenditure of \$1,547 per household;
- Average annual residential expenditure on fuel oil of \$1,870 per household;
- Average annual residential expenditure on propane or liquefied petroleum gas (LPG) as a primary home energy source of \$1,266 per household; or
- Average annual residential energy expenditure (for all non-transportation uses) of \$3,613 per household.

2. *Extremely High Average per unit energy costs.* The average residential per unit cost for major commercial energy sources in the target area or community exceeds one or more of the following:

- Annual average revenues per kilowatt hour for residential electricity customers of \$0.229 per kilowatt hour (kWh);
- Annual average residential natural gas price of \$18.78 per thousand cubic feet;
- Annual average residential fuel oil price of \$2.62 per gallon;
- Annual average residential price of propane or LPG as a primary home energy source of \$2.72 per gallon; or
- Total annual average residential energy cost on a Btu basis of \$36.13 per million Btu.¹

Supporting Energy Cost Data

The applicant must include information that demonstrates its eligibility under the RUS high energy cost benchmarks for the target communities and the target areas. The applicant must supply documentation or references for its sources for actual or estimated home energy expenditures or equivalent measures to support eligibility. Generally, the applicant will be expected to use historical residential energy cost or expenditure information for the local energy provider serving the target community or target area to

¹ **Note:** Btu is the abbreviation for British Thermal Unit, a standard energy measure. A Btu is the quantity of heat needed to raise the temperature of one pound of water 1 degree Fahrenheit at or near 39.2 degrees Fahrenheit. In estimating average household per unit energy cost on a Btu basis, the costs of different home energy sources are converted to a standard Btu basis. The Application Guide contains additional information on calculating per unit costs on a Btu basis for major home energy sources.

determine eligibility. Other potential sources of home energy related information include Federal and State agencies, local community energy providers such as electric and natural gas utilities and fuel dealers, and commercial publications. The Application Guide includes a list of EIA resources on residential energy consumption and costs that may be of assistance.

The grant applicant must establish eligibility for each community in the project's target area. To determine eligibility, the applicant must identify each community included in whole or in part within the target areas and provide supporting actual or estimated energy expenditure data for each community. The smallest area that may be designated as a target area is a 2000 Census block. This minimum size is necessary to enable a determination of population size.

Potential applicants can compare the RUS benchmark criteria to available information about local energy use and costs to determine their eligibility. Applicants should demonstrate their eligibility using historical energy use and cost information. Where such information is unavailable or does not adequately reflect the actual costs of supporting average home energy use in a local community, RUS will consider estimated commercial energy costs. The Application Guide includes examples of circumstances where estimated energy costs are used.

EIA does not collect or maintain data on home energy expenditures in sufficient detail to identify specific rural localities as extremely high energy cost communities. Therefore, grant applicants will have to provide information on local community energy costs from other sources to support their applications.

In many instances, historical community energy cost information can be obtained from a variety of public sources or from local utilities and other energy providers. For example, EIA publishes monthly and annual reports of residential prices by State and by service area for electric utilities and larger natural gas distribution companies. Average residential fuel oil and propane prices are reported regionally and for major cities by government and private publications. Many State agencies also compile and publish information on residential energy costs to support State programs.

Use of Estimated Home Energy Costs

Where historical community energy cost data are incomplete or lacking or where community-wide data do not

accurately reflect the costs of providing home energy services in the target area, the applicant may substitute estimates based on engineering standards. The estimates should use available community, local, or regional data on energy expenditures, consumption, housing characteristics and population. Estimates are also appropriate where the target area does not presently have centralized commercial energy services at a level that is comparable to other residential customers in the State or region. For example, local commercial energy cost information may not be available where the target area is without local electric service because of the high costs of connection. Engineering cost estimates reflecting the incremental costs of extending service could reasonably be used to establish eligibility for areas without grid-connected electric service. Estimates also may be appropriate where historical energy costs do not reflect the costs of providing a necessary upgrade or replacement of energy infrastructure to maintain or extend service that would raise costs above one or more of benchmarks.

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

Coordination With State Rural Development Initiatives

USDA encourages the coordination of grant projects under this program with State rural development initiatives. There is no requirement that the grant proposal receive the concurrence or approval of State officials as a condition of eligibility under this program. RUS will, however, award additional priority points to proposals that are coordinated with and support rural development initiatives within a State. The Applicant should describe how the proposed project will support State rural development initiatives and provide documentation evidencing any concurrence or endorsement by State rural development officials.

