



POWER Initiative 2024

Notice of Solicitation of Applications

This notice of solicitation of applications (NOSA) gives an overview of the Appalachian Regional Commission’s Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Initiative, and the requirements needed to complete a POWER grant application for Fiscal Year (FY) 2024.

NOSA release date	February 1, 2024
Application portal opens	February 1, 2024
Virtual pre-application workshop	February 15, 2024 Register here.
Letter of intent due	March 1, 2024 (5 PM ET)
Proposal due date	April 17, 2024 (5 PM ET)

More information about the POWER Initiative and further guidance on submission is available at www.arc.gov/POWER. Questions can be emailed to POWER@arc.gov.

The funding to be made available in this NOSA is subject to the enactment of full-year Fiscal Year 2024 appropriations by the United States Congress.

Appalachian Regional Commission Overview

The Appalachian Regional Commission (ARC or the Commission) is a regional economic development agency that represents a partnership of federal, state, and local government. Established by an act of Congress in 1965 through the Appalachian Regional Development Act (ARDA) 40 U.S. Code § 14101-14704, ARC is composed of the governors of the 13 Appalachian states and a federal co-chair, who is appointed by the president of the United States. Local participation is also provided through multi-county local development districts (LDDs). ARC serves a 206,000-square-mile region of 26 million people that includes all of West Virginia and parts of twelve other states: Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Virginia.

ARC Strategic Investment Goals

As described in ARC’s strategic plan, [Appalachia Envisioned: A New Era of Opportunity](#), the Commission has identified five investment goals to advance its vision and mission and to guide its work through Fiscal Year (FY) 2026. These goals reflect consensus among local,

state, and federal partners on the most critical investment opportunities in the Appalachian Region (the Region). While the investment goals are distinct, they are also interdependent, with progress on one goal often requiring investment in another. All POWER Initiative applications must address one or more of these goals:

1. **Building Appalachian Businesses:** Strengthen and diversify the Region's economy through inclusive economic development strategies and investments in entrepreneurship and business development.
2. **Building Appalachia's Workforce Ecosystem:** Expand and strengthen community systems (education, healthcare, housing, childcare, and others) that help Appalachians obtain a job, stay on the job, and advance along a financially sustaining career pathway.
3. **Building Appalachia's Infrastructure:** Ensure that the residents and businesses of Appalachia have access to reliable, affordable, resilient, and energy-efficient utilities and infrastructure in order to successfully live and work in the Region.
4. **Building Regional Culture and Tourism:** Strengthen Appalachia's community and economic development potential by preserving and investing in the Region's local cultural heritage and natural assets.
5. **Building Community Leaders and Capacity:** Invest in the capacity of local leaders, organizations, and communities to address local challenges by providing technical assistance and support to access resources, engage partners, identify strategies and tactics, and conduct effective planning and project execution.

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POWER Initiative

The Commission is publishing this notice of solicitation of applications (NOSA) to receive grant proposals under this announcement. In FY 2023, ARC made available up to \$65 million in federal financial assistance in the POWER Initiative. The amount of FY 2024 funding available for awards under this NOSA is subject to the availability of future appropriations. Any selection and award under this NOSA is subject to the availability of appropriated funds, any other legislative action, or policy priorities.

The Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Initiative provides funding to help communities and regions affected by job losses in coal mining, coal power plant operations, and coal-related supply chain or logistics industries due to the changing economics of America's energy production and the coal economy. The POWER Initiative supports efforts to create a more vibrant economic future for coal-impacted communities by cultivating economic diversity, enhancing job training and reemployment opportunities, creating jobs in existing or new industries, and attracting new sources of investment. For coal-impacted communities to diversify their local and regional economies successfully, POWER prioritizes the allocation of federal resources to projects and activities with the following characteristics:

- Will produce diverse economic development outcomes, such as the following:
 - Diversify the commercial and industrial bases of local and regional economies.
 - Create high-quality, well-paying jobs in new and existing industries.
 - Attract new sources of public and private investment.
 - Provide a range of workforce services and skills training, including paid work-based learning opportunities, resulting in industry-recognized credentials for high-quality, in-demand jobs.
- Are specifically identified under state, local, and/or regional economic development plans.
- Have been collaboratively designed by a diverse blend of state, local, and regional stakeholders.

The POWER Initiative seeks to align and leverage complementary economic development resources to provide assistance through competitively awarded grants to partnerships anchored in coal-impacted communities. By aligning and leveraging multiple resources (federal, state, local, nonprofit, and private sector), POWER solicits and prioritizes the selection of projects that integrate multiple economic development systems and support the implementation of existing economic development strategic plans.

Additionally, applicants to ARC's POWER Initiative should apply an equity lens to their projects. This may be done by including intentional strategies that aim to increase inclusion of underrepresented communities in their proposed work. Applicants should consider how their project will aim to expand access to and increase representation and participation of underrepresented communities in their proposed activities.

Coal Impact: Documentation of Economic Impact

Eligible POWER projects must be located within and targeted to communities or regions that have been recently impacted (or can reasonably demonstrate that they will be impacted in the near future) by coal-mining or coal-power-plant employment loss, or employment loss in the supply-chain or logistics industries of either sector.

Complete applications for a POWER FY 2024 grant must provide appropriate economic and demographic statistics in order to document the extent to which contractions in the coal economy have negatively impacted the project's proposed service area. In some instances, the inclusion of a region in a particular dataset may be adequate documentation of coal impact. If a particular region is not included in these referenced datasets, the applicant will need to cite reputable data sources that demonstrate impact. Economic indicators, labor market analyses, official announcements made by local and regional industries and firms, demographic data, and industry data are illustrative sources of data to demonstrate these impacts.

Applicants may use data that are available online at www.arc.gov/POWER and from other sources to demonstrate community and regional impacts of coal economy transitions.

Applicants are also encouraged to provide data (median income, coal mine closures, etc.) from other federal sources.

POWER Investment Priorities

As adopted by the Commission, the POWER investment priorities build upon ARC's strategic investment goals. ARC's POWER Initiative for FY 2024 will continue to focus on investments that are regional, strategic, and focused on the economic revitalization of coal-impacted communities and regions.

Project proposals need not include all the following POWER investment priorities to be considered for funding; however, all applications will be reviewed for their ability to address at least one of these priority areas.

1. Fostering Entrepreneurial Activities

- **Access to capital.** ARC seeks to increase private investment capital available to small and medium-sized businesses across the Region through the POWER program. ARC supports the formation, operation, and capitalization of a range of development finance activities. ARC encourages investment made with the intent of generating measurable social or environmental returns and a financial return (also known as impact investing).
 - All access-to-capital projects must provide additional information as outlined in [APPENDIX A: Additional Guidelines for Access-to-Capital Projects](#).
- **Creation, support, and growth of entrepreneurial ecosystems.** ARC research has identified several key components of strong entrepreneurial ecosystems: market access, capital, talent, business assistance, infrastructure, and culture/community leadership. Projects should target and strengthen multiple components in a region. ARC's research on entrepreneurship can be found at <http://arceco.creconline.org/>.

- **Development and deployment of entrepreneurship education programs** that seek to lay the groundwork for a shift in a region's entrepreneurial culture, especially those that work in concert with science, technology, engineering, and math (STEM) initiatives.
- **Investment in a region's natural and cultural assets** and creative enterprises through activities that increase entrepreneurship. Project activities in this area should be integral to a region's overall economic development strategy and result in realistic, measurable economic benefits.
 - Proposals to use POWER funds for tourism-related capital investments, including construction and acquisition, must meet ARC's Policy for the Development of the Travel and Tourism Industry, found in [ARC Project Guidelines](#), Appendix A.

2. Developing Industry Clusters in Communities

- **Support of small manufacturing companies for product and market diversification and expansion.** Project activities in this area should be designed to help communities cultivate an environment where new and existing manufacturers create well-paying jobs through increased private investment and acceleration of the resurgence of manufacturing. Examples include but are not limited to supply chain improvements, bringing connectivity and interoperability to the manufacturing facility, export assistance, energy efficiency improvements, and improved access to capital for the Region's small and mid-sized manufacturers.
- Bolstering of entrepreneurial, technical, academic, and scientific talent that **supports the creation of strategic industry clusters**, such as food systems or high-tech manufacturing, which yield high-quality businesses and jobs.

