Powering Affordable Reliable Technology (PART) Energy Program

Letters of Interest Guide

Rural Utilities Service

Electric Program

September 8, 2026

A copy of this Guide and copies of supporting documents and information are available at https://www.rd.usda.gov/programs-services/electric-programs/powering-affordable-reliable-technology-program. If you require alternative means of communication for program information (*e.g.*, Braille, large print, audiotape) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD) or the 711 Relay Service.

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Please Note: *The formatting of this document does not take into consideration accessibility concerns if the document were to be printed and viewed in a hard copy format.*

Executive Summary

The Rural Utilities Service (RUS or the Agency), a Rural Development (RD) Agency of the United States Department of Agriculture (USDA), is soliciting Letters of Interest (LOI) for loan Applications, announcing the Application process for those loans, and providing deadlines for Applications from eligible entities under the Powering Affordable Reliable Technology (PART) Energy Program. These loan funds will be made to qualified PART Applicants to finance power generation Projects for Renewable Energy Resource (RER) systems or Energy Storage Systems (ESS) that support RER Projects. The PART Program is making approximately $410 million in appropriated budget authority (BA) funding available under the Inflation Reduction Act of 2022 (IRA). That BA will translate into approximately $1.1 billion.

This Guide describes the PART Program requirements and provides Applicants with the guidance and instructions necessary to prepare and submit a Letter of Interest (LOI) via Grants.gov. RUS will expand this guide in the future to include additional details on the submission of Applications and the post-application process requirements under PART.

This Guide is specific only to the PART Program and only provided as guidance. The NOFO is the formal guidance of the PART Program and any information contained within the NOFO takes precedence over this Guide. All PART requirements may be found in the NOFO in Grants.gov.

Section I: Program Summary

A. Notice of Funding Opportunity (NOFO)

A Notice of Funding Opportunity (NOFO) for the Powering Affordable Reliable Technology (PART) Energy Program was published in Grants.gov on August 3, 2026, to support affordable energy growth across America. The NOFO specifies that the Rural Utilities Service (RUS), a Rural Development (RD) agency of the United States Department of Agriculture (USDA), is soliciting LOIs for loan applications, announcing the application process for those loans, and providing deadlines for Applications from eligible entities under the PART Program.

B. Introduction to the PART Program

PART is authorized under Section 22001 of the Inflation Reduction Act, (IRA) Public Law 117-169 (IRA). Other Federal statutes and regulations that apply to this Notice are: Section 317 of the Rural Electrification Act of 1936, 7 U.S.C. 940g (RE ACT), 7 U.S.C. 8103, 7 CFR parts 1700-1730, 1767, 1773, and 1787, and 7 CFR part 1b.

The PART Program is to be carried out by the RUS pursuant to Section 22001 of the IRA. Section 22001 of the IRA amends Section 9003 of the Farm Security and Rural Investment Act of 2002 by adding new subsection (h). Section 22001 of the IRA provides RUS with appropriated funds "for the cost of loans under Section 317 of the RE Act." Additionally, Section 22001 of the IRA provides that PART funds may be utilized to finance Projects that store electricity generated from eligible energy sources listed under Section 317 of the RE Act. These Project Loans or System Loans will be forgiven up to forty percent (40%), provided the Awardee and the Project otherwise meet the terms and conditions of the loan forgiveness. Approximately $410 million in budget authority, or approximately $1.1 billion million in loans, is being made available under this Notice. The Administrator reserves the right to increase this funding level should additional funds become available or reduce funding in the event an insufficient number of high-quality projects are submitted for consideration.

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

This funding round will only provide awards for the construction of hydro, geothermal, or biomass energy generation, and/or storage systems charged with any energy source eligible under section 317 of the Rural Electrification Act.

C. The Rural Utilities Service (RUS)

RUS is a Rural Development (RD) agency of the United States Department of Agriculture (USDA). RUS administers Federal programs that support the development and improvement of necessary infrastructure in rural areas. To further RD's mission of expanding economic opportunities and improving the quality of life for rural residents, RUS invests across a broad range of sectors. RUS investment areas include water and wastewater treatment, electric power, and telecommunications services.

The RUS Electric Program, which provides capital and leadership to maintain, upgrade, and modernize America's vast rural electric infrastructure, will implement the PART Program. Under the authority of the RE Act, the Electric Program makes direct loans and loan guarantees, as well as grants, available to eligible borrowers to finance the construction of new electric distribution, transmission, and generation facilities or to finance system improvements and replacements of existing electric facilities. The Electric Program also provides funding to support demand-side management, energy efficiency (EE) and conservation programs, and on-grid and off-grid renewable energy (RE) systems.

The RUS Electric Program is well known for providing financing to rural electric cooperatives. RUS Electric Program financing is and has long been made available to corporations, tribal utilities, states, territories, and subdivisions and agencies thereof, municipalities, utility districts and non-profit organizations that serve consumers in rural areas. In general, to be an eligible borrower the entity must provide or propose to provide: i) the electric service needs of rural areas, or ii) the power supply needs of distribution borrowers under the terms of power supply arrangements satisfactory to RUS.

D. Eligibility Requirements

PART applicant(s) and the respective project(s) for which funding is being requested under the PART Program must meet eligibility requirements, including:

- **Eligible Applicants**: Eligible Applicants are identified in the NOFO and include, but are not limited to, electric service providers such as municipal utilities, cooperatives, private-sector developers, and investor-owned or Tribal utilities.

- **Eligible Service Areas**: Electricity generated or discharged from facilities shall be provided to both "rural and nonrural residents" located in service areas determined to be eligible under PART.

- **Eligible Projects**: The types of projects eligible to be financed with PART loan funds include the following Renewable Energy Resource (RER) systems that generate electricity or Energy Storage Systems (ESS) that support RER Projects. Only hydro, geothermal, or biomass energy generation, and/or storage systems charged with any energy source eligible under section

317 of the Rural Electrification Act are eligible under this funding Notice.

- **Eligible Project Costs**: Reasonable project costs that are capitalized may be eligible to be financed with PART loan funds, but limitations on the amount of funds to be awarded will depend on the type of loan, the amount of loan funds requested, loan security, and other factors.

E. Available Funding and Types of Loans

Available Funds: Approximately $410 million in budget authority through September 30, 2031. However, based on projected subsidy rates, RUS expects to have approximately $815 million available to lend for the PART Program.

RUS may, at its discretion, increase the total level of funding available in this funding round from any available source provided the Awards meet the requirements of the statute which made the funding available to the Agency. The Agency may also choose to obligate fewer funds if in the sole judgement of the agency there are not a sufficient number of high-quality applications.

Type of Awards: The type of awards to be provided under PART are Project Loans or System Loans with loan forgiveness up to forty percent (40%), provided the Awardee and the Project otherwise meet the terms and conditions of the loan forgiveness.

Award Amounts: The maximum loan amount, inclusive of the forgivable portion, of any individual Award is limited to $100 million. Additionally, the combined total of any prior Powering Affordable Clean Energy (PACE) Award, PART Award or any other award made under Section 22001 of the Inflation Reduction Act may not exceed $100 million.