If an Applicant is an entity directly involved in rural development efforts, such as a State, local, or tribal rural development agency or a participant in an existing USDA Rural Development program, the Applicant may qualify for

additional points by describing how its proposed project supports its efforts.

How To Apply

All applications must be prepared and submitted in compliance with this NOFA and the Application Guide. The Application Guide contains additional information on the grant program and sources of information for use in preparing applications and copies of the required application forms. The Guide may be downloaded from RUS Web site <<http://www.usda.gov/rus/electric/hecgp/index.htm>> or requested from RUS.

How To Request An Application Package

Application packages, including required forms, may be requested from: Karen Larsen, Management Analyst, U.S. Department of Agriculture, Rural Utilities Service, Electric Program, 1400 Independence Avenue, SW, STOP 1560, Room 4037 South Building, Washington, DC 20250-1560. Telephone 202-720-9545, Fax 202-690-0717, email HEnergy02@rus.usda.gov.

What To Include In The Application

Applicants should follow the directions in this notice and the Application Guide in preparing their applications. The completed application should be assembled in the order specified with all pages numbered sequentially or by section. The applicant must submit the following information for the application to be complete and considered for funding:

Part A. A Completed SF 424, "Application for Federal Assistance." This form must be signed by a person authorized to submit the proposal on behalf of the applicant.

Part B. Grant Proposal. The grant proposal is a narrative description prepared by the applicant that establishes the applicant's eligibility, identifies the eligible extremely high energy cost communities to be served by the grant, and describes the proposed grant project, the potential benefits of the project, and a proposed budget. The grant proposal should contain the following sections in the order indicated.

1. *Executive Summary.* The Executive Summary is a one to two page narrative summary that: (a) Identifies the applicant, project title, and the key contact person with telephone and fax numbers, mailing address and email address; (b) specifies the amount of grant funds requested; (c) provides a brief description of the proposed program including the eligible rural

communities and residents to be served, activities and facilities to be financed, and how the grant project will offset or reduce the target community's extremely high energy costs; and (d) identifies the associated rural development initiative that the project supports. The Executive Summary should also indicate whether the applicant is claiming additional points under any of the criteria designated as USDA priorities under this NOFA.

2. *Table of Contents:* The application package must include a table of contents immediately after the Executive Summary with page numbers for all required sections, forms, and appendices.

3. *Applicant Eligibility:* This section includes a narrative statement that identifies the applicant and supporting evidence establishing that the applicant has or will have the legal authority to enter into a financial assistance relationship with the Federal Government. Examples of supporting evidence of applicant's legal existence and eligibility include: a reference to or copy of the relevant statute, regulation, executive order, or legal opinion authorizing a State, local, or tribal government program, articles of incorporation or certificates of incorporation for corporate applicants, partnership or trust agreements, board resolutions. Applicants must also be free of any debarment or other restriction on their ability to contract with the Federal Government.

4. *Community Eligibility:* This section provides a narrative description of the community or communities to be served by the grant and supporting information to establish eligibility. The narrative must show that the proposed grant project's target area or areas are located in one or more communities where the average residential energy costs exceed one or more of the benchmark criteria for extremely high energy costs as described in this NOFA. The narrative should clearly identify the location and population of the areas to be aided by the grant project and their energy costs and the population of the local government division in which they are located. Local energy providers and sources of high energy cost data and estimates should be clearly identified. Neither the applicant nor the project must be physically located in the extremely high energy cost community, but the funded project must serve an eligible community.

The population estimates should be based on the results of the 2000 Census available from the U.S. Census Bureau. Additional information and exhibits supporting eligibility may include

maps, summary tables, and references to statistical information from the U.S. Census, the Energy Information Administration, other Federal and State agencies, or private sources. The Application Guide includes additional information and sources that the applicant may find useful in establishing community eligibility.

5. *Coordination With State Rural Development Initiatives:* In this section the applicant must describe how the proposed grant will be coordinated with rural development efforts. The Applicant should provide supporting references or documentation.

