

Form RD 4280-2
(07-05)

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

FORM APPROVED
OMB No. 0570-0050

**RENEWABLE ENERGY/ENERGY EFFICIENCY GRANT AGREEMENT
RENEWABLE ENERGY SYSTEMS AND
ENERGY EFFICIENCY IMPROVEMENTS GRANT PROGRAM**

The purpose of this agreement is to identify the terms and conditions to be fulfilled by the Grantee upon award of a grant under the Renewable Energy Systems and Energy Efficiency Improvements Grant Program of the Rural Business-Cooperative Service, United States Department of Agriculture. Provide the requested information, read this agreement in its entirety and sign in the space on the last page. Your signature indicates consent with this agreement.

This GRANT AGREEMENT is a contract for receipt of grant funds under the Renewable Energy/Energy Efficiency program (7 U.S.C. 8106) between the undersigned Grantee and the United States of America acting through the Rural Business-Cooperative Service (RBS or Grantor). All references herein to "Project" refer to installation of a renewable energy system or energy efficiency improvement at the location identified in Block 9. Should actual project costs be lower than projected in Block 5, the final amount of grant will be adjusted to remain at the percentage identified in Block 7 of the final Eligible Project Cost.

1. Case No.		2. Grant No.	
3. Grantee Name:		4. Address of Grantee:	
5. Total Estimated Eligible Project Cost:		6. Amount of Grant:	7. Grant Amount as Percent of Total Estimated Eligible Project Cost:
8. Amount of Funds Available from Other Sources:		9. Location of Project	

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is [0570-0050]. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This form serves as the signed agreement between the USDA and the Grantee identifying the terms and conditions to be fulfilled by the Grantee upon award of a grant under the energy grant programs.

(see reverse)

- PROCEDURE FOR PREPARATION : RD Instruction 4280-B.
- PREPARED BY : RBS.
- NUMBER OF COPIES : Original and two copies.
- SIGNATURES REQUIRED : Original signed by Grantee and appropriate USDA official.
- DISTRIBUTION OF COPIES : Original to RBS safe, copy to case file, and copy to Grantee.

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GENERAL GRANTEE CERTIFICATIONS

The Grantee makes the following certifications:

(1) Assurance Agreement

Grantee assures the Grantor that Grantee is in compliance with and will comply in the course of the Agreement with all applicable laws, regulations, Executive Orders, and other generally applicable requirements, including those contained in 7 CFR part 3015, "Uniform Federal Assistance Regulations," which are incorporated into this agreement by reference, and such other statutory provisions as are specifically contained herein.

Grantee and Grantor agree to all of the terms and provisions of any policy or regulations promulgated under 7 U.S.C. 8106. Any application submitted by the Grantee for this grant, including any attachments or amendments, are incorporated and included as part of this Agreement. Any changes to these documents or this Agreement must be approved in writing by the Grantor.

The Grantor may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement.

(2) Use of Grant Funds

Grantee will use grant and matching funds only for the purposes and activities specified in the application approved by the Grantor including the approved budget. The budget and approved use of funds are further described in the Grantor Letter of Conditions and any amendments or supplements thereto. Any uses not provided for in the approved budget must be approved in writing by the Grantor. The proposed renewable energy system or energy efficiency improvements shall be constructed/installed in accordance with any energy audit recommendations or engineering or other technical reports provided by the Grantee and approved by the Grantor.

(3) Civil Rights Compliance

Grantee will comply with Executive Order 12898, the Americans with Disabilities Act of 1990, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973. This shall include collection and maintenance of data on the race, sex, and national origin of Grantee's membership/ownership and employees. This data must be available to the Grantor in its conduct of Civil Rights Compliance Reviews, which will be conducted prior to grant closing and 3 years later, unless the final disbursement of grant funds has occurred prior to that date.

(4) Financial Management Systems

A. Grantee will provide a Financial Management System in accordance with 7 CFR part 3015, including but not limited to:

- (1) Records that identify adequately the source and application of funds for grant-supported activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.

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- (2) Establishing effective controls over and accountability for all funds, property, and other assets. Grantees shall adequately safeguard all such assets and ensure that they are used solely for authorized purposes.
- (3) Preparing accounting records in accordance with generally accepted accounting principles (GAAP) and supported by source documentation.
- (4) Tracking fund usage and maintaining records that show matching funds and grant funds are used in equal proportions. The grantee will provide verifiable documentation regarding matching funds usage, e.g., bank statements or copies of funding obligations from the matching source.

B. Grantee will retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least 3 years after final grant disbursement, except that the records shall be retained beyond the 3-year period if audit findings have not been resolved. The Grantor and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Grantee's which are pertinent to the grant for the purpose of making audits, examinations, excerpts, and transcripts.

(5) Procurement and Construction

A. Grantee will comply with the applicable procurement requirements of 7 CFR part 4280 and part 3015 for equipment regarding standards of conduct, open and free competition, access to contractor records, and equal employment opportunity requirements.

B. Grantee will, for construction contracts in excess of \$100,000, provide performance and payment bonds for 100 percent of the contract price unless otherwise specified in 7 CFR part 4280, subpart B, § 4280.115.