Loan Types: RUS will offer both Project Loans and System Loans to finance eligible PART projects. Project Loans and System Loans are also detailed in Section II of this Program Guide.

Municipal Rate Loans: Loans made under the PART Program will bear interest equal to the municipal rate as provided in Section 317(c) of the RE Act, and as further described in the first sentence of 7 CFR 1714.4(a) and 7 CFR 1714.5(a)-(c). Municipal rates can be found at https://www.rd.usda.gov/page/rural-utilities-loan-interest-rates. Note that because there is no interest rate cap for the PART Program, the third sentence of 7 CFR 1714.4(a) and 7 CFR 1714.5(d) shall not apply. Interest rates are announced by the Agency on a periodic basis and will be set for a particular loan at the time funds are drawn. The published rates described above are the rates that a borrower would pay if the borrower had drawn funds on the day the rates were in effect. The actual rates an applicant will pay when funds are drawn would likely be different than the rates offered today.

F. Key Dates and Timelines

Date IRA Signed into Law: August 16, 2022.

NOFO Publish Date*:* August 3, 2026.

Submittal of Letters of Interest: Letters of Interest (LOIs) may be submitted beginning at 11:59 a.m. Eastern Time (ET) on September 8, 2026. LOIs will be accepted until 11:59 a.m. ET October 9, 2026. Submitters are advised that PART LOIs will be reviewed on a rolling basis as they are received and ranked accordingly reserving for the Administrator the right to take geographic diversity and substantially underserved trust area eligibility into account when ranking LOIs for further consideration and award.

Submittal of Application: An applicant that is invited by RUS to proceed to the next level of review through the submission of a full loan Application will have 60 calendar days from the date that the Invitation to Proceed is emailed to the PART Applicant or at a time agreeable in writing to the Agency. If the deadline to submit the completed Application falls on Saturday, Sunday, and/or a Federal holiday, the Application is due the next business day. RUS reserves the right, in its sole discretion, to extend the deadline for the submittal of a full Application upon a written request of the applicant if the applicant demonstrates to the satisfaction of the Administrator that exceptional circumstances exist to warrant the extension, and the agency grants the extension in writing.

Dates Funds Are Available: PART funds will be made available in the fiscal year 2026 and will only be available through September 30, 2031. Award agreements will contain a provision that requires the advance of all loan funds on or before September 30, 2031. All undisbursed funds as of close of business on September 30, 2031, will automatically be rescinded. Applicants are advised that the Agency will set a last day for advance in Award agreements well in advance of the statutory limit.

Anticipated Award Date: From September 2026 to December 2027.

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

Eligible Construction Start Date: Only those projects where construction begins after the date of publication of the PART Notice are eligible for funding under PART. Furthermore, construction cannot commence until after the submitter has received a written environmental clearance message from RUS. Any applicant that starts construction prior to the agreement on loan terms assume all risks and responsibilities for incurred expenses should the agency and applicant not come to agreement on loan terms.

RUS Environmental Approval: Projects must receive RUS environmental clearance prior to the start of construction to remain eligible to receive PART loan funds or RUS financing. A project in the pre-construction planning stage before the date of publication may be eligible for IRA financing provided construction has not commenced prior to completion of the environmental review and prior to the date of publication of the PART Notice.

G. How to Submit an LOI

Letters of Interest (LOI): Each applicant must submit an LOI to RUS electronically through Grants.gov. A detailed description of the items that should be included in an LOI and the specific requirements and instructions for submitting the LOI through Grants.gov are provided in Sections III and IV of this Guide, as well as the NOFO. Applicants are required to read the requirements of Grants.gov before submitting an application on that platform.

H. Definitions and Acronyms

Refer to the Appendices A and B.

I. Additional Information and Resources

Additional information and resources regarding PART including a copy of this PART Program Guide are available at https://www.rd.usda.gov/programs-services/electric-programs/powering-affordable-reliable-technology-program

If you require alternative means of communication for program information (*e.g.*, Braille, large print, audiotape) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD) or the 711 Relay Service.

Questions regarding the PART Program can be emailed to:
SM.RD.RUS.PART-Questions@usda.gov

Section II: Program Requirements and Restrictions

A. Funding Restrictions

The key PART Program funding restrictions are listed below:

(a) Entities that been approved for an award under the RUS Powering Affordable Clean Energy (PACE) Program or the RUS Empowering Rural America (New ERA) Program may not apply for the same Project under the PART Program. Failure to follow this limitation could result in the PART Applicant being disqualified from the PART program.

(b) Only Projects where construction begins after the date of publication of this Notice will be eligible for funding under the PART Program.

(c) Funding will not be provided for merchant power Projects; Projects where a non-utility entity is generating power for its own use or behind the meter projects owned by the consumer.

(d) Funding will not be provided for the purchase of any existing RER or ESS.

(e) There are no Application or origination fees for loans under the PART Program.

(f) RUS will only finance Projects that utilize Commercially Available Technology under this Notice.

PART Applicants may, with RUS approval request reimbursement for interconnection costs and other costs associated with being able to deliver the RER and/or the ESS to Off-Takers.

B. Eligibility Information

PART LOI submitters and the projects for which they are requesting funding must meet certain eligibility requirements. These include sufficient information to determine:

- Whether an applicant is eligible to submit an LOI and application under PART;
- Whether the areas proposed to be served by the projects financed under PART are eligible; and
- The types of proposed projects and whether proposed project costs are allowed to be financed with PART loan funds.

1. Eligible LOI Submitters and Applicants

RUS will accept LOIs and Applications from Operating Utilities that are determined to be

Eligible to participate in the PART Energy Program. Eligible Operating Utilities include:

(a) For-profit organizations;
(b) State or local governments;
(c) Indian tribes defined by the Federally Recognized Indian Tribe List Act of 1994 (Public Law 103-454; 108 Stat. 4791, 4792), including their wholly arms and instrumentalities;
(d) Alaska Native Corporations, regional or village corporations as defined under or established pursuant to the Alaska Native Claims Settlement Act (Public Law 104-42; 85 State. 688);
(e) Nonprofits;
(f) Distribution electric cooperatives, and generation and transmission electric cooperatives; and
(g) Certified Electric Utilities.

LOIs and Applications otherwise eligible from any entity in the above categories will be evaluated for funding.

2. Eligible Service Areas

PART funds shall be used to finance an eligible RER or an eligible ESS where electricity generated or discharged is provided to "rural and nonrural residents" in Eligible Service Areas. Service areas are determined to be eligible based on those communities that receive and consume the electricity generated or discharged from a Project and not by the location of the Project.

Eligible Service Areas must meet the minimum rural percentage of at least 50 percent, unless waived by the Administrator based upon a showing A waiver would provide substantial benefits to rural consumers to avoid or mitigate the costs of excessive energy burdens, or severe economic conditions. The service areas of a former RUS or REA borrower may be considered 100 percent rural for the purposes of their applications as described further below.

The Eligible Service Areas will need to be determined for each Project and, in those cases where there are multiple owners (i.e., co-owners) of a Project, the Eligible Service Areas may need to be determined separately for each co-owner. A co-owner of a Project that is an Eligible Entity may in turn have more than one Off-Taker that receives the output from the Project. In such a case, the Service Areas of all the Off-Takers are combined to determine rural eligibility.