6. *Project Overview:* This section includes the applicant's narrative overview of its proposed project. The narrative must address the following:

a. *Project Design:* This section must provide a narrative description of the project including a proposed scope of work identifying major tasks and proposed schedules for task completion, a detailed description of the equipment, facilities and associated activities to be financed with grant funds, the location of the eligible extremely high energy cost communities to be served, and an estimate of the overall duration of the project. The Project Design description should be sufficiently detailed to support a finding of technical feasibility. Proposed projects involving construction, repair, replacement, or improvement of electric generation, transmission, and distribution facilities must generally be consistent with the standards and requirements for projects financed with RUS loans and loan guarantees as set forth in RUS Electric Program Regulations and Bulletins and may reference these requirements.

b. *Project Management:* This section must provide a narrative describing the applicant's capabilities and project management plans. The description should address the applicant's organizational structure, method of funding, legal authority, key personnel, project management experience, staff resources, the goals and objectives of the program or business, and any related services provided to the project beneficiaries. A current financial statement and other supporting documentation may be referenced here and included under the Supplementary Material section. If the applicant proposes to use affiliated entities, contractors, or subcontractors to provide services funded under the grant, the applicant must describe the identities, relationship, qualifications, and experience of these affiliated entities. The experience and capabilities of these entities will be reviewed by the rating panel. If the applicant proposes to

secure equipment, design, construction, or other services from non-affiliated entities, the applicant must briefly describe how it plans to procure and/or contract for such equipment or services. The Applicant should provide information that will support a finding that the combination of management team's experience, resources and project structure will enable successful completion of the project.

c. Regulatory and other approvals: The applicant must identify any other regulatory or other approvals required by other Federal, State, local, or tribal agencies, or by private entities as a condition of financing that are necessary to carry out the proposed grant project and its estimated schedule for obtaining the necessary approvals.

d. Benefits of the proposed project: The applicant should describe how the proposed project would benefit the target area and eligible communities. The description must specifically address how the project will improve energy generation, transmission, or distribution facilities serving the target area. The applicant should clearly identify how the project addresses the energy needs of the community and include appropriate measures of project success such as, for example, expected reductions in household or community energy costs, avoided cost increases, enhanced reliability, or economic or social benefits from improvements in energy services available to the target community. The applicant should include quantitative estimates of cost or energy savings and other benefits. The applicant should provide documentation or references to support its statements about cost-effectiveness savings and improved services. The applicant should also describe how it plans to measure and monitor the effectiveness of the program in delivering its projected benefits.

7. Proposed Project Budget: The applicant must submit a proposed budget for the grant program on SF 424A, "Budget Information—Non-Construction Programs" or SF-424C, "Standard Form for Budget Information-Construction Programs," as applicable. The budget must document that planned administrative and other expenses of the project sponsor will not total more than 4 percent of grant funds. The applicant must also identify the source and amount of any other contributions of funds or services that will be used to support the proposed project. This program does not require supplemental or matching funds for eligibility, however RUS will award additional rating points for programs that include a match of other funds or

like-kind contributions to support the project.

8. Supplementary Material: The applicant may append any additional information relevant to the proposal or which may qualify the application for extra points under the evaluation criteria described in this NOFA.

Part C. Additional Required Forms and Certifications: In order to establish compliance with other Federal requirements for financial assistance, the Applicant must execute and submit with the initial application the following forms and certifications:

- SF 424B, "Assurances—Non-Construction Programs" or SF 424D, "Assurances—Construction Programs" (as applicable).
- SF LLL, "Disclosure of Lobbying Activities."
- Drug-free Workplace Certification: Form AD-1049, "Certification Regarding Drug-free Workplace Requirements for Grantees other than Individuals;" Form AD-1050, "Certification Regarding Drug-free Workplace Requirements for Individuals;" or Form AD-1052, "Certification Regarding Drug-free Workplace Requirements, States and State Agencies." (State applicants that have already submitted this certification to USDA may reference their prior filing and need not submit a new certification.)

• "Certification Regarding Debarment, Suspension and Other Responsibility Matter—Primary Covered Transactions" as required under 7 CFR part 3017, Appendix A. Certifications for individuals, corporations, nonprofit entities, Indian tribes, partnerships.

• Environmental Profile. The environmental profile included in the Application Guide solicits information about project characteristics and site-specific conditions that may involve environmental, historic preservation, and other resources. The profile will be used by RUS to identify selected projects that may require additional environmental reviews, assessments, or environmental impact statements before a final grant award may be approved. A copy of the environmental profile and instructions for completion are included in the Application Guide.

Submitting the Application

Applicants must submit one original application that includes original signatures on all required forms and certifications and two copies. Applications should be submitted on 8½ by 11 inch white paper. Supplemental materials, such as maps, charts, plans, and photographs may exceed this size requirement.

A completed application must contain all required parts in the order indicated in the above section on "What to Include in the Application." The application package should be paginated either sequentially or by section.

