

Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Initiative

Federal Fiscal Year 2025—Notice of Solicitation of Applications

(1) NOSA Basic Information

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) 2025.

NOSA release date	August 12, 2025	
Virtual pre-application workshop	August 21, 2025 Register <u>here</u> .	
Letter of intent (LOI) due	September 12, 2025 (5 p.m. EDT) Submit using this form.	
Applications due	lications due October 22, 2025 (5 p.m. EDT)	
Awards announced	d Spring 2026	
Selected projects begin	May 1, 2026 ¹	

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.

Executive Summary

ARC's POWER Initiative offers federal grant funding for projects that help Appalachian communities and regions that have been affected by job losses in coal mining, coal power plant operations and coal-related supply chain industries. It is the policy of the United States that coal is essential to our national and economic security. This presents an opportunity to support the expansion of coal technology, including technologies that utilize coal and coal byproducts such as building materials, battery materials, carbon fiber, synthetic graphite, and printing materials. Appalachian coal has qualities that, coupled with its logistical advantages due to its proximity to export ports, underscore its potential in international markets and role in domestic prosperity.

¹ Proposals that are not ready to receive approval from ARC by July 1, 2026, are subject to disqualification.

In FY 2025, ARC is making available up to \$65 million in federal funding for the POWER Initiative². Applicants can request up to \$2 million for implementation projects (or up to \$2.5 million for broadband implementation projects) or \$100,000 for planning projects. See pages 9-10 for more details. All project proposals must align with at least one of ARC's five strategic goals. Projects must also align with at least one of the POWER Initiative Priorities.

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² See 40 U.S.C. 14703.

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(2) Appalachian Regional Commission Overview

The Appalachian Regional Commission (ARC) was established through the <u>Appalachian Regional Development Act of 1965</u> to help bring Appalachia into socioeconomic parity with the rest of the nation. ARC is an economic development entity representing a <u>partnership of federal, state, and local governments</u>. ARC's footprint spans <u>423 counties</u> across <u>13 states</u>. This includes all of West Virginia and parts of 12 other states: Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Virginia. <u>Learn more about ARC</u>.

ARC Strategic Investment Goals

All POWER Initiative applications must address one or more of <u>ARC's strategic investment</u> 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.

(3) Eligibility

Organizations Eligible for Funding

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

- Local development districts (LDDs)
- Indian tribes or a consortium of Indian tribes
- States, counties, cities, or other political subdivisions 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

Ineligibility

ARC does not award grants to the following:

- Individuals
- For-profit entities
- Proposed projects outside of the Appalachian Region
- Proposed projects that fully or partially duplicate or overlap with open or previously awarded ARC grants

Eligibility Specifications for Current ARC Grantees

Grantees with open ARC projects—including but not limited to POWER, INSPIRE, ARISE, READY Appalachia, WORC and Area Development—can apply for POWER FY 2025 funds. However, the applicant must ensure the following to be eligible:

- The proposed scope of work must be new and must not overlap with a current open ARC grant.
- For grantees with projects scheduled to be completed before May 1, 2026.

 New applications should include 1.) an expansion of geography, 2.) increased scope of work with an existing concept, or 3.) a proposal with a new concept.
- ARC grantees must provide a thorough status update on their existing project(s).
 They must also demonstrate sufficient organizational capacity to manage multiple awards simultaneously.

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

Eligible 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. If projects extend beyond the Appalachian Region, only the portion that falls within the region is eligible for ARC funding.

Cost Sharing or Matching

Applicants must demonstrate a cost share (or a "match") from non-ARC sources:

- Matching funds can be **federal or non-federal contributions**, **or a combination of both**. They can be cash or in-kind.
- Matching funds must be allowable under federal grant regulations, <u>2 CFR</u>
 200.306(b). They must help you meet the goals of your proposed POWER project.
- Matching funds must meet the minimum required match amount, which is
 determined by the ARC classification of the county or counties served by the
 proposed activity (distressed 20%; at-risk 30%; transitional 50%; competitive 70%;
 and attainment ineligible).
 - o <u>Access a table</u> summarizing ARC's five economic designations and the match requirement for each Appalachian county.
 - o Use ARC's match rate calculator to help you determine the required match.
- Matching funds must be confirmed and accessible by March 20, 2026. Applicants

whose match is not confirmed by March 20, 2026, are subject to disqualification. ARC reserves the right to disqualify applicants unable to produce timely and adequate assurance of the available matching funds in form and substance satisfactory to ARC.