3. Building a Competitive Workforce

- Projects investing in workforce training should stress the potential for **upward mobility** for the participants. This can be accomplished through upskilling, retooling, and establishing clear, defined career pathways in training programs that accommodate continued growth.
- Workforce projects should aim to **increase labor participation rates** by not only targeting underemployed workers, but also through recruiting and training people who have dropped out of the workforce.
- Proposals for training programs should be **supported with evidence that indicates a demand** for that particular skillset in the area to be served. Evidence can include letters from local businesses and business groups expressing a need or analyses of local and regional labor markets.

4. Broadband

- Up to one-third of available funds provided for the POWER FY 2024 program will be available to fund broadband deployment projects and procure broadband as a service (BaaS) that enhance access to broadband service. Broadband is a critical infrastructure component needed by all segments of the community: for business

development; job creation; health care services, including telemedicine; and to help rural areas compete with more densely populated areas.

- Understanding that broadband deployment and BaaS projects can be capital intensive, grant requests for deployment projects can be up to \$2.5 million, with priority given to projects with evidence of leveraged funding for the overall project. **To qualify for broadband deployment funding, at least 65% of the project's budget must be directed to the physical deployment of broadband infrastructure.** Projects whose budgets direct more than 35% of their funds toward activities not directly associated with deployment of broadband infrastructure will follow the same guidelines as implementation projects and will not qualify for broadband deployment funding.
- **BaaS projects offer eligible communities the option to procure broadband as a service instead of deploying broadband infrastructure.** BaaS grantees will enter long-term contracts with internet service providers (ISPs) to subsidize broadband availability for businesses and residences within their approved project areas. BaaS grantees will not own any broadband infrastructure but must ensure that the selected ISP offers reasonably affordable and non-discriminatory broadband services.
- Broadband applicants must provide additional information as outlined within the application and in [APPENDIX B: Broadband Project Requirements](#).

For the 2024 application cycle, applications with a substance use disorder (SUD) response focus should apply for [ARC's INSPIRE Initiative](#). While the POWER Initiative accepts applications with SUD response components, the proposal must address one of the above investment priorities.

Prior to submission of the application, **every applicant is required to contact the state program managers** of the states to be impacted by the project proposal. The state officials will ensure that the proposals are also in alignment with their respective [state Appalachian economic development plans and strategy statements](#).

Grant Types

Implementation Grants

Implementation grants awarded under the POWER FY 2024 NOSA are for the support of programmatic delivery. Applicants may also request funding to support construction incidental to their project.

The Commission will make individual implementation grants in amounts between \$400,000 and \$2,000,000 for each project it awards within the congressionally defined Appalachian Region, with exceptions for broadband deployment and BaaS projects, which have a range of \$400,000 to \$2,500,000. Specific award guidelines may vary by type of project. Special guidance on capital finance and broadband deployment projects can be found in APPENDIX A: Additional Guidelines for Access-to-Capital Projects and [APPENDIX B: Broadband Project Requirements](#).

Applicants can determine the required time period necessary to meet the objectives of their projects. The period of performance for non-construction activities within implementation projects awarded under this NOSA may be a minimum of 12 months and a maximum of 36 months. If a project includes construction activities, then a maximum period of performance of 48 months is allowable for those activities. BaaS projects must have a period of performance of seven years, at minimum (see [APPENDIX B](#) for more information).

Note: The project budget should reflect the full funding request with that amount allocated across the project period.

Planning Grants

In addition to implementation grants, ARC will also award smaller planning grants in amounts up to \$50,000. These grants will assist coal-impacted communities and regions in the Appalachian Region in the development of plans, strategies, and feasibility studies targeted to the diversification and growth of their economies. Planning awards should result in grantees better understanding their resources, identifying strengths and needs, and helping focus their future efforts through cost/benefit analyses.

The objective of the planning projects is to assist entities with the development of an implementation project following their completion; therefore, no activities in the scope of work can include the delivery of a program or services. Planning grantees are encouraged to follow up with a POWER implementation application, but there is no guarantee of funding. Planning grantees should, within the context of their work, identify other possible sources of programmatic funding.

For POWER planning awards, applicants can determine the period of performance necessary to meet the objective of their project, which may be up to 12 months (depending on the scope of work).

Note: The project budget should reflect the full funding request with that amount allocated across the project period.

Please see [APPENDIX C: Planning Grants](#) for the review criteria and more guidance on planning grants.

Eligibility

Organization Type

Eligible applicants for ARC's POWER Initiative are the following:

- [Local development districts \(LDDs\)](#)
- Indian tribes or a consortium of Indian tribes
- States, counties, cities, or other political subdivision of a state, including a special purpose unit of a state or local government engaged in economic or infrastructure development activities, or a consortium of political subdivisions
- Institutions of higher education or a consortium of institutions of higher education
- Public or private nonprofit organizations or associations

Previous and Current POWER and Other ARC Grantees

Please note that current POWER grantees are eligible to apply for POWER FY 2024 funds only if the applicant's scope of work is new and does not overlap with a current open POWER grant. For grantees with awards scheduled to be completed before October 1, 2024, new applications should include an expansion of geography, increased scope of work with an existing concept, or a proposal with a new concept. In their application, current or previous POWER grantees must provide a thorough status update on their existing project(s) as well as demonstrate sufficient organizational capacity to administer multiple awards.

Workforce Opportunities for Rural Communities (WORC) Grantees

Please note that current WORC grantees are eligible to apply for POWER FY 2024 funds only if the applicant's POWER scope of work is new and does not overlap with an open WORC grant. In their POWER application, WORC grantees must provide a thorough status update on their existing project(s). To be considered, POWER applications should include an expansion of geography, increased scope of work with an existing concept, or a proposal with a new concept.

INvestments Supporting Partnerships in Recovery Ecosystems (INSPIRE) Grantees

Please note that current INSPIRE grantees are eligible to apply for POWER FY 2024 funds only if the applicant's POWER scope of work is new and does not overlap with an open INSPIRE grant. In their POWER application, INSPIRE grantees must provide a thorough status update on their existing project(s) within the application. To be considered, POWER applications should include an expansion of geography, increased scope of work with an existing concept, or a proposal with a new concept.

Appalachian Regional Initiative for Stronger Economies (ARISE) Grantees

Please note that current ARISE grantees are eligible to apply for POWER FY 2024 funds only if the applicant's POWER scope of work is new and does not overlap with an open ARISE grant. In their POWER application, ARISE grantees must provide a thorough status update on their existing project(s). To be considered, POWER applications should include an expansion of geography, increased scope of work with an existing concept, or a proposal with a new concept.

Area Development Grantees

Please note that current Area Development grantees are eligible to apply for POWER FY 2024 funds only if the applicant's POWER scope of work is new and does not overlap with an open Area Development grant. In their POWER application, Area Development grantees must provide a thorough status update on their existing project(s). To be considered, POWER applications should include an expansion of geography, increased scope of work with an existing concept, or a proposal with a new concept.

All Other ARC Funded Grantees

Please note that all other ARC funded grantees are eligible to apply for POWER FY 2024 funds only if the applicant's proposed POWER scope of work is new and does not overlap with an open grant. In their POWER application, all other ARC funded grantees must provide a thorough status update on their existing project(s). To be considered, applications should

include an expansion of geography, increased scope of work with an existing concept, or a proposal with a new concept.

Note: Applications submitted whose scope of work fully or partially copies or overlaps an open or prior ARC-funded grant are subject to disqualification.

Project Geography

Projects must serve and benefit a portion of the Appalachian Region as defined by the Appalachian Regional Development Act (ARDA) of 1965, as amended. The Appalachian Region includes certain counties in Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and all of West Virginia. If projects extend beyond the Appalachian Region as defined by the ARDA of 1965, only that portion that is within the Region is eligible for ARC funding. A map of the Appalachian Region is available online at <https://www.arc.gov/appalachian-counties-served-by-arc/>.

Coal Impact

Eligible POWER projects must also be located within and targeted to communities or regions that have been recently impacted (or can reasonably demonstrate that they will be impacted in the near future) by coal-mining or coal-power plant employment loss, or employment loss in the coal-related supply-chain or logistics industries of either sector. More details on demonstrating coal impact can be found in the section of this document titled [Coal Impact: Documentation of Economic Impact](#).

Application Review Criteria for Implementation Grants

Applications must meet the minimum criteria in the table below and will receive a score of up to 100.