The completed application package and two copies must be delivered to RUS headquarters in Washington, DC at the address listed at the beginning of this notice using United States Mail, overnight delivery service, or by hand. At this time, RUS is not able to accept applications online, by email or fax. Applicants should be advised that regular mail deliveries to Federal Agencies, especially of oversized packages and envelopes, continues to be delayed because of increased security screening requirements. Applicants may wish to consider using Express Mail or a commercial overnight delivery service instead of regular mail. Applicants wishing to hand deliver or use courier services for delivery should contact the Agency representative in advance to arrange for building access. RUS advises applicants that because of intensified security procedures at government facilities that any electronic media included in an application package may be damaged during security screening. If an applicant wishes to submit such materials, they should contact the agency representative for additional information.

Deadline for Submission and Late Applications

Applications must be postmarked or delivered to RUS by February 7, 2003. RUS will begin accepting applications on the date of publication of this NOFA. RUS will accept for review all applications postmarked or delivered to RUS by this deadline. Late applications will not be considered and will be returned to the Applicant.

Disclosure of Information

All material submitted by the applicant may be made available to the public in accordance with the Freedom of Information Act (5 U.S.C. 552) and USDA's implementing regulations at 7 CFR Part 1.

Review of Applications

All applications for grants must be delivered to RUS at the address listed above or postmarked no later than February 7, 2003 to be eligible for grant funding. After the deadline has passed, RUS will review each application to determine whether it is complete and meets all of the eligibility requirements described in this NOFA.

After the application closing date, RUS will not consider any unsolicited information from the applicant. RUS may contact the applicant for additional information or to clarify statements in the application required to establish applicant or community eligibility and completeness. Only applications that are complete and meet the eligibility criteria will be considered. RUS will not accept or solicit any additional information relating to the technical merits and/or economic feasibility of the grant proposal after the application closing date.

RUS may establish one or more rating panels to review and rate the grant applications. These panels may include persons not currently employed by USDA.

The panel will evaluate and rate all complete applications that meet the eligibility requirements using the selection criteria and weights described in this NOFA. As part of the proposal review and ranking process, panel members may make comments and recommendations for appropriate conditions on grant awards to promote successful performance of the grant or to assure compliance with other Federal requirements. The decision to include panel recommendations on grant conditions in any grant award will be at the sole discretion of the Administrator.

RUS will use the ratings and recommendations of the panel(s) to rank applicants against other applicants. The rankings and recommendations will then be forwarded to the Administrator for final review and selection.

Decisions on grant awards will be made by the RUS Administrator based on the application, and the rankings and recommendations of the rating panel. The Administrator will fund grant requests in rank order to the extent of available funds

Selection Criteria and Weights

RUS will use the selection criteria described in this NOFA to evaluate and rate applications and will award points up to the maximum number indicated under each criterion. Applicants should carefully read the information on the rating criteria in this NOFA and the Application Guide and address all criteria. The maximum number of points that can be awarded is 100 points. RUS will award up to 65 points for project design and technical merit criteria and up to 35 points based on priority criteria for project or community characteristics that support USDA Rural Development and RUS program priorities.

Project Design and Technical Merit Criteria

Reviewers will consider the soundness of applicant's approach, the technical feasibility of the project, the adequacy of financial and other resources, the competence and experience of the applicant and its team, the project goals and objectives, and community needs and benefits. A total of 65 points may be awarded under these criteria.

A. Comprehensiveness and feasibility of approach. (Up to 30 points) Raters will assess the technical and economic feasibility of the project and how well its goals and objectives address the challenges of the extremely high energy cost community. The panel will review the proposed design, construction, equipment, and materials for the community energy facilities in establishing technical feasibility. Reviewers may propose additional conditions on the grant award to assure that the project is technically sound. Reviewers will consider the adequacy of the applicant's budget and resources to carry out the project as proposed. Reviewers will also evaluate how the applicant proposes to manage available resources such as grant funds, income generated from the facilities, and any other financing sources to maintain and operate a financially viable project once the grant period has ended.

B. Demonstrated experience. (Up to 10 points) Reviewers will consider whether the applicant and its project team have demonstrated experience in successfully administering and carrying out projects that are comparable to that proposed in the grant application. RUS supports and encourages emerging organizations that desire to develop the internal capacity to improve energy services in rural communities. In evaluating the capabilities of entities without extensive experience in carrying out such projects, RUS will consider the experience of the project team and the effectiveness of the program design in compensating for lack of extensive experience.