There may be cases where multiple Projects provide electrical power that is delivered to and consumed within the same Eligible Service Areas. If a Project does not provide service to an area that meets the minimum rural percentage of at least 50 percent or the Applicant has secured a written waiver from the Administrator, then the Applicant will not be eligible to receive PART Program loan funds for the Project.

An Applicant will need to upload digital Shapefiles that reflect the applicable service areas associated with each Project and demonstrate that the service areas meet the minimum rural percentage of at least 50 percent.

The following are important definitions and steps used to determine Eligible Service Areas:

Rural area: A "rural area" for PART means:

(a) Any area other than a city, town, or unincorporated area that has a population of greater than 20,000 inhabitants, or
(b) The service areas of current RUS borrowers or a former RUS or Rural Electrification Act (REA) borrowers for the purpose of that entity's application.

The service areas of a former RUS or REA borrower would be considered rural only in those cases where 1) the PART Applicant is a former borrower and 2) the Project being financed with PART loan funds is providing electricity to the service areas of the former borrower.

Rural Determination: The service of current and former Rural Electrification Act Borrowers are deemed to be rural for those borrowers.

If the PART Applicant is not a current RUS borrower nor a former RUS or REA borrower, a rural determination will be conducted by RUS to:

(a) Identify the service territory where electricity from the facilities to be financed by PART loan funds would be delivered and consumed; and
(b) Further identify those areas within the service territory that are rural versus those areas that are non-rural.

Rural Percentage: If the PART Applicant is not a current RUS borrower nor a former RUS or REA borrower, the rural determination will calculate the rural percentage of the service territory. The rural percentage will be calculated by choosing one of the following 2 methods that provides the best results:

(a) The population located in the Rural Areas of a service territory versus the total population of the entire service territory; or
(b) Meters served in the Rural Areas of a service territory versus meters served in the entire service territory - assuming the data and information to conduct this calculation is made available to RUS.

3. Eligible Projects

A Project that is eligible to be financed with PART loan funds includes the construction of a new RER that generates electricity from Hydro, Geothermal and/or Biomass technologies and/or the construction of a new ESS used to store electricity in support of the technologies In Section 317 of the Rural Electrification Act.

Each RER and ESS that is to be financed with PART loan funds must be installed to provide electrical capacity and/or energy, as well as any ancillary services should they be included, for resale to rural and non-rural residents located in eligible service areas.

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

New facilities must be constructed after the publication date of this Notice and after the applicant receives environmental clearance from RUS in writing as well as be compliant with all other applicable requirements of the NOFO to remain eligible for financing with PART loan funds.

A project must have received RUS environmental clearance prior to the start of construction to remain eligible for financing under the PART Program.

The following elements and associated reasonable costs may be included in a PART LOI submission:

- New facilities that generate electricity from an RER under this Notice, including facilities that store electricity that support such assets (ESS) from technologies listed in Section 317 of the Rural Electrification Act. RUS will not approve facilities that violate the terms of an Applicant's existing wholesale power contract.
- New linear facilities, including microgrids and distributed renewable energy, and equipment that are necessary to operate the Project including, but not limited to, transmission or distribution facilities that are needed to export, transmit, and deliver power from the generating facility to the Off-Taker.
- The upgrading of existing linear facilities and equipment that are necessary to operate the Project including, but not limited to, transmission or distribution facilities that are needed to export, transmit, and deliver power from the generating facility to the Off-Taker(s).

- The Project may include one or more RERs eligible under this NOFO and/or ESSs eligible under this Notice.
- Facilities may be co-located to operate interconnectedly or independently or constructed at separate sites.
- RERs and ESSs must be installed so that the eligible RER can provide energy and any ancillary services for resale to rural and non-rural residents located in Eligible Service Areas.
- Applicants may request interconnection and other costs associated with being able to deliver the RER and/or the ESS eligible under this Notice to Off-Takers, including related microgrid investments. Successful applicants may also recover a portion of their capitalizable pre-application costs pursuant to 7 CFR part 1767 and this Notice.

4. Eligible Project Costs

PART loan funds shall be used to finance Eligible Projects listed above and where applicable the costs for such facilities described in 7 CFR 1710.106, including interest during construction (IDC) pursuant to 7 CFR 1710.106(a)(4). Costs must be reasonable, allocable, and necessary for the Project. All eligible costs shall be those that are capitalized and are recorded as an asset on the Applicant's balance sheet.

Capital costs may include, but not be limited to, land purchases, planning, design and engineering, feasibility studies, project management, equipment purchases and leases, materials and supplies, labor, construction contingencies, permitting, licensing and legal fees, insurance, startup and commissioning, taxes, and interest. Basically, any costs incurred during development and construction that are directly attributable to placing the Project into service should be capitalized. The Applicant must provide an estimated total cost of the Project along with a detailed description of and cost breakdown of the Project.

PART loan funds may be used to pay off or replace an interim construction loan used to finance an Eligible Project that has cleared environmental review, but PART loan funds cannot be used to refinance other outstanding debt. Also, PART loan funds cannot be used to finance any operating or maintenance expenses nor any other costs that are expensed.

PART Funds may be used to acquire or improve an operating facility using a technology or technologies eligible under this Notice, provided the action facilitates an increase in power supply to the Applicant after the date of publication of this Notice.

An Applicant may include in its loan Application the costs specified in 7 CFR 1710.106, including interest during construction (IDC) pursuant to 7 CFR 1710.106(a)(4).

Note that the PART Program does not require Applicants to pay any fees to submit an LOI or an Application for a loan, nor to have RUS process a loan application.

C. Types of Loans

RUS will offer both Project Loans and System Loans to finance a project as described below.

1. System Loans

A System Loan is provided where the PART Award is secured through a senior security interest in all assets of the PART Applicant. System Loans are only available to currently operating electric utilities.

To receive a System Loan, the PART Applicant will provide, if it has not already been provided, RUS with a perfected senior lien (or shared perfected senior lien on a Pari Pasu basis) on all its existing assets, both real and personal, including intangible personal property, as well as after-acquired property. At the Administrator's discretion, a PART Applicant may be permitted to secure a System Loan through an indenture, if RUS is granted a perfected senior security interest in all its assets by the trustee.

A System Loan may be used to finance 100 percent of the Project costs included in an Application. At the discretion of the Administrator, System Loan funds can be released to finance Projects for costs incurred during construction of the facilities. This would be accomplished by the submittal to and approval by RUS of selected executed procurement and construction contracts where the total price of the contracts has been encumbered and then allowing the Applicant to drawdown the encumbered loan funds based on the cost incurred to date. However, loan forgiveness will not occur until the Project has been completed and RUS has confirmed that the Awardee has satisfied all other conditions specified in the Award. The Agency reserves the right to claw back funds advanced for projects that do not meet their loan commitments.

2. Project Loans

A Project Loan is provided to Applicants that are not eligible for, or have decided not to pursue, a System Loan.

A Project Loan is used to finance an eligible Project where the PART Award is secured through a senior security interest on the Project's assets and the revenues generated from the Project's assets, rather than by a security interest of all the assets of the PART Applicant's electric utility system.