Further guidance immediately follows. **Applications for access-to-capital and broadband will require additional narrative. Please see Appendix A and B respectively for guidance. See Appendix C for review criteria for planning grants.**

		POINTS AVAILABLE
Project Description		15 points
	Project plan summary	8
	Timeline	2
	Geographic scale	5
Coal Impact		15 points
	Coal impact data	5
	Coal impact narrative	10
Rationale		34 points
	Alignment with ARC investment goals and priorities	5
	State and regional priorities	5
	Direct impact to coal-related job losses	3
	Planning and supporting assessments	4
	Market analysis	4
	Addresses needs of the project area	4
	Evidence of local demand	5
	Sustainability	4
Project Team		12 points
	Partnerships	5
	Organizational capacity	5
	Readiness	2
Projected Outputs and Outcomes		10 points
	Relevant, realistic outputs and outcomes; return on investment	5
	Methodology	5
Match and Budget Evaluation		12 points
	Match	4
	Budget	4
	Budget narrative	4
Application Completeness		2 points
TOTAL		Up to 100

Project Description (up to 15 points)

- **Project plan summary:** Clearly and fully describe the proposed project's scope of work.
- **Timeline:** Include a full timeline of the project's proposed activities and milestones. Applicants should list the project activity, lead partner responsible, date to be completed, and key deliverable(s). Please note that the grant period will likely start on October 1, 2024.
- **Geographic scale:** Identify the proposed project area, highlighting geographic areas of focus. (If a multi-state project is proposed, there must be a project partner located in each of the states served. Please note the project's partners in the Partnership section of the narrative.)

Coal Impact (up to 15 points)

- **Coal impact data:** This review criterion will be calculated based on coal impact data for the counties selected in the [Project Geography](#).
- **Coal impact narrative:** Provide supporting documentation and a written narrative of how the proposed project area has been impacted by the decline of the coal economy.

Rationale (up to 34 points)

- **Alignment with ARC investment goals and priorities:** Explain how the proposed scope of work and the project's goals align with one or more of the [ARC Strategic Investment Goals](#) as well as one or more of the [POWER Investment Priorities](#). Discuss how the proposal will apply an equity lens by utilizing intentional strategies that expand access, participation, and representation to underrepresented communities in the services or benefits of the project.
- **State and regional priorities:** Demonstrate how your proposal aligns with or ties into the [appropriate state ARC strategy statements or state economic development plans](#).
- **Direct impact to coal-related job losses:** Indicate how your proposal addresses the direct impacts of coal-related job losses in the project area and is best suited to do so.
- **Planning and support assessments:** Provide documentation in the form of feasibility studies, business planning, or other research and analysis that speaks directly to the proposed project's design and how that aligns with existing regional economic development priorities.
- **Market analysis:** Describe how the proposal is a complement to existing initiatives (if applicable) and is not duplicative of any ongoing efforts in the project area, including but not limited to previous POWER and other ARC awards, other federally or state funded grants, etc. Any survey data should directly show end-user participation needs.
- **Needs of the project area:** Describe how the proposed project is the best suited to address outstanding needs and represents progress toward addressing a regional goal.
- **Evidence of local demand:** Show beneficiaries and key community stakeholders' demand for the project. Letters from stakeholders should validate demand and

demonstrate strong input from and engagement with the broader community in planning and project design. **Note:** The submission of form letters may result in a deduction of points.

- **Sustainability:** Speak directly to the commitment of the proposed project stakeholders to sustain the project's activities beyond ARC's investment through robust planning. In addition, indicate whether your project encompasses other factors that would make it sustainable, e.g., the project will generate revenue.

Project Team (up to 12 points)

- **Partnerships:** Identify key project partners and describe each partner's role in the proposed project. Partners should be able to clearly articulate their role in the proposal via partner engagement letters. Project proposals should have multiple stakeholders engaged in project implementation from multiple sectors and from multiple disciplines.
 - If a multi-state project is proposed, it is required that at least one partner is located in each state within the proposed service area.
- Overall project team membership can comprise, but is not limited to, the following types of organizations:
 - State, regional, and local economic development organizations
 - Local governments
 - Planning organizations and development districts
 - Labor unions and labor-management apprenticeship programs
 - State and local workforce agencies
 - Institutions of higher education, including (but not limited to) community colleges and other job training and adult education providers
 - Not-for-profit and community-based organizations
 - Chambers of commerce, industry and trade associations, local and regional business owners, and other representatives from the private sector
- **Organizational capacity:** Demonstrate the ability for the project team to undertake/accomplish the proposed scope of work including, but not limited to, the project teams' qualifications and experience managing large grants and federal awards; familiarity with federal grant regulations; and organizational policies, procedures, and systems.
 - If you are a current POWER, ARISE, INSPIRE, Area Development, WORC, or other ARC funded grantee, please upload a current status report for your active grant. Describe the project team's capacity to successfully administer multiple grants, if awarded.
- **Readiness:** Describe the readiness of the project team to begin work once a grant is awarded (estimated start date of October 1, 2024). Highlight whether or not significant hiring is required, and what additional expertise is needed, for implementation of the proposed scope of work. Proposals that do not go to contract by December 1, 2024, are subject to disqualification.

Projected Outputs and Outcomes (up to 10 points)

- Identify the **proposed project outputs and outcomes** that are aligned with the scope of work; reviewers will assess whether they appear relevant, realistic, and achievable. Reviewers will also gauge the potential return on investment based on the correlation between the amount of funding requested, the overall scope of work, and the stated outputs and outcomes. Please review [ARC's Performance Measurement document](#).
- **Methodology:** Explain the methodology and reasoning used to determine the estimated outputs and outcomes.

Match and Budget Evaluation (up to 12 points)

- **Match:** Identify resources to be leveraged as match and the status of that match (confirmed, pending, etc.) Resources listed as match should be confirmed by the funder or accessible by September 1, 2024. Applicants whose match is not confirmed by September 1, 2024, are subject to disqualification. Applicants should demonstrate community and regional commitment to the proposed project by combining ARC resources with a diverse array of match types (cash, in-kind, loans, etc.) and sources (public, private, philanthropic, etc.). Please attach the appropriate match confirmation letters to your application. Additionally, if real property is being utilized as match, please attach a MAI (Member, Appraisal Institute) appraisal of the property's value. ARC reserves the right to disqualify applicants unable to timely produce adequate assurance of the available matching funds in form and substance satisfactory to ARC.
- Submit complete and detailed **budget** and **budget narratives**:
 - All items included in the budget and budget narrative must align with each other.
 - All items included in the budget and budget narrative—including personnel, fringe benefits, travel, equipment, supplies, contractual, minor construction, other and indirect charges—must align with the project as described.
 - All items in the budget narrative are detailed and reflected in the budget.
- Complete the appropriate [federal Standard Forms \(SF-424\)](#).
- **Note:** The project budget should reflect the full funding request with that amount allocated across the project period.

Application Completeness (up to 2 points)

- Applications may be awarded up to 2 points for completeness. Applications missing pieces of required documentation will not receive the maximum points possible.
- This includes, but is not limited to, the specific requirements for the following project types:
 - a. **Access-to-Capital Projects**
 - See [Appendix A: Additional Guidelines for Access-to-Capital Projects](#) for full list of requirements.

b. **Broadband Projects**

— See [Appendix B: Broadband Project Requirements](#) for full list of requirements.

c. **Construction Projects**

— Basic Agencies

- By the application submission deadline (April 17, 2024), applicants with construction components in their project must do the following:
 - ✓ Notify their selected Basic Agency of their intent to apply for POWER funding **and** submit documentation verifying this notice was sent and acknowledged. This documentation must be submitted with the full application by the application deadline, April 17, 2024.
 - ✓ The notice to the Basic Agency must include:
 - i. Notice of the organizations intent to apply to POWER funding;
 - ii. A summary of the proposed scope of the project including the requested ARC grant amount, the total matching funds amount, and the total project cost, and;
 - iii. Notice stating that if their project were selected as a POWER finalist, the applicant would reach out to the Basic Agency (BA) again and work with the BA to secure a Basic Agency commitment letter at that time.
 - ✓ **Note:** POWER finalists will be selected and notified in July 2024, and POWER finalists with construction components are expected to notify their selected Basic Agency of their finalist status in prompt fashion. Basic Agency commitment letters must be submitted to ARC by Sept 1, 2024. Finalists who are unable to secure and submit a Basic Agency letter by Sept 1, 2024, are subject to disqualification.
- See the list of ARC's Basic Agency Partners: <https://www.arc.gov/basic-agency-partners/>.