C. Community Needs. (Up to 15 points) Reviewers will consider the applicant's identification and documentation of eligible communities, their populations, and the applicant's assessment of community energy needs to be addressed by the grant project. Information on the severity of physical and economic challenges affecting eligible communities will be considered. Reviewers will weigh: (1) The applicant's analysis of community energy challenges and (2) why the applicant's proposal presents a greater

need for Federal assistance than other competing applications. In assessing the applicant's demonstration of community needs, the rating panel will consider information in the narrative proposal addressing:

(a) the burden placed on the community and individual households by extremely high energy costs as evidenced by such quantitative measures as, for example, total energy expenditures, per unit energy costs, energy cost intensity for occupied space, or energy costs as a share of average household income, and persistence of extremely high energy costs compared to national or statewide averages.

(b) the hardships created by limited access to reliable and affordable energy services; and

(c) the availability of other resources to support or supplement the proposed grant funding.

D. Project Evaluation Methods. (Up to 5 points) Reviewers will consider the applicant's plan to evaluate and report on the success and cost-effectiveness of financed activities and whether the results obtained will contribute to program improvements for the applicant or for other entities interested in similar programs.

E. Coordination with Rural Development Initiatives. (Up to 5 points) Raters will assess how effectively the proposed project is coordinated with State rural development initiatives and is consistent with and supports these efforts. RUS will consider the documentation for coordination efforts, community support, and State or local government recommendations. Applicants should identify the extent to which the project is dependent on or tied to other rural development initiatives, funding, and approvals.

Priority Criteria

In addition to the points awarded for project design and technical merit, all proposals will be reviewed and awarded additional points based on certain characteristics of the project or the target community. USDA Rural Development policies generally encourage agencies to give priority in their programs to rural areas of greatest need and to support other Federal policy initiatives. In furtherance of these policies, RUS will award additional points to smaller communities and areas experiencing economic hardship, persistent poverty, or where community energy services are inadequate or the facilities present an imminent hazard to public health or safety. Priority points will also be awarded for proposals that include cost sharing, or that serve a Federally designated Empowerment

Zone or Enterprise Community (EZ/EC) or a USDA Champion Community. A maximum of 35 total points may be awarded under priority criteria.

1. Economic Hardship. (Up to 10 points) The community experiences one or more economic hardship conditions that impair the ability of the community and/or its residents to provide basic energy services or to reduce or limit the costs of these services. Economic hardship will be assessed using either the objective measure of county median income under A below or subjectively under B based on the Applicant's description of the community's economic hardships and supporting materials. Applicants may elect either measure, but not both.

A. Economically Distressed Communities (up to 10 points). The target community is an economically distressed county where the median household income is significantly below the State average. Points will be awarded based on the county percentage of State median household income according to the following:

- (1) Less than 70 percent of the State median household income—10 points;
- (2) 70 to 80 percent of the State median household income—8 points; or
- (3) 80 to 90 percent of the State median household income—5 points;
- (4) 90 to 95 percent of the State median household income—2 points
- (5) over 95 percent of the State median household income—0 points

Information on State and county median income is available online from the USDA Economic Research Service at <http://www.ers.usda.gov/data/unemployment/>.

B. Other Economic Hardship (up to 10 points) The community suffers from other conditions creating a severe economic hardship that is adequately described and documented by the Applicant. Examples include but are not limited to natural disasters, financially distressed local industry, loss of major local employer, outmigration, or other condition adversely affecting the local economy, or contributing to unserved or underserved energy infrastructure needs that affect the economic health of the community.

2. Persistent poverty community. (3 points) Persistent poverty counties are those where poverty continues to be a long-term problem. The Economic Research Service (ERS) of USDA has defined a persistent poverty county as a nonmetropolitan county in which more than 20 percent of the population were below the poverty level in each of the last 4 census years. ERS has made a preliminary identification of over 300 nonmetropolitan counties in which

more than 20 percent of the population was below the poverty level in 1970, 1980, 1990, and 2000. A list of the ERS persistent poverty counties can be found in the online Application Guide <http://www.usda.gov/rus/electric/hecgp/counties.htm> or requested from the agency contact. In support of USDA policy, raters will award 3 points to any proposal in which the target area or project is located in a persistent poverty county.

3. Rurality. (Up to 12 points) Consistent with the USDA Rural Development policy to target resources to rural communities with significant needs and recognizing that smaller communities are often comparatively disadvantaged in seeking assistance, RUS reviewers will award additional points based on the rurality (as measured by population) of the target communities to be served with grant funds. Applications will be scored based on the population of the largest incorporated cities, towns, or villages, or census designated places included within the grant's proposed target area.