With a Project Loan, the Applicant would own and operate the eligible RER and/or ESS that are financed with the PART loan funds and ensure that the electrical output of these facilities is delivered to an Off-Taker(s) who has/have agreed to receive and purchase the power under an executed power purchase agreement (PPA). The facilities may interconnect to a transmission grid system, a distribution system, a micro-grid, or other system that is used to ultimately deliver and distribute the power to rural and non-rural residents in Eligible Service Areas. The Awardee must collaterally assign the PPA to RUS as security, with the Off-Taker's consent.

A Project Loan will be used to finance a Project in the amount that does not exceed any one of the following:

- 75 percent of the total capitalized cost of the Project;
- The total capitalized cost of the project minus both the project's equity contribution & other sources of capital financing (e.g., grant funds, loans for other lenders, etc.); or
- The loan amount requested by the Borrower.

Unless otherwise approved, a Project Loan requires that the Applicant provide a 25 percent minimum cash equity investment in the Project prior to the release of any PART loan funds, and that the Applicant maintain an equity level at or above 25 percent throughout the life of the loan, unless otherwise agreed to by the agency. This must be reflected in the term of the loan in the Awardee's Long Range Financial Forecast (LRFF).

The Administrator may consider tax credits or direct payments in lieu of tax credits the Awardee receives under the Internal Revenue Code when calculating equity investment requirements for a PART Applicant's proposed Project. If the Administrator allows a PART Applicant to meet the financial equity requirement by utilizing applicable tax benefits, the Administrator may require additional credit support from the PART Applicant pending the PART Applicant's receipt of the tax benefit.

Further, the Agency may utilize its authority under Section 306F of the RE Act and finance up to 100 percent of the cost of Projects benefiting SUTA areas. Project Award funds will only be released after commercial operation of the Project is commenced and RUS has confirmed that the Awardee has satisfied all other conditions specified in the Award.

The Awardee will need to establish and fund at least two separate reserve accounts. These include: 1) an O&M Reserve Account in the amount equal to the operation & maintenance (O&M) expenses that the Borrower is expected to incur during one year of operation, and 2) a Debt Reserve Account in the amount equal to all principal and interest (P&I) that the Borrower would be required to pay for one year.

The Office of Loan Origination and Approval (OLOA) may require the establishment of other reserve accounts depending on the perceived risks of the project. The Borrower would need to make the appropriate deposits into the reserve accounts before closing. RUS may allow a parent company guarantee to be used in lieu of or as a complement to establishing the reserve accounts. In addition to the reserve accounts, the Awardee may be required to establish a Sinking Fund to factor in the expected cost to replace major components during the term of the loan (*e.g.*, inverters, wind turbine blades, battery cells, etc.).

D. Loan Forgiveness

Eligible projects receiving funding under this notice shall be eligible for loan forgiveness up to 40 percent. At the discretion of the Administrator, System Loan funds can be released to finance Projects for costs incurred during construction of the facilities; however, loan forgiveness will not occur until the Project has been completed and RUS has confirmed that the Awardee has satisfied all other conditions specified in the Award.

E. Federal Requirements

1. Statutory and Regulatory Authority

PART is authorized under Section 22001 of the Inflation Reduction Act, (IRA) Public Law 117-169 (IRA). Other Federal statutes and regulations that apply to this notice are: Section 317 of the Rural Electrification Act of 1936, 7 U.S.C. 940g (RE Act), 7 U.S.C. 8103, 7 CFR parts 1700-1730, 1767, 1773, and 1787, and 7 CFR part 1b.

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This funding round will only provide awards for the construction of hydro, geothermal, or biomass energy generation, and/or storage systems charged with any energy source eligible under section 317 of the Rural Electrification Act.

2. Environmental and Historic Preservation Requirements

Projects to be financed with PART loan funds must meet the requirements of environmental review including but not limited to compliance with the National Environmental Policy Act of 1969, as amended (NEPA) (42 U.S.C 4321, et seq), implemented by USDA at 7 CFR part 1b, Section 7 of the Endangered Species Act (16 U.S.C. 1531 et seq.) (50 CFR part 402), and Section 106 of the National Historic Preservation Act (NHPA)(54 U.S.C. 300101 et seq.)(36 CFR Part 800).

3. Build America, Buy America Requirements

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

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

> (i) All iron and steel used in the Project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
> (ii) All manufactured products used in the Project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.
> (iii) All construction materials (excludes cement and cementitious materials, aggregates such as stone, sand, or gravel, or aggregate binding agents or additives) are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States.

BABAA only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does BABAA apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project. Any requests for waiver of these requirements must be submitted pursuant to USDA's guidance available online at https://www.usda.gov/ocfo/federal-financial-assistance-policy/USDABuyAmericaWaiver.

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

4. Additional Federal Requirements

Other Federal requirements that applicants may be required to adhere to are listed in the table below with a brief description. This is not a comprehensive list and is provided for informational purposes only.

- **Federal Funding Accountability and Transparency Act**: All applicants, in accordance with 2 CFR part 25, must be registered in System for Award Management (SAM) and have a Unique Entity Identifier (UEI) number as stated in Section D.3 of the NOFO. Additional information on SAM and UEI is detailed in Section III of this Guide. All recipients of Federal financial assistance are required to report information about first-tier sub-awards and executive total compensation in accordance with 2 CFR part 170.

- **2 CFR part 200**: This regulation establishes the administrative requirements for the management of Federal grant programs, the principles for determining allowable costs incurred by Awardees, and the auditing requirements to establish consistency in the audit of potential Awardee.

- **Parts to Title 7 of the CFR**: Except as provided in the PART NOFO and in the executed loan agreements, all other generally applicable regulations contained in 7 CFR parts 1700-1730, 1767, 1773, and 1787, and 7 CFR part 1b will apply to PACE loans, as well as relevant Bulletins published by the RUS Electric Program.

- **Disclosure of Foreign Entities**: Pursuant to the Defense Production Act of 1950 and the Foreign Investment Risk Review Modernization Act of 2018, RUS will require PART Applicants to disclose any foreign person or foreign entity that has an ownership, management rights, or voting interest in the PART Applicant or the Project.

- **Title VI of the Civil Rights Act of 1964**: Federal agencies are responsible for ensuring that Federal funding assistance does not contribute to programs that discriminate based on race, ethnicity, or national origin. If any recipient of Federal funding is found to have discriminated based on race, ethnicity, or national origin, the responsible Federal agency will take remedial action in accordance with Title VI of the Civil Rights Act.

Section III: The Letter of Interest (LOI)

A. Submission through Grants.gov

An Applicant will be required to prepare and submit a Letter of Interest (LOI) that will be evaluated by RUS to determine if the Applicant can proceed with an Application for a PART loan. The components of an LOI must be submitted electronically through Grants.gov.

This section describes the essential elements included in an LOI, and the criteria that RUS will use to evaluate all LOIs. The process for preparing and submitting an LOI using Grants.gov is detailed in Section IV.