— Engineering or Architectural Budget

- Provide an engineering or architectural budget detailing line item project costs. The project total from the engineering or architectural budget should match the total on the submitted Standard Form 424. (Note that for construction projects only, ARC does not require a breakdown of expenditures by funding source.)
- Include a line item for administrative costs in the budget. This amount should cover the costs of providing project administration tasks including environmental review, Davis-Bacon Act compliance, procurement management, etc.
- Provide a budget narrative that includes a detailed explanation of expenditures by the line items listed on standard budget forms. Include

purpose of travel and supply/equipment lists and describe expenses in the 'other' line item, if applicable.

- If the ARC project is part of a larger, multi-phase project, provide only the detailed budget information that corresponds to the total budget for the ARC and matching funds.

Note: Incomplete applications (i.e., applications submitted without all of the above required documents) are subject to disqualification.

Review Process

POWER applications will first be reviewed by the states in which the project's proposed activities and impacts are located. This initial review will ensure that the project's scope of work is strategic and compatible with the state's existing economic development priorities.

ARC federal program staff, state ARC officials, and outside subject matter experts will jointly review and score applications based on the criteria set out in this document.

Next, applicants will be notified of their application's status. Those recommended to move forward in the process will be assigned an ARC project coordinator who will work with the applicants to review and finalize their proposal.

During the review stages, ARC reserves the right to negotiate the budget costs with applicants that have been selected to receive awards, which may include requesting that the applicant remove or adjust certain proposed costs.

Additionally, ARC may request that the applicant modify objectives or work plans and provide supplemental information pertaining to any aspect of the application. ARC also reserves the right to reject an application where information is uncovered that raises a reasonable doubt as to the applicant's ability to successfully fulfill the objectives and requirements of the grant award.

The Appalachian Regional Commission, in its complete and sole discretion, may select for award some, all, or none of the applications received under this competitive solicitation. The final approval of selected applications and issuance of awards will be by the ARC federal co-chair and the respective state ARC official(s). The award decision of the ARC federal co-chair and the respective state ARC official(s) is final.

Post-award modifications to POWER grants are considered on an individual basis. Modifications due to unforeseen circumstances beyond the control of the applicant, such as severe weather or a health emergency, will be considered. As these applications were competitively scored, modifications that would have likely affected that score will not be considered. ARC recommends that all potential applicants have strong confidence in their ability to complete their proposed scope of work and achieve projected impacts with the project budget as submitted.

Cost Sharing and Match

Under POWER FY 2024, applicants for an ARC grant must demonstrate a matching share from non-ARC sources that is identified and forthcoming to the project. Matching sources may be non-federal, other federal, or a combination of sources, including in-kind sources. Applicants are encouraged to consider also applying for other federal sources, such as [U.S. Department of Labor](#) grant programs for workforce development. The maximum share of ARC assistance is determined by the ARC classification of the county (or all counties) served by the proposed activity. The amount of match required will vary depending on the county designation as defined by the ARC FY 2024 county economic status classification. A table summarizing ARC's economic designations and the maximum ARC share for each Appalachian county can be found online at <https://www.arc.gov/match-requirements-for-arc-grants/>.

To determine the match rate for an ARC multi-county POWER project, the following special matching rules apply.

- If there is a distressed county the project and:
 - At least half of the counties are distressed, the project may be funded at up to 80% of project costs;
 - At least half of the counties are some combination of distressed and at-risk, ARC assistance can be the higher of 70% of project costs or the average percentage applicable to the various counties in the project;
 - Fewer than half the counties are distressed, ARC assistance can be the higher of 50% of project costs or the average percentage applicable to the various counties in the project.
- If there is no competitive county or attainment county in a project, and at least half the counties are at-risk, the project may be funded at up to 70% of project costs.
- All other multi-county projects shall be funded at the average percentage applicable to the various counties in the project (i.e., 80%, 70%, 50%, 30%, or 0%); except that the portion of a project that is attributable to an attainment county in a project that does not include a distressed county shall be considered ineligible for ARC assistance and may not be considered for matching purposes.
- Please see [APPENDIX A: Additional Guidelines for Access-to-Capital Projects](#) and [APPENDIX B: Broadband Project Requirements](#) for additional guidance on cost sharing and match for capital finance and broadband projects.
- **Note:** Resources listed as match must be confirmed or accessible by September 1, 2024. Applicants whose match is not confirmed by September 1, 2024, are subject to disqualification. ARC reserves the right to disqualify applicants unable to timely produce adequate assurance of the available matching funds in form and substance satisfactory to ARC.

Application and Submission Information

Important Dates

NOSA release date	February 1, 2024
Application portal opens	February 1, 2024
Virtual pre-application workshop	February 15, 2024 Register here.
Letter of intent due	March 1, 2024 (5 PM ET)
Proposal due date	April 17, 2024 (5 PM ET)

State Program Manager Outreach

Before submitting an application, every applicant is required to contact the state program managers of the states impacted by the project proposal. The state officials will ensure that the proposals are in alignment with their state Appalachian economic development plans and strategy statements. If this action is not completed, then the application will not be moved forward in the review process. A list of all ARC program managers is available at https://www.arc.gov/state_partner_role/state-program-manager/.

Letter of Intent (LOI)

A letter of intent (LOI) is required for both implementation applications and planning applications. Applicants are required to submit a LOI via an **online form** by **March 1, 2024, at 5 PM ET**. The LOI form will be available at www.arc.gov/power on February 1, 2024.

Applicants will use this online form to identify contact information and briefly describe the scope of the proposed project, key partners, geographic scope, and funding request amount. When the LOI is received, ARC state program managers of each state impacted by the proposal will be notified of your intent to submit a full application. Applicants who meet basic eligibility requirements will receive an email with confirmation of receipt and instructions on how to submit their application at power.arc.gov.

Submitted applications for POWER FY 2024 funding that substantially differ from the information included in the received LOI will be disqualified during the review process.

Note: Submission of the LOI does not replace or satisfy the requirement that applicants must contact the appropriate state program managers. Additionally, ARC staff will not provide programmatic feedback on LOIs prior to submission.

Full Application

When the submitted LOI is accepted, ARC staff will create the application based on the information provided. The primary contact listed on the LOI will receive an email with a notification that their application has been created as well as an access link to the full POWER application via the application portal (power.arc.gov). Additional members of the

project team can access the application when the primary contact updates the Contact Info page in the application portal.

Answer every question in full and upload all relevant attachments as PDFs on the File Upload page with the appropriate labels (e.g., Match Letter, Budget Narrative, etc.). If narrative responses refer to a larger document, please extract the relevant pages and attach those as appropriate.

Applications are limited to narrative responses of 15 pages and 100 pages of file uploads. Applicants must provide a comprehensive narrative that addresses all of the criteria and priorities noted in this NOSA, including the Review Criteria section. Only applications that meet the following criteria will be scored:

- Applicants must meet eligibility requirements.
- Applications must meet the ARC cost-share matching requirement for the proposed service area.
- Applicant has contacted ARC state program manager(s).
- A **letter of intent (LOI)** must be submitted to ARC. Submission instructions for the LOI:
 - Submit answers via the **online form by March 1, 2024, at 5 PM (ET)**.
 - Once receipt of LOI is confirmed, it will be forwarded to the respective state program managers. **AGAIN:** This step does not satisfy the requirement that applicants must contact state program managers.
 - Submitted applications for funding that substantially differ from the information included on the received LOI are subject to disqualification during the review process.
- **Applications** must be completed and submitted via the application portal (power.arc.gov) **no later than 5 PM (ET) on April 17, 2024**.
- Further guidance on submission can be found at www.arc.gov/POWER.

Applications will be considered fully submitted when the Authorized Representative digitally certifies and signs the Signature and Submission page. ARC will not accept applications in any other format or medium.

Unique Entity Identifier and System for Award Management (SAM)

As required by the Federal Funding Accountability and Transparency Act of 2006 and 2 CFR §200, Appendix I, applicants are required to meet the following criteria:

- Be registered in the System for Award Management (SAM) before submitting their application (sam.gov);
- Provide a valid Unique Entity ID (UEI) in their application; and
- Continue to maintain an active SAM registration with current information at all times during which they have an active federal award or an application or plan under consideration by a federal awarding agency.