If the largest target community within the proposed target area has a population of:

- (A) 2,500 or less—12 points;
- (B) Between 2,501 and 5,000, inclusive 10 points;
- (C) Between 5,001 and 10,000, inclusive 8 points;
- (D) Between 10,001 and 15,000, inclusive 5 points;
- (E) Between 15,001 and 20,000, inclusive 2 points;
- (F) Above 20,000, 0 points.

Applicants must use the latest available population figures from Census 2000 available at <http://www.census.gov/main/www/cen2000.html> for every incorporated city, town, or village, or Census designated place included in the target area.

4. Unserved Energy Needs (2 points) Consistent with the purposes of the RE Act, projects that meet unserved or underserved energy needs will be eligible for 2 points. Examples of proposals that may qualify under this priority include projects that extend or improve electric or other energy services to communities and customers that do not have reliable centralized or commercial service or where many homes remain without such service because the costs are unaffordable.

5. Imminent hazard (2 points) If the grant proposal involves a project to correct a condition posing an imminent hazard to public safety, welfare, the environment, or to a critical community or residential energy facility, raters may award 2 points. Examples include

community energy facilities in immediate danger of failure because of deteriorated condition, capacity limitations, damage from natural disasters or accidents, or other conditions where failure would create a substantial threat to public health or safety, or to the environment.

6. Cost Sharing (2 points) This grant program does not require any cost contribution. In addition to their assessment of the economic feasibility and sustainability of the project under the project evaluation factors above, raters may award 2 points for cost sharing. These points will be awarded when the proposal documents that supplemental contributions of funds, property, equipment, services, or other in kind contributions that support the project and demonstrate the applicant's and/or community's commitment to the project exceed 10 percent of project costs.

7. Empowerment Zone and Enterprise Community (EC/EZ) or Champion Community (up to 4 points) If the proposed project serves at least one community that is a Federally-identified Empowerment Zone and Enterprise Community (EC/EZ Community), 4 points will be awarded. The list of currently approved EC/EZ communities may be found at the EZ/EC Web site at: <http://www.ezec.gov> or may be requested from the agency contact.

If the proposed project serves at least one community that is a USDA identified "Champion Community," 2 points will be awarded. The list of currently approved USDA champion communities may be found at the EZ/EC Web site at: <http://www.ezec.gov> or may be requested from the agency contact.

Scoring and Ranking of Applications

Following the evaluation and rating of individual applications under the above criteria, the rating panels will rank the applications in order according to their total scores. The scored and ranked applications and the raters' comments will then be forwarded to the Administrator for review and selection of grant awards.

Selection of Grant Awards and Notification of Applicants

The RUS Administrator will review the rankings and recommendations of the applications provided by the rating panels for consistency with the requirements of this NOFA. The Administrator may return any application to the rating panel with written instruction for reconsideration if, in her sole discretion, she finds that the scoring of an application is

inconsistent with this NOFA and the directions provided to the rating panel.

Following any adjustments to the project rankings as a result of reconsideration, the Administrator will select projects for funding in rank order. If funds remain after funding the highest ranking application, RUS may fund all or part of the next highest ranking application. RUS will advise an applicant if it cannot fully fund a grant request.

The Administrator may decide based on the recommendations of the rating panel or in her sole discretion that a grant award may be made fully or partially contingent upon the applicant satisfying certain conditions or providing additional information and analyses. For example, RUS may defer approving a final award to a selected project—such as projects requiring more extensive environmental review and mitigation, preparation of detailed site specific engineering studies and designs, or requiring local permitting, or availability of supplemental financing—until any additional conditions are satisfied. In the event that a selected applicant fails to comply with the additional conditions within the time set by RUS, the selection will be vacated and the next ranking project will be considered.

If a selected applicant turns down a grant award offer, or fails to conclude a grant agreement acceptable to RUS, or to provide required information requested by RUS within the time period established in the notification of selection for grant award, the RUS Administrator may select for funding the next highest ranking application submitted in response to this NOFA. If funds remain after all selections have been made, remaining funds will be carried over and made available in future awards under the High Energy Cost Grant Programs.

RUS will notify each Applicant in writing whether or not it has been selected for an award. RUS's written notice to a successful applicant of the amount of the grant award based on the approved application will constitute RUS's preliminary approval, subject to compliance with all post-selection requirements including but not limited to completion of any environmental reviews and negotiation and execution of a grant agreement satisfactory to RUS. Preliminary approval does not bind the Government to making a final grant award. Only a final grant award and agreement executed by the Administrator will constitute a binding obligation and commitment of Federal funds. Funds will not be awarded or disbursed until all requirements have

been satisfied. RUS will advise selected applicants of additional requirements or conditions.