B. Submission Dates and Times

LOIs can be submitted using Grants.gov beginning at 11:59 a.m. Eastern Time (ET) on September 8, 2026. The online window to submit LOIs will remain open until 11:59 a.m. ET October 9, 2026. Submitters are advised that PART LOIs will be reviewed on a rolling basis as they are received and ranked accordingly reserving for the Administrator the right to take geographic diversity and substantially underserved trust area eligibility into account when ranking LOIs for further consideration and award.

RUS will consider only complete LOIs as they are received.

RUS reserves the right to ask PART Applicants for clarifying information on, or additional information related to, the LOI after it has been submitted on Grants.gov.

If an LOI submitter has been selected to proceed with the loan Application, they will receive an Invitation to Proceed instructing them to submit a completed loan Application within 60 days, or a time agreed to with the Agency.

C. Prerequisites to Submitting an LOI

It is vital that each Applicant understands and appropriately addresses the following items prior to submitting an LOI via Grants.gov:

- **Registered Account via Grants.gov**: You only need to register once in order to apply for Federal funding opportunities on Grants.gov. But if you are applying for the first time, this is a key step in the process. A training video that guides users through the registration process is available (Intro to Grants.gov - How to Register with Grants.gov (Updated) - YouTube).

- **Federal Tax Identification Number**: An Applicant must provide their Federal Tax Identification number as part of Standard Form 424 during the LOI submission.

- **System for Award Management and Unique Entity Identifier**:

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

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

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

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

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

  (f) Prospective applicants are advised to secure the necessary registrations mentioned above well in advance of the submission of their LOI. Delays in submission due to incomplete, inaccurate or expired registrations could delay the submitter's ability to submit an LOI which in turn could profoundly affect the likelihood of funding.

D. Other Submission Requirements and Limitations

A potential Applicant should also be aware of other submission requirements and limitations such as those listed below.

(1) An entity may only submit one LOI, which must be prepared and submitted using Grants.gov. For more information see https://www.rd.usda.gov/programs-services/electric-programs/powering-affordable-clean-energy-pace-program.

Each LOI submitter may only submit one LOI, upon receiving an RUS Invitation to

Proceed, and each PART Applicant may only receive one Award.

(2) An Invitation to Proceed or RUS' approval of a PART Application does not constitute approval of any agreement or document outlined in the PART NOFO, this Guide, or the applicable PART loan agreement.

(3) A PART Applicant must, after submitting an LOI or loan Application, promptly notify RUS of any changes in its circumstances that materially affect the information contained in the LOI or loan Application.

E. Information Required in an LOI

For the submission of an LOI package on Grants.gov, please complete the required fields in the SF 424 within Grants.gov **and attach all remaining LOI documents as outlined below**. To attach the documents outlined below to the SF 424, please go to Section 15 of the SF 424, and click "Add Attachments." For those LOIs with multiple projects, a unique number or name should be used for attachments related to each project (*i.e.*, Project 1, Project 2, etc.).

An Applicant will need to submit the following LOI documents as attachments to the SF 424 in order for RUS to consider an LOI submission complete via Grants.gov:

i. A pdf of the completed PART "LOI for PART submission." The pdf can be found on the PART website.

ii. Shapefiles for each project included in the LOI. Shapefiles must use the tool included in this Guide (Section 'L' below).

iii. Supporting documents, including a copy of the LOI submitter's balance sheet and income statements for the shorter of the last three years or the years the LOI submitter has been in operation. The LOI submitter must also provide balance sheet and income statements for the last three years of any entity or entities providing equity or security for the loan, with an explanation of the legal relationship to the LOI submitter.

F. Instructions and Specifications for Submitting Shapefile(s)

Applicants must submit a service area Shapefile for each project with the following specifications:

1. All map areas must be closed, non-overlapping polygons with a single, unique identifier.

2. The Shapefile must have an assigned projection with an accompanying .prj file.

3. The Shapefile must use an unprojected (geographic) WGS84 geographic coordinate system.

4. The Shapefile must be submitted as a *.zip file. This can be done with a WinZip or in Windows by selecting the files associated with a Shapefile, right-clicking the files, then clicking “Send” to Compressed (zipped) fold. The *.zip file must contain only one Shapefile.

5. The saved file(s) should be renamed to the Applicant’s name and project name and include “service area” in the file name(*e.g.*, bobselectric_project 1_service_area.zip)

Applicants must submit a project location Shapefile for each project with the following specifications:

1. All map areas can be nonoverlapping point, polygon or line features, with a single unique identifier

2. The Shapefile must have an assigned projection with an accompanying .prj file.

3. The Shapefile must use an unprojected (geographic) WGS84 geographic coordinate system.

4. The Shapefile must be submitted as a *.zip file. This can be done with a WinZip or in Windows by selecting the files associated with a Shapefile, right-clicking the files, then clicking “Send” to Compressed (zipped) fold. The *.zip file must contain only one Shapefile.

5. The saved file(s) should be renamed to the Applicant’s name and project name and include “project location” in the file name (e.g., bobselectric_project 1_project_location.zip)

If the applicant does not have the tools to create their own Shapefile, they can use the RUS geospatial mapping tool to draw the service areas associated with each PART project and then upload Shapefile(s) to Grants.gov as part of an LOI submission. Applicants can go to https://experience.arcgis.com/experience/08d1c305437f4994b79033acfe3eb223 and draw a separate Shapefile of the service area for each proposed project to be included in a single PART application. The saved file(s) must be renamed to the Applicant’s name and project name (*e.g.*, bobselectric_project 1_service_area.zip). **The Shapefile(s) should then be uploaded to Grants.gov as an attachment in Section 15 of the SF 424 during the filing process.**

The Service Area Shapefile(s) must show the location of the service area for each Project.

Applicants can also use the RUS geospatial mapping tool to draw the project locations for each project if they do not have the tools to create their own Shapefile. The saved file(s) must be renamed to the Applicant’s name and project name and include “project location” in the file name (*e.g.*, bobselectric_project 1_project_location.zip)

Service Area Shapefile(s) will be used to help determine the rurality of the areas being served by the proposed project(s) financed with PART loan funds and verify that such areas meet Eligible Service Area requirements provided under PART.

The applicable service area must demonstrate that the Project will provide affordable, clean energy to rural residents as outlined in Section C.3(a) of the NOFO that published at https://www.rd.usda.gov/programs-services/electric-programs/powering-affordable-reliable-technology-program

Link to Shapefile Drawing Application:
https://experience.arcgis.com/experience/08d1c305437f4994b79033acfe3eb223

Any Applicant who experiences difficulties using the RUS geospatial mapping tool or has other questions related to Shapefile(s), please send an email to SM.RD.RUS.PART-Questions@usda.gov and indicate "Shapefile" in the subject line.

G. Criteria for Evaluating LOIs

(a) LOI. RUS will process and evaluate complete LOI on a rolling basis in the order they are received . In reviewing LOIs, RUS will assess the following:

(1) Applicant eligibility. The applicant's eligibility to participate in the PART Program.

(2) Project eligibility. The eligibility of the proposed Project under the terms of Section 22001 of the IRA, the PART NOFO, and the technical feasibility of the proposed Project.