Funding Restrictions

POWER FY 2024 grant awards funded in part or in whole with ARC program funds are subject to the same program funding restrictions of other ARC grants. More information on funding restrictions may be found in Chapter 8 of the ARC Code (www.arc.gov/arc-code)

Indirect Costs

Applicants must use one of the following indirect cost rates:

- If you have a Negotiated Indirect Cost Rate Agreement (NICRA), provide an explanation of how the indirect costs are calculated in the Match and Budget Evaluation section of the application narrative. This explanation should include which portion of each line item, along with the associated costs, are included in your cost allocation base. Also, provide a current version of the NICRA.
- Pursuant to revised grants regulations that became effective on November 12, 2020, any organization that does not currently have a federally negotiated indirect cost rate, except for those entities described in Appendix VII to 2 CFR §200, may elect to charge a de minimis rate of 10% based on modified total direct costs, as defined in 2 CFR §200. No documentation is required to justify the 10% de minimis indirect cost rate, which may be used indefinitely. However, costs must be consistently charged as either indirect or direct costs, and may not be double-charged or inconsistently charged as both. If you choose this option, this methodology must be used consistently for all federal awards until such time as you choose to negotiate for an indirect cost rate, for which you may apply at any time. (See 2 CFR §200.414[f] for more information on use of the de minimis rate.)

Award Administration

General

Administration of ARC awards is subject to the same regulations, restrictions, and requirements as other federal awards. These include but are not limited to [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR §200](#), as currently updated; Buy America Preference for Infrastructure Projects; past performance and non-compliance; restrictions on making awards to corporations convicted of felony criminal violations and unpaid federal tax liabilities; environmental and historic preservation; and national policy requirements, including but not limited to those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination, e.g., Equal Employment Opportunity and the Americans with Disabilities Act (ADA).

ARC reserves the right to change the reporting time periods and, depending on the nature of the project, may request additional relevant data. In addition, ARC requires grantees to cooperate with post-award evaluations, which require maintaining records for at least three years after project closeout. All ARC awards are subject to audit.

If your organization has been subject to a federal audit within the past five years, please note within your application the recommendations made and your subsequent responses to those recommendations.

Non-Construction

General management and administration requirements for non-construction projects are contained in the [ARC Grant Administration Manual for Non-Construction Grant Agreements](#).

Construction

All ARC construction projects, including projects that include both construction and non-construction components, must be administered by a registered federal agency or state Basic Agency, and are subject to the Build America, Buy America Act (part of the Infrastructure Investment and Jobs Act enacted on November 15, 2021) and 2 CFR §184 (Buy America Preference). While a Basic Agency commitment letter is not required at the time of application submission, applicants must notify their selected Basic Agency of their intent to apply for POWER funding and submit documentation verifying this notice was sent and acknowledged in their application materials (see [Application Completeness: Construction Projects](#)). Basic Agency commitment letters must be submitted to ARC by Sept 1, 2024.

Additionally, ARC must have an agreement in place with the Basic Agency before the project can be approved. Utilizing an agency that does not yet have an agreement with ARC can result in substantial delays. A list of agencies with agreements in place with ARC can be found here: <https://www.arc.gov/basic-agency-partners/>.

Buy America Preference Notice

Recipients of funds under the POWER program are hereby notified that none of the funds provided under the award may be used for an infrastructure project unless:

1. 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;
2. 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 that meets or exceeds this standard has been established under applicable law or regulation for determining the minimum amount of domestic content of the manufactured product; and
3. All construction materials are manufactured in the United States—this means that all manufacturing processes for the construction material occurred in the United States.

For purposes of this Notice, an “infrastructure project” means any activity related to the construction, alteration, maintenance, or repair of infrastructure, regardless of whether infrastructure is the primary purpose of the project. It will apply, at a minimum, to the structures, facilities, and equipment for public infrastructure (infrastructure that serves a public function) and will only apply to articles, materials, and supplies that are consumed in, incorporated into, or affixed to the infrastructure project.

ARC State Program Managers

Prior to submission of the application, every applicant is required to contact the [ARC State Program Managers](#) of the states impacted by the project proposal. The state officials will ensure that the proposals are in alignment with their state Appalachian economic development priorities. State program managers also serve as a resource regarding any questions that applicants have about the POWER Initiative in general or about the use of agency funds to support projects in their communities and regions.

Applicants with additional questions may submit them to POWER@arc.gov.

General Legal Disclosures

POWER FY 2024 Initiative awards will be made only to the extent that funds are available. Publication of this NOSA does not obligate ARC to award any specific grant or cooperative agreement or to obligate all or any part of available funds. Applicants intending to contract with a specific individual, consulting group, or organization with ARC funding must have and use a competitive procurement policy that conforms to procurement standards at 2 CFR §200.317–327.

This NOSA does not commit ARC to make any specific award. Notwithstanding any other provisions of the NOSA, ARC reserves the right to award grants, cooperative agreements, or contracts to communities or regions that best meet the requirements of the NOSA. ARC solely reserves the right to accept or reject any or all responses received as a result of this request; to negotiate with all qualified sources; or to cancel in part or in its entirety this NOSA if it is in the interests of ARC to do so.

Please note that ARC will not reimburse any other costs associated with the preparation of a response to this NOSA. Consultants and consultant teams that are legally barred from receiving federal contracts or contract payments will not be considered for work with communities or regions under this NOSA.

Grants awarded under the POWER program are subject to the provisions of the Appalachian Regional Development Act of 1965, as amended, 40 USC Sec. 14101 et seq., the Appalachian Regional Commission Code, and other terms and conditions set forth in the grant agreement.

ARC records of its doings and transactions are made available for public inspection pursuant to the Appalachian Regional Development Act of 1965, as amended, 40 USC 14308 and its Open Records Policy. Applicants must identify and mark all confidential and/or proprietary documents they deem appropriate to submit with their application.

APPENDIX A:

Additional Guidelines for Access-to-Capital Projects

Application Content

In addition to the aforementioned guidelines, applicants for access-to-capital projects must follow the guidelines below and the checklists specific to access-to-capital projects. Applicants must include the following additional components in their application narrative as well as include the required additional documentation.

Narrative

1. Project Description

- a. Provide a brief statement that describes the project's primary purpose, main activities, and expected impacts.
- b. Describe in detail what activities and processes the project will engage in, who will conduct the activities, and who will participate.
- c. Outline the proposed financial products and/or services.
- d. Describe one or two sample projects and how the deals might be structured.
- e. Detail the technical assistance to be provided to borrowers in-house or with TA providers.

2. Rationale

- a. Describe the gaps in currently available capital for the targeted communities. Summarize local and regional demand, including the number of projects, types of projects, and total dollars needed.
- b. If applicable, provide the deployment rate for currently available assets and outline restricted and unrestricted asset allocation.
- c. Include any feasibility studies or other assessments substantiating the demand for this project.
- d. Provide at least two letters of demand from businesses and other community stakeholders that attest to the need and impact of the proposed project. These are not support letters. Please provide a summary of the letters in this section.
- e. Describe sources of financing or financial services available to the target communities and how the proposed product/services are superior or complementary.

3. Regional Strategy/Plan

- a. Explain how the proposed project represents progress toward addressing a regional strategy, such as a comprehensive economic development strategy or a local visioning process.
- b. Describe other project benefits likely to result from the project (e.g., positive impact on future economic development activity in the area).

4. Project Team

a. Partnerships

- i. Describe any partnerships or collaborations with other local community, state, regional, and federal partners in developing the proposal, particularly outlining key organizations within the Region's entrepreneurial ecosystem that will support effective service delivery.
- ii. Describe the applicant's ownership, including the following information if applicable: For organizations that have affiliated companies (e.g., parents, affiliates, subsidiaries), please provide a list of the individual owners with their contact information of those entities. Briefly describe the relationship between the applicant and these other entities and individuals, including management and products/services exchanged.
- iii. Describe the applicant's capacity to manage the funds and conduct associated programmatic activities effectively. Describe the applicant's experience with similar activities and length of time involved.
- iv. Discuss whether the applicant is a member of any finance professional associations or organizations and the level of involvement.

b. Organizational Capacity

- i. Grants management: Describe ability to adhere to grant compliance and reporting requirements by describing any (1) experience in managing a previous grant(s); (2) familiarity with federal grants regulations; and/or (3) experience managing federal awards.
- ii. Staff qualifications: Briefly describe the qualifications of key individuals who will manage and operate the project including staff. Attach position descriptions (if not hired) or brief resumes of these individuals.
- iii. Outside personnel qualifications: If you plan to procure the services of contractors or consultants to conduct any part of the project, describe the competitive procedures that will be used to select them. (You will be required to submit qualifications of all consultants and subcontractors once procured.)
- iv. Project sustainability: Explain how the project will achieve long-term sustainability once ARC support is no longer available. Include a plan and timeline of efforts to secure other sources of support for future operations.