Adjustments to Funding

RUS reserves the right to fund less than the full amount requested in a grant application to ensure the fair distribution of the funds and to ensure that the purposes of a specific program are met. RUS will not fund any portion of a grant request that is not eligible for funding under Federal statutory or regulatory requirements; that does not meet the requirements of this NOFA, or that may duplicate other RUS funded activities, including electric loans. Only the eligible portions of a successful grant application will be funded.

Grant assistance cannot exceed the lower of:

- (a) The qualifying percentage of eligible project costs requested by the Applicant; or
- (b) The minimum amount sufficient to provide for the economic feasibility of the project as determined by RUS.

Other Grantee Requirements

RUS will notify successful grantees of their selection. Successful applicants will be required to execute a grant agreement acceptable to RUS and complete additional grant forms and certifications required by USDA. The grantee will provide periodic financial and performance reports as required by RUS and submit a final project performance report. Depending on the nature of the activities proposed by the application, the grantee may be asked to provide information and certifications necessary for compliance with RUS environmental policy regulations and procedures at 7 CFR part 1794.

RUS will require each successful applicant to agree to the specific terms of each grant agreement, a project budget, and other RUS requirements. In cases where RUS cannot successfully conclude negotiations with a selected applicant or a selected applicant fails to provide RUS with requested information within the time specified, an award will not be made to that applicant. The selection will be revoked and RUS may offer an award to the next highest ranking applicant, and proceed with negotiations with the next highest ranking applicant.

Environmental Review and Restriction on Certain Activities

Grant awards are required to comply with 7 CFR part 1794, which sets forth RUS regulations implementing the National Environmental Policy Act (NEPA). Grantees must also agree to comply with any other Federal or State

environmental laws and regulations applicable to the grant project.

If the proposed grant project involves physical development activities or property acquisition, the Applicant is generally prohibited from acquiring, rehabilitating, converting, leasing, repairing or constructing property, or committing or expending RUS or non-RUS funds for proposed grant activities until RUS has completed any environmental review in accordance with 7 CFR part 1794 or determined that no environmental review is required. Successful applicants will be advised whether additional environmental review and requirements apply to their proposals.

Other Federal Requirements

Other Federal statutes and regulations apply to grant applications and to grant awards. These include, but are not limited to, requirements under 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.

Certain OMB circulars also apply to USDA grant programs and must be followed by a grantee under this program. The policies, guidance, and requirements of the following may apply to the award, acceptance and use of assistance under this program and to the remedies for noncompliance, except when inconsistent with the provisions of the Agriculture, Rural Development and Related Agencies Appropriations Acts, other Federal statutes or the provisions of this NOFA:

- OMB Circular No. A-87 (Cost Principles Applicable to Grants, Contracts and Other Agreements with State and Local Governments);
- OMB Circular A-21 (Cost Principles for Education Institutions);
- OMB Circular No. A-122 (Cost Principles for Nonprofit Organizations);
- OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations);
- 7 CFR part 3015 (Uniform Federal Assistance Regulations);
- 7 CFR part 3016 (Uniform Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally recognized Indian tribal governments);
- 7 CFR part 3017 (Governmentwide debarment and suspension (non-procurement) and governmentwide requirements for drug-free workplace (grants));
- 7 CFR part 3018 (New restrictions on Lobbying);
- 7 CFR part 3019 (Uniform administrative requirements for grants

and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations); and

- 7 CFR part 3052 (Audits of States, local governments, and non-profit organizations).

Compliance with additional OMB Circulars or government-wide regulations may be specified in the grant agreement.

Dated: December 4, 2002.

Hilda Gay Legg,

Administrator, Rural Utilities Service.

[FR Doc. 02-31056 Filed 12-6-02; 8:45 am]

BILLING CODE 3410-15-P

COMMISSION ON CIVIL RIGHTS

Sunshine Act Meeting

AGENCY: Commission on Civil Rights.

DATE AND TIME: Friday, December 13, 2002, 8:30 a.m.

PLACE: New York Marriott Brooklyn Hotel, 333 Adams Street, New York, NY 11201.

STATUS:

Agenda

- I. Approval of Agenda
- II. Approval of Minutes of November 15, 2002 Meeting
- III. Announcements
- IV. Staff Director's Report
- V. State Advisory Committee
 - Appointments for Indiana and Massachusetts
- VI. Presentations from individuals and organizational representatives on Civil Rights Issues Facing Immigrants in New York City
- VII. Presentations from New York State Advisory Committee Members
- VIII. Future Agenda Items

FOR FURTHER INFORMATION CONTACT: Les Jin, Press and Communications (202) 376-7700.