(3) Geographic Diversity and Other Factors. The Administrator may consider geographic diversity, and SUTA discretions, as well as investments in Opportunity Zones in reviewing, queueing and evaluating LOIs.

(4) Financial status. The financial status of the applicant to determine the applicant's likelihood to successfully secure and repay the PART loan.

(b) Application. RUS will evaluate and review each Application based on the criteria provided in 7 CFR part 1710 subpart D and will assess the following:

(1) Financial coverage ratios. The Administrator may set financial coverage ratios based on the risk profile of the PART Applicant and specific loan terms. Those financial ratios will be included in the PART borrower's loan documents with RUS. RUS Borrowers will be subject to their current debt service coverage ratios in their current loan documents, unless notified otherwise.

(2) Financial Equity Requirements. As noted in Section 3.2 of this notice, RUS will require the Awardee to provide at least 25% equity in the Project for PART Project loans. However,

the Administrator may consider requests to waive the 25% financial equity requirement for PART Awards where the Project will serve areas covered under SUTA. System Loans that provided RUS with a perfected senior lien on all assets of the PART Applicant will not have an additional equity requirement. The required financial equity position will be set forth in the Commitment Letter and the loan documents as a condition to the PART loan. RUS may consider allowing the Awardee to meet the financial equity requirements by utilizing any appliable direct payments or tax credits relating to the Project as provided in Internal Revenue Code of 1986 and its implementing regulations. If the Administrator allows a PART Applicant to meet the financial equity requirement by utilizing applicable tax credits or direct payments relating to the Project, the Agency may require additional security or credit support from the PACE Applicant pending the PART Applicant's receipt of the tax credit or direct payment.

(3) Loan forgiveness minimum requirements.

(i) Ratepayer Benefit: Loan forgiveness must provide demonstrable benefits to rate payers located within an eligible service area. The PART Applicant must demonstrate in its LOI that the consumer benefits and financial benefits resulting from the forgivable portion of the loan will be shared between the Awardee and the Off-Taker(s) or a utility's own customers. This must be shown through a long-range financial forecast scenario that establishes that the revenue per kilowatt hour (KWh) the PART Applicant will receive from the sale of the power to Off-Takers/consumers would have been higher but for the loan forgiveness. Additionally, a net present value (NPV) calculation should be performed to demonstrate the financial benefit to the rate payer with the addition of the loan forgiveness versus business as usual without loan forgiveness.

(ii) Technical Feasibility and Commercially Available Technology. RUS must determine that the Project is technically feasible and confirm that the Project uses a Commercially Available Technology.

(iii) Financially Feasible. The proposal must be financially feasible and adequately securable, as outlined in 7 CFR 1710.112

H. Invitation to Proceed

Only those Applicants with LOIs selected to receive an Invitation to Proceed will be able to proceed with the PART loan Application. The Invitation to Proceed is a written notification issued by RUS to the Applicant acknowledging that the LOI was received and reviewed, and that it is inviting the Applicant to submit an Application. The Invitation to Proceed will also contain instructions on how to submit a completed loan Application package. The Application must be materially complete in form and substance satisfactory to RUS within the specified time. Note that the Invitation to Proceed may require that the Applicant provide additional certifications, where they are applicable, which are not required or included as part of the LOI submittal process or other clarifying information. The Invitation to Proceed may invite the Applicant to apply for funding on terms that are different from what the Applicant requested in its LOI.

In lieu of receiving an Invitation to Proceed, an Applicant may receive a letter requesting the submittal of additional information or documents to supplement or clarify information previously included in the LOI. Alternatively, an Applicant that is determined not to be eligible to receive a PART loan may receive a notification that its LOI has been rejected.

An Applicant that is invited by RUS to proceed with the loan Application will have 60 days, or a time agreed to with the Agency, to complete and submit a loan Application beginning from the date the Invitation to Proceed is emailed to the PART Applicant. If the deadline to submit the Application falls on Saturday, Sunday, or a Federal holiday, the Application is due the next business day. The Administrator may grant an extension of time in writing to complete the documentation required for an Application if, in the Administrator's sole judgment, extraordinary circumstances prevented the PART Applicant from completing the Application within the timeframe herein stipulated. In extending an Invitation to Proceed to an LOI submitter in the queue, RUS reserves the right to meet overall RUS program objectives and, therefore, may notify the PART Applicant that the amount of financing to be Awarded is for a reduced scope or below the level sought by the PART Applicant.

Section IV: Submitting an LOI

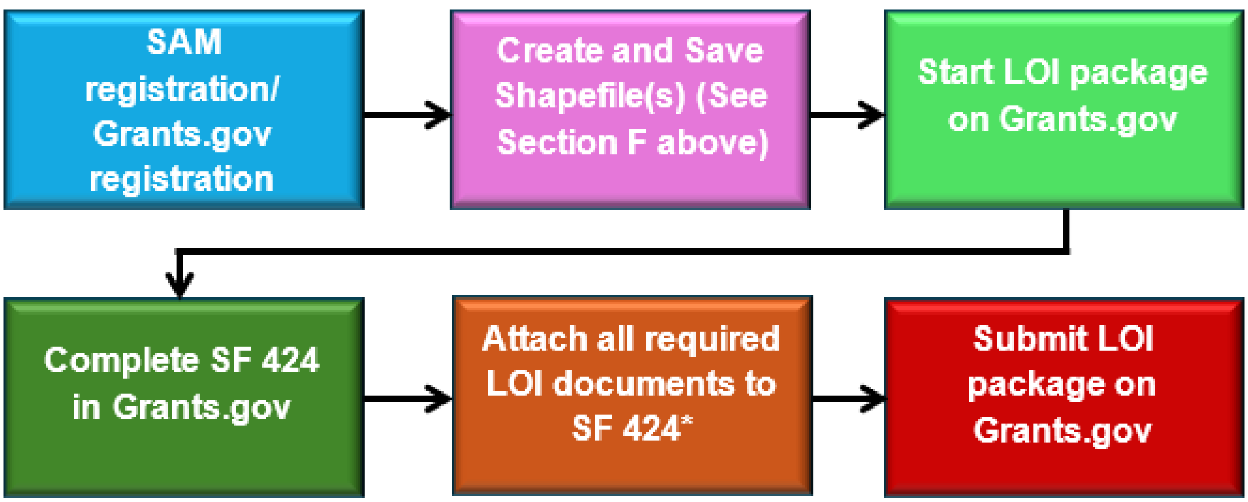
A. PART Submission through Grants.gov

RUS will accept electronic submission of LOIs through Grants.gov. RUS will not accept paper, facsimile, or email transmission. Applicants are required to read the requirements of Grants.gov for submitting an application on that platform.

A PART LOI submission via Grants.gov shall include the Applicant including the information outlined below as well as:

1. Uploading a pdf of the LOI;
2. Uploading the Shapefile for each Project included in the LOI; and
3. Uploading supporting documents, including a copy of the LOI submitter's balance sheet and income statements for the shorter of the last three years or the years the LOI submitter has been in operation. The LOI submitter must also provide the balance sheet and income statements for the last three years of any entity or entities providing equity or security for the loan, with an explanation of the legal relationship to the LOI submitter.