5. Projected Outputs and Outcomes

Include the following performance measures.

- a. Businesses served – The number of businesses served by an ARC project. This includes businesses receiving technical assistance or participating in training, entrepreneurship, export, or other business development and improvement programs. Additionally, with access-to-capital grants, a borrower and an investee may count.
- b. Businesses improved – The number of businesses with a measurable improvement as a result of an ARC project. The grant applicant and ARC project manager must agree on what constitutes "measurable improvement," and a method for measuring the degree of improvement must be provided. Typically, this may include jobs created,

revenue increased, new markets entered, wages increased, new patents submitted and/or secured, and loans and investments secured. The metrics are measured during the project period and up to **three years** after the project end date. For each project, this number is always a subset of, or the same as, the “businesses served” output measure.

- c. Leveraged private investment (LPI) – The dollar amount of private-sector financial commitments, outside of project costs that result from an ARC project, measured during the project period and up to **three years** after the project end date. Committed private investment partners should provide letters of intent. Private capital raised should be reflected in this measure. Each access-to-capital grantee must have a 3:1 capital raise.
- d. Jobs created – The number of jobs created (direct hires, excluding construction jobs) as a result of an ARC project, during the project period and up to **three years** after the project end date. Part-time and seasonal jobs should be converted to full-time equivalents and rounded up to whole numbers. Applicants should estimate the number of jobs that will be created by the businesses expected to benefit from the project.
- e. Jobs retained – The number of existing jobs that would be lost or relocated if the ARC project were not undertaken expressed as full time equivalent.
- f. Businesses created – The number of new businesses created as a result of an ARC project. This measure only applies to grantees who will work with new/startup businesses. It is not required for all grantees.
- g. Other – Grantees may use other ARC performance measures as outlined in the ARC guidance document in addition to the above measures.

6. Match and Budget Evaluation

- a. Budget
 - SF-424a Form and Budget Narrative: The applicant will show the ARC request and private capital raise for the capital portion of the grant in the “Other” budget line item in the application’s budget forms (SF-424a). Additionally, the capital will be described and listed under the “other” category on the budget narrative.
- b. Match
 - All POWER program capital asks require a 3:1 private capital raise.
 - The capital raised for this portion of the grant may not be used to cover the match of technical assistance or operational expenses. ARC’s match requirements must be applied for non-capital portions of the budget. However, the capital raise may be used to cover the match for the loan/investment match.
 - Additionally, the 3:1 capital raise will not count toward the leveraged private investment performance measurement.

7. Additional Required Attachments

- a. A five-year pro forma balance sheet that reflects the use of the loan proceeds or grant

award. Indicate the necessary start-up capital, operating capital, and short-term credit as well as the projected cash flow and income statements for five years, supported by a list of assumptions showing the basis for the projections.

- b. Existing financial organizations must provide historical financial statements prepared according to Generally Accepted Accounting Principles (GAAP) for the past three years, including income statements and balance sheets and a current balance sheet and income statement according to GAAP and dated within 90 days of the application.
- c. Upload a document (no more than one page) outlining a pipeline of loan or equity investment opportunities, including the type of business, amount requested (if available), and the intended use of financing.
- c. A letter stating that the capital raise has been secured. If all the capital is not raised by the time of approval, the applicant must provide a letter showing progress on current capital raise. The letter must also contain a commitment to complete the raise by the expected date. The raise could also be provided on a loan-by-loan or investment-by-investment basis; however, the applicant needs to guarantee that the match will be provided.
- d. ARC requires all applicants and grantees to submit an RLF/Investment Operating Plan to be approved by the Commission. At a minimum the plan would include:
 - Overview: Description of mission, vision, purpose of the program.
 - Eligibility: List of eligible borrower types, eligible uses, and ineligible uses. ARC provides its requirements on pages 4-5 in the *Access to Capital Projects Application and Operating Guidelines* ([ARC Capital Guidelines](#)). Applicants may choose to have more stringent eligibility criteria.
 - Terms, borrower equity, interest rates:
 - The minimum borrower equity contribution (percentage) to each loan project.
 - The proportion of the grantee's RLF lending capacity that one borrower may have outstanding (unpaid) through multiple loans
 - The type of loan permitted, and the anticipated term of each type.
 - Interest rates: Acknowledgement that the minimum positive interest rate. Suggested language concerning this statement can be found on page 6 of the *ARC Capital Guidelines*.
 - Operating procedures for the following:
 - Underwriting/investment guidelines and portfolio management systems.
 - Application procedures.
 - Review process including necessary approvals (e.g., loan/investment review committee, board approval, underwriter, etc.)
 - Process and policies for addressing delinquent loans/non-performing investments.

- The names of loan/investment review committee members, and a brief statement of each member's commercial loan or investment experience.
- Federal requirements: Recognition that there are federal requirements including audits, records retention, the Equal Credit Opportunity Act (ECOA) 15 U.S.C. 1691–1691(f) and noncompliance standards.
- Conflict of interest: Provide a policy statement and procedure that at a minimum aligns with the *ARC Capital Guidelines* on pages 6–7.
- Plan revisions: Include a statement that if the plan changes materially, the grantee will submit the revised plan to ARC. Additionally, outline the governance process used to approve the plan and its revisions.

APPENDIX B: Broadband Project Requirements

Up to one-third of the funds provided for the FY 2024 POWER Initiative will be available to fund broadband deployment and broadband as a service (BaaS) projects that enhance access to broadband services.

Broadband is a critical infrastructure component needed by all segments of the community: for business development; job creation; health care services, including telemedicine; and to help rural areas compete with more densely populated areas.

Understanding that broadband deployment projects can be capital intensive, grant requests for deployment projects can be up to \$2.5 million, with priority given to projects with evidence of leveraged funding for the overall project. **To qualify for broadband deployment funding, at least 65% of the project's budget must be directed to the physical deployment of broadband infrastructure.** Projects whose budgets direct more than 35% of their funds toward activities not directly associated with deployment of broadband infrastructure will follow the same guidelines as implementation projects.

BaaS projects offer eligible communities the option to procure broadband as a service instead of deploying broadband infrastructure. BaaS grantees will enter long-term contracts with internet service providers (ISPs) to subsidize broadband availability for businesses and residences within their approved project areas. BaaS grantees will not own any broadband infrastructure but must ensure that the selected ISP offers reasonably affordable and non-discriminatory broadband services. BaaS projects are eligible for up to \$2.5 million awards provided they meet the requirements set forth in this NOSA, including but not limited to the match requirements.

Note: Applicants must decide at the time of application submission whether they intend to pursue a broadband deployment or a BaaS project. Changes to scope after application submission will not be entertained.

Below are specific requirements and guidance for broadband deployment and BaaS grant applications.

Fiber Deployment Projects

- Successful projects must include providing service to businesses.
- Priority will be given to the following:
 - Projects with a completed feasibility study that provides preliminary project design and cost estimates (see section titled [Broadband Feasibility Studies](#) below).
 - Broadband fiber deployment in central-business-district designated areas and industrial parks.
 - Networks and projects that will be operational upon the completion of construction.
- To determine adequate broadband availability, applicants must provide evidence of the need for high-capacity broadband service in the proposed service area. For areas where internet service already exists, the applicant must demonstrate that the available service is insufficient to support robust economic development activities. Types of evidence

include, but are not limited to federal maps¹, electric pole attachment maps, state broadband maps, and speed tests from broadband demand crowdsourcing surveys.