Debra A. Carr,

Deputy General Counsel.

[FR Doc. 02-31146 Filed 12-5-02; 12:07 pm]

BILLING CODE 6335-01-M

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Docket 55-2002]

Foreign-Trade Zone 222—Montgomery, AL, Application for Subzone Status, Hyundai Motor Manufacturing Alabama, LLC, Plant (Motor Vehicles), Montgomery, AL

An application has been submitted to the Foreign-Trade Zones Board (the

Board) by the Montgomery Area Chamber of Commerce, grantee of FTZ 222, requesting special-purpose subzone status for the motor vehicle manufacturing plant of Hyundai Motor Manufacturing Alabama, LLC, (HMM)(a subsidiary of Hyundai Motor Co., of South Korea) located in Montgomery, Alabama. The application was submitted pursuant to the provisions of the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a-81u), and the regulations of the Board (15 CFR part 400). It was formally filed on November 27, 2002.

The HMM plant (1,752 acres/2.1 million sq.ft.) is to be located at 1500 Montgomery County Road 42 (Teague Road), between Interstate 65 and the main line of the CSX Railroad, in Montgomery (Montgomery County), Alabama. The facility, currently under construction, will be used to produce light-duty passenger vehicles (sedans, sport utility vehicles, minivans) for export and the domestic market. At full capacity, the facility (about 2,000 employees) will manufacture up to approximately 250,000 vehicles annually. Components to be purchased from abroad (representing approximately 45% of vehicle material value) would include: diesel and gasoline engines and parts thereof, pumps, oils, compressors, air conditioner components, filters, paint, flexible tubes/hoses, self-adhesive plastic or polyurethane sheets/foil/film, labels, rubber belts, tires, seats, safety glass, engines and parts of engines, mirrors, flat-rolled steel (would be admitted under privileged foreign status (19 CFR 146.41)), stranded wire of steel and copper, body parts and trim, fasteners, cotter pins, catalytic converters, parts of steering systems, half shafts, transmissions and parts of transmissions, differentials, bearings and parts thereof, compasses, thermometers, motors, batteries, ignition parts, lighting equipment, horns, windshield wipers, audio components, antennas, wiring harnesses, handles/knobs, gaskets/seals, carpet sets, seat belts, airbag modules/inflators, brake components, wheels, shock absorbers, radiators, exhaust systems, hinges, pneumatic dampeners, speedometers, tachometers, flow meters, regulators/controllers, windshields and windows, springs, valves, resistors, relays, clocks, and switches (duty rate range: free—9.0%).

FTZ procedures would exempt HMM from Customs duty payments on the foreign components used in export production. On its domestic sales and exports to NAFTA countries, HMM would be able to choose the duty rate

that applies to finished passenger vehicles (2.5%) for the foreign inputs noted above that have higher rates. Customs duties would be deferred and possibly reduced on foreign status production equipment. The application indicates that subzone status would help improve the plant's international competitiveness.

In accordance with the Board's regulations, a member of the FTZ Staff has been designated examiner to investigate the application and report to the Board.

Public comment on the application is invited from interested parties. Submissions (original and three copies) shall be addressed to the Board's Executive Secretary at the following addresses:

1. *Submissions via Express/Package Delivery Services:* Foreign-Trade Zones Board, U.S. Department of Commerce, Franklin Court Building—Suite 4100W, 1099 14th Street, NW., Washington, DC 20005; or,

2. *Submissions via the U.S. Postal Service:* Foreign-Trade Zones Board, U.S. Department of Commerce, FCB-4100W, 1401 Constitution Ave., NW., Washington, DC 20230.

The closing period for their receipt is February 7, 2003. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period (to February 24, 2003).

A copy of the application will be available for public inspection at the Office of the Foreign-Trade Zones Board's Executive Secretary at address No.1 listed above and at the U.S. Department of Commerce Export Assistance Center, Suite 707, Medical Forum Building, 950 22nd Street North, Birmingham, AL 35203.

Dated: November 27, 2002.

Dennis Puccinelli,

Executive Secretary.

[FR Doc. 02-31036 Filed 12-6-02; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Docket 57-2002]

Proposed Foreign-Trade Zone—Imperial County, California; Application and Public Hearing

An application has been submitted to the Foreign-Trade Zones (FTZ) Board (the Board) by the County of Imperial, California, to establish a general-purpose foreign-trade zone at sites in Imperial County, within and adjacent to