B. Instruction for LOI Submission on Grants.gov



SAM.gov

The System for Award Management (SAM.gov) is a government-wide registry for organizations doing business with the Federal government. SAM.gov centralizes information about grant recipients and provides a central location for grant recipients to change organizational information. Grants.gov uses SAM.gov to establish organizational authority for its users and to provide unique entity identification numbers. SAM registration must be renewed annually.

First, you must register with SAM.gov to obtain a Unique Entity Identifier (UEI). The UEI is a 12-character alphanumeric identifier assigned to all entities (public and private companies, individuals, institutions, or organizations) to do business with the Federal government.
Organizations will also need to designate an E-Business Point of Contact (EBiz POC). It can take 7-10 business days to fully complete the registration process required for most funding opportunities. There is no fee for registering with SAM.gov.

Grants.gov

After obtaining the UEI from SAM.gov, please go to Grants.gov to register. There is no fee for registering with Grants.gov.

- Applicants should reference the Grants.gov Online help at https://www.grants.gov/help/ assistance with registration.
- Read the Help article, Manage Roles for Applicant instructions on managing roles.
- Visit Learn Grants to find information about every phase of the grant management process, from applying and reporting to the award closeout.

The most up-to-date instructions for application submission via Grants.gov can be found at https://www.grants.gov/applicants/grant-applications/how-to-apply-for-grants

To begin, complete, and submit your Application:

- Navigate to https://www.grants.gov/web/grants/applicants/apply-for-grants.html;
- Click "Search for Opportunity Package";
- In the **"Funding Opportunity Number" field, enter "RUS-PART-2026"**;
- Click "Search";
- Click "Apply";
- Enter your email address (if you would like to receive updates from Grants.gov regarding this grant opportunity) or check the box that indicates you do not wish to provide it, then click "Submit";
- Choose to apply using Workspace by clicking "Login to Apply Now"; and
- Follow the instructions provided on the Grants.gov website and on each webpage to complete and submit your LOI.

For the submission of an LOI on Grants.gov, **please complete the required fields in the SF 424 and attach all remaining LOI requirements.** *To attach the remaining documents to the SF 424, please go to Section 15 of the SF 424 and click “Add Attachments.” All LOI requirements detailed in Section E of this Guide must be provided, including but not limited to, a pdf of the “LOI for Submission,” Shapefile(s), and financial documents.

Joint LOIs (multiple entities) on Grants.gov

For the submission of a joint LOI, the Applicants must determine a lead Applicant. The lead Applicant will be responsible for the submission of the LOI on Grants.gov. The lead Applicant will submit the SF 424.

Grants.gov Support

The Grants.gov support resources are here to help you successfully find and apply for grants. Grants.gov Applicant Support is available 24/7 (except federal holidays). Be sure to include supporting details when you call or email.

Appendices

Appendix A – Definitions

The following table defines relevant terms employed throughout the PART Program Guide.

Term	Definition
Administrator	The Administrator of the RUS, an agency under the RD mission area of the USDA.
Agency	The Administrator of the RUS, an agency under the RD mission area of the USDA.
Application	An application containing all information required by RUS as identified in the Invitation to Proceed. The application is materially complete in form and substance satisfactory to RUS within the specified time.
Award	The financial assistance offered to a PART Applicant.
Awardee	An entity that has been awarded a PART Award.
Commercially Available Technology	Equipment, devices, applications, or systems that have a proven, reliable performance, and replicable operating history specific to the proposed application. The equipment, device, application, or system is based on established patented design or has been certified by an industry-recognized organization and subject to installation, operating, and maintenance procedures generally accepted by industry practices and standards. Service and replacement parts for the equipment, device, application, or system must be readily available in the marketplace with established warranty applicable to parts, labor, and performance.
Commitment Letter	The notification issued by the Administrator to a PART Applicant containing the total Award amount and such controls and conditions on the PART Awardee's financial, investment, operational and managerial activities deemed necessary by the Administrator to adequately secure the Government's interest. This notification will also describe the accounting standards and audit requirements applicable to the Award.
Current Ratio	The current assets are divided by the current liabilities.
Debt Service Coverage Ratio (DSCR)	(Total Net Income or Margins + Interest Expense – Allowance for Funds Used during Construction + Depreciation + Amortization) divided by (Interest on Funded Debt + Other Interest + Principal Payment on Debt and Capital Leases)
Eligible Service Area	The area where electricity from the facilities to be financed by the proposed award will be delivered and consumed.
Empowering Rural America (New ERA) Program	The New ERA Program is a $9.7 billion loan and grant program created under Section 22004 of the Inflation Reduction Act (IRA). It is a separate program from PACE.
Energy Storage System (ESS)	A facility capable of accepting energy, storing the energy for a period of time, and then later releasing the stored energy in support of a Renewable Energy Resource (RER).

Term	Definition
Environmental Attributes	All financial attributes that are created or otherwise arise from the Project's generation of electricity from a renewable or zero emission energy system that include, but are not limited to, any environmental air quality credits, renewable energy credits (RECs), carbon credits, emissions reduction credits, emission rate credits, certificates, tags, offsets, allowances, etc.
Environmental and Historic Preservation Requirements	The National Environmental Policy Act of 1969, as amended (NEPA) (42 U.S.C. 4321, et seq), Section 7 of the Endangered Species Act (16 U.S.C. 1531 et seq.), and Section 106 of the National Historic Preservation Act (NHPA)(54 U.S.C. 300101 et seq.), as well as their implementing regulations at 7 CFR part 1b, Environmental Policies and Procedures (including Farmland Protection Policy Act Implementation Policy), 50 CFR part 402, Interagency Cooperation, and 36 CFR part 800, Protection of Historic Properties.
Financial Feasibility	An eligible entity's ability as determined by the Administrator to generate sufficient revenues to cover its expenses, sufficient cash flow to service its debts and obligations as they come due and meet the financial ratios set forth in the applicable loan documents.
Generally Accepted Accounting Principles (GAAP)	Accounting principles generally accepted in the United States of America.
Indian Tribe	The term "Indian Tribe" has the meaning given the term in 25 U.S.C 5304.
Invitation to Proceed	A written notification issued by RUS to the applicant acknowledging that the Letter of Interest (LOI) was received and reviewed and inviting the applicant to submit an application. The notification also provides the applicant instructions on how to submit the loan application package and details of the next steps in the application process.
Letter of Interest (LOI)	An electronically signed submission made through the RUS window completed by an eligible entity notifying RUS of its intent to apply for a loan and addressing all the elements identified in Section 4.2(a) of the PART NOFO.
LOI Submitter	The eligible applicant(s) that submit the LOI requirements on Grants.gov.
Loan Forgiveness	The amount of loan funds eligible for forgiveness per the NOFO.
Non-Federal Entities	As defined in 2 CFR 200.1, Non-Federal Entities are States, local governments, Indian Tribes, institutions of higher education (IHE), or nonprofit organizations. The definition of what constitutes a non-profit is also located in 2 CFR 200.1.
Off-Taker	Shall mean: (1) the customers or members of the PART applicant that purchase and receive the electrical power and energy from the PART applicant; or (2) the entity that has or will execute a Power Purchase Agreement (PPA) with the PART applicant to purchase and receive electrical capacity and associated energy produced by the Project. The Off-Taker may also be referred to in the PPA as the "Buyer," "Customer," "Purchaser," or another name that describes the entity purchasing the power.