- ARC will not support deployment in areas that already have adequate broadband availability. For the purposes of this NOSA, ARC will support funding “Unserved” and “Underserved” locations².
 - Unserved Location—The term “unserved location” means a broadband-serviceable location that the Broadband DATA Maps show as (a) having no access to broadband service, or (b) lacking access to Reliable Broadband Service offered with—(i) a speed of not less than 25 Mbps for downloads; and (ii) a speed of not less than 3 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds
 - Underserved Location—The term “underserved location” means a broadband-serviceable location that is (a) not an unserved location, and (b) that the Broadband DATA Maps show as lacking access to Reliable Broadband Service offered with—(i) a speed of not less than 100 Mbps for downloads; and (ii) a speed of not less than 20 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds.
 - If existing service providers fail to meet either threshold, then ARC is willing to consider broadband grant applications for that service area.
 - Locations served exclusively by satellite, services using entirely unlicensed spectrum, or a technology not specified by the FCC for purposes of the Broadband DATA Maps, do not meet the FCC or NTIA criteria for Reliable Broadband Service and so will be considered “unserved.”
- Though not a requirement, grantee must indicate whether it is an Eligible Telecommunications Carrier (ETC) within the respective state.
- Applicants must determine if the proposed coverage area already has a state or federally subsidized grant award for broadband deployment. While ARC will judge each application on its individual merits, it is not our intent to subsidize an area that will also receive a government subsidy from a different source. ARC funds should not be used to overlay existing areas that have adequate service or provide unfair competition. Some of the federal funding sources for broadband include the Federal Communications Commission (FCC) Connect America Fund (CAF) and Rural Digital Opportunities Fund (RDOF); the U.S. Department of Agriculture (USDA) ReConnect Initiative, Community Connect Program, and ReConnect Program; and the National Telecommunications and Information Administration (NTIA) Broadband Equity, Access, and Deployment (BEAD) and Digital Equity Programs.
- **Note: Applicants must 1) notify existing internet service providers (ISPs) of their intent to use federal assistance to deploy broadband in the intended service area in advance of the grant application and 2) upload documentation verifying their correspondence in their application.** Correspondence should be in writing (letter or

¹ <https://www.fcc.gov/reports-research/maps/>

² See NTIA BEAD NOFO, ‘Underserved Location’ and ‘Unserved Location’ definitions, p 16 <https://broadbandusa.ntia.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf>

email), dated, and addressed to the appropriate individual (regional manager, government affairs director, etc.). In those written notices, applicants should include a method by which ISPs can respond with any comments, questions, or concerns and allow a reasonable window of time for ISPs to submit relevant responses. Applications that do not provide documentation of correspondence with incumbent ISPs and/or evidence that the project area is unserved will not be considered for funding.

- **Note: Applicants must also 1) notify their state broadband offices of their intent to apply and include specific information about the geographic area the project plans to serve and 2) upload documentation verifying their correspondence in their application. ARC must be able to verify the viability of the project and the consistency with state broadband efforts with the respective state broadband office prior to project approval. Applications that do not include this documentation of correspondence will not be considered for funding.**
- Applicants are also encouraged to explore the option to partner with a competitively selected ISP on an application for contracted broadband services or BaaS (versus broadband network deployment). This could include, but is not limited to, an electric utility contracting with an existing provider to manage its last-mile broadband services. It could also include a middle-mile fiber provider contracting with multiple providers to deliver last-mile broadband services. Further guidance on BaaS projects can be found below.

Wireless Deployment Projects

- Priority will be given to the following:
 - Projects with a completed feasibility study that provide preliminary project design and cost estimates (see the section titled [Broadband Feasibility Studies](#) below)
 - Projects for business and mixed-use deployment
 - Networks and projects that will be operational upon the completion of construction
- ARC will not support deployment in areas that already have adequate broadband availability. Applicants must provide evidence of the need for broadband service in the proposed service area. ARC will not consider wireless deployment projects in areas where 25/3 or better service is already available.
- Applicants must determine if the proposed coverage area already has a state or federally subsidized grant award for broadband deployment. While ARC will judge each application on its individual merits, it is not our intent to subsidize an area that will also receive a government subsidy from a different source. ARC funds should not be used to overlay existing areas that have adequate service or provide unfair competition. Some of the federal funding sources for broadband include the Federal Communications Commission (FCC) Connect America Fund (CAF) and Rural Digital Opportunities Fund (RDOF); the U.S. Department of Agriculture (USDA) ReConnect Initiative, Community Connect Program, and ReConnect Program; and the National Telecommunications and Information Administration (NTIA) Broadband Equity, Access, and Deployment (BEAD) and Digital Equity Programs.

- **Note: Applicants must 1) notify existing ISPs of their intent to use federal assistance to deploy broadband in the intended service area in advance of the grant application and 2) upload documentation verifying their correspondence in their application.** Correspondence should be in writing (letter or email), dated, and addressed to the appropriate individual (regional manager, government affairs director, etc.). In those written notices, applicants should include a method by which ISPs can respond with any comments, questions, or concerns and allow a reasonable window of time for ISPs to submit relevant responses. Applications that do not provide documentation of correspondence with incumbent ISPs and/or evidence that the project area is unserved will not be considered for funding.
- **Note: Applicants must also 1) notify their state broadband offices of their intent to apply and include specific information about the geographic area the project plans to serve and 2) upload documentation verifying their correspondence in their application. ARC must be able to verify the viability of the project and the consistency with state broadband efforts with the respective state broadband office prior to project approval. Applications that do not include this documentation of correspondence will not be considered for funding.**

Broadband as a Service (BaaS) Projects

- ARC will not support BaaS projects in areas that already have adequate broadband availability. Applicants must provide evidence of the need for broadband service in the proposed service area. ARC will only consider BaaS projects in areas designated Unserved (<25/3) or Underserved (<100/20) by their respective state broadband authority and lack existing federal or state commitments for broadband service.
- Applicants must provide a clear and detailed budget and implementation plan, including details related to risk factors considered during the vendor-selection phase (such as the vendor's experience and financial position). BaaS projects may involve multiple service areas as part of a single project as long as all the areas are eligible for ARC financial assistance.
- Applicants must determine if the proposed coverage area already has a state or federally subsidized grant award for broadband deployment. While ARC will judge each application on its individual merits, it is not our intent to subsidize an area that will also receive a government subsidy from a different source. ARC funds should not be used to overlay existing areas that have adequate service or provide unfair competition.
- **Note: Applicants must 1) notify their state broadband offices of their intent to apply and include specific information about the geographic area the project plans to serve and 2) upload documentation verifying their correspondence in their application. ARC must be able to verify the viability of the project and the consistency with state broadband efforts with the respective state broadband office prior to project approval. Applications that do not include this documentation of correspondence will not be considered for funding.**
- **Note: Applicants must also reflect in their application that they have read, understood, and will comply with the following BaaS program requirements:**

BaaS Program Requirements	
Procurement	Grantee must comply with the procurement standards set forth in the Uniform Guidance, 2 CFR §200.317–327.
Prohibition on Capital Expenditures	Grantee must not build, acquire, improve, or modify any real property and/or capital asset, nor acquire any equipment with the financial assistance from ARC.
Period of Performance	The period of performance for a BaaS grant will be seven years unless a shorter period of performance is approved by ARC in writing. It is expected that grantees will enter into BaaS agreements with ISPs in excess of the grant period of performance.
Service Requirements	<p><u>Eligibility:</u> BaaS is only available for use in areas designated Unserved or Underserved by the applicable state broadband office or state broadband authority. Specifically, the BaaS area must be Unserved (<25/3) or Underserved (<100/20) and cannot have an existing federal, state, or local enforceable commitment for Qualifying Broadband service (≥100/20).</p> <p><u>Speed:</u> Meets or exceeds symmetrical speeds of 100Mbps so that communities have future-proof infrastructure to serve their long-term needs. However, funding services that provide reliable broadband services of 100Mbps download and 20Mbps upload will be considered under certain circumstances. Delivered service should generally exceed 80% of the advertised download and upload speeds.</p> <p><u>Availability:</u> Service outages must not exceed 48 hours in a given 365-day period (excluding force majeure occurrences).</p> <p><u>Latency:</u> Service latency must not exceed 100 milliseconds (ms) round-trip time.</p> <p><u>Equal access:</u> Service must not be subject to data caps, surcharges, or usage-based throttling, and must adhere to the same acceptable use policies that apply to all other broadband internet access service plans offered by the ISP to their subscribers.</p> <p><u>Affordability:</u> The service provider should participate in the Affordable Connectivity Program or any successor program or any other program that would promote service affordability to the subscribers in the BaaS service area. Broadband service prices should be reasonably affordable for the subscribers within the BaaS service area.</p> <p><u>Geographic footprint:</u> Clearly define the project’s geographic footprint and define availability timelines for the entire geographic footprint or for each sub-geography if the BaaS partner proposes a phased implementation. Applicants will be required to submit the census blocks that will encompass the proposed project area to ensure eligibility.</p> <p><u>Reporting:</u> Grantee must provide ARC with Broadband Serviceable Location Fabric (Fabric) for the project locations to be served. This information will designate homes, businesses and community anchor institutions associated with the BaaS contract as part of an Enforceable</p>