(6) Acquired Property

A. Grantee will in accordance with 7 CFR part 3015, hold title to all real property described in Block 11, including improvements to land, structures, fixtures, or other things attached to the real property. Movable machinery and other kinds of equipment are not real property (see Item 2 below). In addition all property, including real estate and fixtures acquired or improved by this grant and equipment, will be subject to the disposition requirements of 7 CFR part 3015, subpart R. **THE GRANTEE AGREES TO NOTIFY AND OBTAIN THE APPROVAL OF THE GRANTOR BEFORE DISPOSING OF (1) ANY REAL PROPERTY OR FIXTURES ACQUIRED WITH THIS GRANT AND (2) ANY EQUIPMENT ACQUIRED WITH THIS GRANT WITH A UNIT ACQUISITION COST OF GREATER THAN \$1,000.**

B. This Grant Agreement covers the equipment described in Block 12. Grantee will abide by the requirements of 7 CFR part 3015 pertaining to equipment, which is acquired wholly or in part with grant funds. Grantee agrees not to encumber, transfer, or dispose of the property or any part thereof, acquired wholly or in part with Grantor funds, without the written consent of the Grantor.

C. If required by Grantor, record liens or other appropriate notices of record to indicate that personal or real property has been acquired or improved with Federal grant funds, and that use and disposition conditions apply to the property as provided by 7 CFR part 3015.

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(7) Reporting

A. Grantee will after Grant Approval through Project Construction:

- (1) Provide periodic reports as required by the Grantor. A financial status report and a project performance report will be required on a quarterly basis (Due 30 working days after end of the quarter. For the purposes of this grant, quarters end on March 31, June 30, September 30, and December 31). The financial status report must show how grant funds and matching funds have been used to date and project the funds needed and their purposes for the next quarter. A final report may serve as the last quarterly report. Grantees shall constantly monitor performance to ensure that time schedules are being met and projected goals by time periods are being accomplished. The project performance reports shall include the following:
 - a. A comparison of actual accomplishments to the objectives for that period.
 - b. Reasons why established objectives were not met, if applicable.
 - c. Reasons for any problems, delays, or adverse conditions which will affect attainment of overall program objectives, prevent meeting time schedules or objectives, or preclude the attainment of particular objectives during established time periods. This disclosure shall be accomplished by a statement of the action taken or planned to resolve the situation.
 - d. Objectives and timetables established for the next reporting period.
- (2) Final project development report which includes a detailed project funding and expense summary; summary of facility installation/construction process including recommendations for development of similar projects by future applicants to the program.
- (3) For the year(s) in which in Grant funds are received, Grantee will provide an annual financial statement to Grantor.

B. Grantee will after Project Construction

1. Allow Grantor access to the project and its performance information during its useful life.
2. Provide periodic reports as required by Grantor and permit periodic inspection of the project by a representative of the Grantor. Grantee reports will include, but not be limited to, the following:
 - a. Purchase of Renewable Energy System Project Report. Commencing the first full calendar year following the year in which project construction was completed and continuing for 3 full years a report detailing the following will be provided:
 - i. Quantity of Energy Produced. Grantee to report the actual amount of energy produced in BTUs, kilowatt-hours, or similar energy equivalents.
 - ii. Environmental Benefits. If applicable, Grantee to provide documentation

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that identified health and/or sanitation problem has been solved.

- iii. Return on Investment. Grantee to provide the annual income and/or energy savings of the renewable energy system.
 - iv. Summary of the cost of operating and maintaining the facility.
 - v. Description of any maintenance or operational problems associated with the facility.
 - vi. Recommendations for development of future similar projects.
 - vii. Actual jobs created or saved.
- b. Energy Efficiency Improvement Project Report. Commencing the first full calendar year following the year in which project construction was completed and continuing for 2 full years. Grantee will report the actual amount of energy saved due to the energy efficiency improvements.

(8) Grant Disbursement

Grantee will disburse grant funds as scheduled. Unless required by funding partners to be provided on a pro rata basis with other funding sources, grant funds will be disbursed after all other funding sources have been expended.

A. Requests for reimbursement may be submitted monthly or more frequently if authorized to do so by the Grantor. Ordinarily, payment will be made within 30 days after receipt of a proper request for reimbursement.

B. Grantee shall not request reimbursement for the Federal share of amounts withheld from contractors to ensure satisfactory completion of work until after it makes those payments.

C. Payment shall be made by electronic funds transfer.

D. Standard Form 271, "Outlay Report and Request for Reimbursement for Construction Programs," or other format prescribed by Grantor shall be used to request Grant reimbursements.

E. For renewable energy projects, grant funds will be disbursed in accordance with the above through 90 percent of grant disbursement. The final 10 percent of grant funds will be held by the Grantor until construction of the project is completed, operational, and has met or exceeded the test run requirements as set out in the grant award requirements.

(9) Post-Disbursement Requirements

Grantee will own, operate, and provide for continued maintenance of the Project.

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IN WITNESS WHEREOF, Grantee has this day authorized and caused this Agreement to be signed in its name and its corporate seal to be hereunto affixed and attested by its duly authorized officer(s).

GRANTEE:

_____ [SEAL]
Name:
Title:

Date

ATTEST:

_____ [SEAL]
Name:
Title:

Date

UNITED STATES OF AMERICA
RURAL BUSINESS-COOPERATIVE SERVICE

By: _____
Name:
Title:

Date