Term	Definition
Power Purchase Agreement (PPA)	A binding agreement executed between the PART applicant and an Off-Taker under which the Off-Taker agrees to purchase and receive from the PART applicant the electrical capacity and associated energy produced by the project at a pre-determined price and term. The PPA may include other transactions such as the selling and purchasing of environmental attributes or ancillary services (*e.g.*, voltage regulation and synchronization, contingency reserves).
Powering Affordable Clean Energy (PACE)	The PACE Program is a partially forgivable loan program created under Section 22001 of the Inflation Reduction Act (IRA). It is a separate program from New ERA.
Powering Affordable Reliable Technology (PART)	The PART Program provides loans to eligible entities, with a level of loan forgiveness, for Projects that generate and/or store electricity from an eligible Renewal Energy Resource (RER).
Powering Affordable Reliable Technology Energy (PART) Applicant	An eligible entity that has submitted an application pursuant to an Invitation to Proceed.
Project	New facilities constructed after the effective date of the IRA and compliance with all other applicable requirements of the PART NOFO used to generate electricity from an RER, and/or to store electricity that support the types of RERs that are eligible to be financed with PART Program loan funds, as provided in Section 22001 of the IRA and Section 317 of the RE Act, which will result in the deployment of renewable energy generation or storage capacity.
Project Loans	A PART Award secured by a security interest in the assets and revenues of the project and supporting credit enhancements relating to the project rather than by a security interest in all of the assets of the PART applicant's electric utility system.
RE Act	The Rural Electrification Act of 1936.
Renewable Energy Resource or Renewable Energy Source (RER)	An energy conversion system fueled from a hydropower, biomass, or geothermal source of energy as defined in Section 317(a) of the RE Act. Note that storage projects may be charged by any of the renewable technologies identified in Section 317 of the RE Act.
Rural Area	A rural area shall mean: (a) Any area other than a city, town, or unincorporated area that has a population of greater than 20,000 inhabitants; or (b) Service areas of current RUS Borrowers or former RUS and Rural Electrification Act (REA) borrowers which will be deemed rural for the purposes of their applications

Term	Definition
RUS Accounting Requirements	The requirements include compliance with GAAP, acceptable to RUS, the system of accounting prescribed by RUS Bulletin 1770B-1, and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, found at 2 CFR part 200. For all awardees, the term “grant recipient” in 2 CFR 200 shall also be read to encompass “loan recipient” and “loan-grant recipient,” such that 2 CFR 200 shall be applicable to all Awardees.
RUS Borrower	A current RUS borrower under the RE Act.
Secretary	The Secretary of the United States Department of Agriculture.
Substantially Underserved Trust Area (SUTA)	An area defined under Section 306F of the RE Act.
System Loans	PART awards secured through a senior security interest in all assets of the PART applicant, which must be a currently operating electric utility.
Times Interest Earned Ratio (TIER)	(Total Net Income or Margins + Total Interest Expense – Allowance for Funds Used during Construction) divided by (Total Interest Expense – Allowance for Funds Used during Construction).
Tribal Government	An Indian or Alaska Native Tribe, band, nation, pueblo, village, or community that the Secretary of the Interior acknowledges to exist as an Indian Tribe pursuant to the Federally Recognized Indian Tribe List Act of 1994, 25 U.S.C.
Tribal Land	Tribal Land means any area identified by the United States Department of Interior as Tribal land over which a Tribal Government exercises jurisdiction. A GIS layer of most Tribal Lands can be found on the RUS mapping tool located at ReConnect Program Service Area Map.

Appendix B – Acronyms

The table below defines acronyms that are commonly used throughout this handbook.

Acronym	Definition
AA	Assistant Administrator
AIANNHA	American Indian, Alaska Native, and Native Hawaiian Area
ARPU	Average Revenue per User
APA	Administrative Procedure Act of 1946
ARR	Authorized Representative Request
BABAA	Build America, Buy America Act
CAF II	Connect America Fund Phase II Auction
CAGE	Commercial and Government Entity
CALEA	Communications Assistance for Law Enforcement Act
COFA	Compact of Free Association
CFR	Code of Federal Regulations
CPA	Certified Public Accountant
CPCN	Certificate of Public Convenience and Necessity
CPE	Customer Premises Equipment
DAA	Deputy Assistant Administrator
DSCR	Debt Service Coverage Ratio
DUNS	Data Universal Number System
EA	Environmental Assessment
EB	Engineering Branch
EEO	Equal Employment Opportunity
EIS	Environmental Impact Statement
ESS	Energy Storage System
EQ	Environmental Questionnaire
EP	Electric Program
E&PCS	Engineering & Power Cost Study
ESA	Endangered Species Act of 1973
FAR-4	Frontier and Remote Area (FAR) Level 4
FCC	Federal Communications Commission
FFB	Federal Financing Bank
FOA	Funding Opportunity Announcement
FONSI	Finding of No Significant Impact
FOB	Financial Operations Branch
FPPA	Farmland Protection Policy Act
GAAP	Generally Accepted Accounting Principles
GFR	General Field Representative

Acronym	Definition
IIJA	Infrastructure Investment and Jobs Act
ILOC	Irrevocable Letter of Credit
IRA	Inflation Reduction Act
IRU	Indefeasible Right of Use
LLC	Limited Liability Company
LLP	Limited Liability Partnership
LOI	Letters of Interest
kW	Kilowatt
kWh	Kilowatt-hour
MAP	Management Analysis Profile
MB	Megabyte
Mbps	Megabits per second
MHI	Median Household Income
MW	Megawatts
MWh	Megawatt-hours
NEPA	National Environmental Policy of 1969
New ERA	Empowering Rural America Program
NFSA	Non-Funded Service Area
NHPA	National Historic Preservation Act
NOFO	Notice of Funding Opportunity
NPV	Net Present Value
OLOA	Office of Loan Origination and Approval
O&M	Operations and Maintenance
OMB	Office of Management and Budget
PACE	Powering Affordable Clean Energy
PART	Powering Affordable Reliable Technology
PE	Professional Engineer
PFSA	Proposed Funded Service Area
PNF	Public Notice Filing
PPA	Power Purchase Agreement
PPE	Plant, Property, and Equipment
PUC	Public Utilities Commission
RD	Rural Development
REA	Rural Electrification Act
RER	Renewable Energy Resource
RUS	Rural Utilities Service
SAIPE	Small Area Income and Poverty Estimates
SAM	System for Awards Management
SHPO	State Historic Preservation Officer
SUTA	Substantially Underserved Trust Area

Acronym	Definition
THPO	Tribal Historic Preservation Officer
TIER	Times Interest Earned Ratio
UCC	Uniform Commercial Code
UEI	Unique Entity Identifier
UFAS	Uniform Federal Accessibility Standards
UPLF	Unadvanced Prior Loan Funds
USC	United States Code
USDA	United States Department of Agriculture
USFWS	United States Fish and Wildlife Service
USVI	United States Virgin Islands