BaaS Program Requirements	
	<p>Commitment and will impact the project area's ability to receive future grant funding for broadband service availability. Note that a contingent award may be used to delay this designation for the purposes of securing additional grant funding for a project. In addition, grantee must also require the ISP to report on fabric location, speeds, latency, and all other information needed to meet the reporting requirements of ARC and other federal agencies.</p> <p><u>Compliance:</u> The ISP must comply with all applicable federal, state, and local laws in delivering the services to the grantee and the subscribers within the BaaS area.</p>
Risk Analysis	Grantee must perform a risk analysis of the ISP to assess likelihood to succeed in providing reasonably affordable and reliable broadband service based on such factors as the proximity of the BaaS footprint to current operations and experience operating at the scale sought by the grantee. The risk analysis should also include an assessment of the financial position of the ISP and its past performance at similar projects for the elements described in the previous paragraph.
Monitoring	Grantee must set up legally sufficient mechanisms to monitor the ISP's performance and adequately protect the grantee's interest, including but not limited to unsatisfactory performance. Examples may include 1) engaging third party consultants to validate service availability, network speeds and other material elements of the broadband service contracted; and 2) securing contractual covenants/liens.
Payments	Grantee should structure the payments for the BaaS is such a way that will mitigate risk but is reasonably sufficient to encourage the ISP to make broadband services available to the businesses and houses in their communities (e.g., frontloading the payment structure with adequate recourse mechanisms).
National Defense Authorization Act (NDAA)	ARC's financial assistance must not be used to procure services that use, nor enter into a contract with a party that uses, covered telecommunications technology banned by Section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. Law 115-232.
State Law	Grantee must ensure that the BaaS model is a viable vehicle under state law for making broadband available in their jurisdiction.
ISP Service Contract	Grantee's service contract with a qualified ISP must be for the primary purpose of making available broadband services in a defined area eligible to receive ARC financial assistance. In the interest of clarity, the ISP must perform clearly defined tasks agreed upon with the grantee, but it shall not furnish an end item of supply to the grantee.

Broadband Feasibility Studies

POWER Initiative FY 2024 will also accept applications—through POWER planning grants up to \$50,000—for projects designed to demonstrate the feasibility of broadband deployment in coal-impacted communities. Potential broadband planning grants could fund projects that accomplish the following:

- Define unserved and underserved areas that are eligible for various grant programs.

- Assess community broadband requirements for bandwidth needs.
- Determine the best technologies to meet the coal-impacted community needs. Provide cost estimates for different deployment strategies.
- Provide a study/analysis of alternative deployment routes.
 - This should include an analysis of existing providers who may already have ownership interests in proposed routes and, if relevant, an assessment of pole attachment costs for those routes.
 - If the area already has service, the study must also include an analysis of what speeds are currently available from existing providers. The study should also address any partnerships that the applicant plans to form to deliver broadband services.

Other Broadband Project Considerations

POWER applications for projects that seek to utilize existing broadband service or increase its adoption through community outreach efforts or innovative economic development initiatives will follow the same funding guidelines as other implementation projects, with grant amounts up to \$1.5 million that are not drawn from the available broadband deployment funds. Examples of these include the following:

- Business technical assistance on how to best utilize broadband services
- Community outreach efforts to increase broadband use and adoption
- Unique distance-learning and other telecom-oriented health practice enhancements

Note: The Digital Equity Act provides \$2.75 billion to establish three grant programs that promote digital equity and inclusion. ARC encourages digital-equity-related broadband applicants to collaborate with their state broadband offices on their state's or territory's digital equity draft plans/proposals out for public comment. More information available here: <https://broadbandusa.ntia.doc.gov/funding-programs/digital-equity-act-programs>.

APPENDIX C: Planning Grants

		POINTS AVAILABLE
Project Description		18 points
	Project plan summary	10
	Timeline	3
	Geographic scale	5
Coal Impact		15 points
	Coal impact data	5
	Coal impact narrative	10
Rationale		30 points
	Alignment with ARC investment goals and priorities	6
	State and regional priorities	6
	Addresses needs of the project area	9
	Evidence of local demand	9
Project Team		10 points
	Partnerships	4
	Organizational capacity	4
	Readiness	2
Projected Outputs and Outcomes		13 points
	Transition to implementation	10
	Visualizes long-term impacts to community/region	3
Match and Budget Evaluation		12 points
	Match	4
	Budget	4
	Budget narrative	4
Application Completeness		2 points
TOTAL		Up to 100

Project Description (up to 18 points)

- Clearly and fully describe the proposed project's scope of work.
- Include a full timeline of the project's proposed activities and milestones. Please note that the grant period will likely start on October 1, 2024.
- Identify the proposed project area, highlighting geographic areas of focus.

Coal Impact (up to 15 points)

- **Coal impact data:** This review criterion will be calculated based on coal impact data for the counties selected in the [Project Geography](#).
- **Coal impact narrative:** Provide supporting documentation and a written narrative of how the proposed project area has been impacted by the decline of the coal economy.

Rationale (up to 30 points)

- Explain how the proposed scope of work and the project's goals align with one or more of the [ARC Strategic Investment Goals](#), as well as one or more of the [POWER Investment Priorities](#). Discuss how the proposal will apply an equity lens by utilizing intentional strategies that expand access, participation, and representation to underrepresented communities in the services or benefits of the project.
- Demonstrate how your proposal aligns with or ties into the [appropriate state ARC strategy statements or state economic development plans](#).
- Describe how the proposed project is best suited to explore outstanding needs in the project area and represents progress toward addressing a regional goal.
- Show beneficiaries and key community stakeholders' demand for the project. Letters from stakeholders should validate demand and demonstrate strong input and engagement of the broader community in planning and project design. **Note:** The submission of form letters will result in a deduction of points.

Project Team (up to 10 points)

- Identify key project partners and describe each partner's role in the proposed project and project design.
 - If a multi-state project is proposed, it is required that at least one partner is physically located in each state within the proposed service area.
- Overall project team membership can comprise, but is not limited to, the following types of organizations:
 - State, regional, and local economic development organizations
 - Local governments
 - Planning organizations and development districts, including metropolitan planning organizations
 - Labor unions and labor-management apprenticeship programs
 - State and local workforce agencies
 - Institutions of higher education, including (but not limited to) community colleges and other job training and adult education providers
 - Not-for-profit and community-based organizations
 - Chambers of commerce, industry and trade associations, local and regional business owners, and other representatives from the private sector
- Demonstrate the ability for the project team to undertake/accomplish the proposed scope of work including, but not limited to, the project teams' qualifications (upload résumés, sample request for qualifications, etc.) and experience managing federal awards.

- Describe the readiness of the project team to begin work once a grant is awarded (estimated start date of October 1, 2024). Highlight whether or not significant hiring is required for implementation of the proposed scope of work.

Project Outputs and Outcomes (up to 13 points)

- Demonstrate how pursuing the outlined scope of work will help facilitate the formulation of a potential implementation project. Include discussion of where and how the potential funding could be found beyond the ARC POWER Initiative.
- Include a description of how project stakeholders envision the proposed project transforming and furthering the long-term community and economic development of the project region.

Match and Budget Evaluation (up to 12 points)

- Identify resources to be leveraged as match and the status of that match (confirmed, pending, etc.). Resources listed as match must be confirmed or accessible by September 1, 2024. Applicants should demonstrate community and regional commitment to the proposed project by combining ARC resources with a diverse array of match types (cash, in-kind, loans, etc.) and sources (public, private, philanthropic, etc.). ARC reserves the right to disqualify applicants unable to timely produce adequate assurance of the available matching funds in form and substance satisfactory to ARC.
- Submit complete and detailed budget and budget narratives:
 - All items included in the budget and budget narrative must align with each other.
 - All items included in the budget and budget narrative (including personnel, fringe benefits, travel, equipment, supplies, contractual, minor construction, other and indirect charges) must align with the project as described.
 - All items in the budget narrative are detailed and reflected in the budget.
- Complete appropriate SF-424 forms.
- **Note:** The project budget should reflect the full funding request with that amount allocated across the project period.

Application Completeness (up to 2 points)

- Applications will be awarded up to 2 points for completeness. Applications missing pieces of required documentation will not receive the maximum points possible.
- **Note: Incomplete applications (i.e., applications submitted without all of the above required documents) are subject to disqualification.**