(4) Program Description

The Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Initiative provides grants to help communities and regions affected by job losses in coal mining, coal power plant operations, and coal-related supply chain or logistics industries. ARC prioritizes POWER funding for projects that will produce **diverse economic development outcomes**, such as the following:

- o Diversifying the commercial and industrial bases of local and regional economies
- o Creating high-quality, well-paying jobs in new and existing industries
- o Attracting new sources of public and private investment
- Providing 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
- Supporting the expansion of coal technology, including technologies that utilize coal and coal byproducts such as building materials, battery materials, carbon fiber, synthetic graphite, and steelmaking

In addition, it's important for POWER projects to be **collaborative** in nature. Successful POWER projects should meet both the following criteria:

- Be specifically aligned with state, local, and/or regional economic development plans
- Be designed collaboratively by a diverse blend of state, local, and regional stakeholders

Applicants should consult <u>Executive Orders</u>, including those on energy policy and ending diversity, equity and inclusion activities, such as EO 14154 and EO 14151, as they prepare their applications.

Coal Impact: Documentation of Economic Impact

POWER applications must demonstrate that projects are located within and targeted at communities or regions that have been impacted by coal mining or coal-power-plant employment loss, or employment loss in the supply-chain or logistics industries of either sector. ARC has published coal-specific research on the ARC website including datasets on coal production and employment, and an overview of coal and the economy in Appalachia. Applicants are encouraged to use ARC data and other sources to demonstrate community and regional impacts on the coal economy. See "Coal Impact" in Application Review Criteria for more information on using data to document coal impact.

POWER Investment Priorities

In addition to aligning projects with <u>at least one ARC strategic investment goal</u>, applicants should describe how their project will address one or more of the following POWER investment priorities, and how, to the extent possible, the project is evidence-based or based on emerging research.

Fostering Entrepreneurial Activities

This refers to programs that support the development and expansion of entrepreneurial enterprises and business activity in Appalachia. These strategic investments will create and strengthen the ecosystems that provide broad-based support for business startup and growth. Examples may include the following:

- Increasing the access of small and medium-sized businesses across Appalachia to private investment capital. ARC supports the formation, operation, and capitalization of a range of development finance activities.
 - o These types of projects would be considered access to capital projects and have additional application requirements. See <u>Appendix A: Access to Capital Project Requirements</u> for details.
- **Supporting entrepreneurial ecosystems** by way of increasing access to markets, talent, business assistance, infrastructure, and culture/community leadership. Projects should target and strengthen multiple components in a region. <u>Access more data and information</u> on ARC's research on entrepreneurial ecosystems in Appalachia.
- **Developing and deploying entrepreneurship education programs**, especially those that involve science, technology, engineering, and math (STEM) initiatives.
- Leveraging natural and cultural assets and creative enterprises through activities that increase entrepreneurship. Projects will responsibly leverage Appalachia's rich cultural and environmental resources for sustainable job creation and local economic growth. Supported projects can involve a range of both construction and non-construction activities.
 - If a project of this type has construction elements, it would be considered a tourism construction project. Tourism construction projects have additional application requirements. See <u>Appendix D: Tourism Construction Project</u> Requirements for details.

Developing Industry Clusters in Communities

This refers to programs that support new or existing regional industry clusters, especially those that diversify employment opportunities in the region. Examples may include the following:

- Supporting 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 the following:
 - Supply chain improvements
 - o Bringing connectivity and interoperability to the manufacturing facility
 - o Export assistance
 - o Development and commercialization of coal technologies
- Supporting the creation of strategic industry clusters, such as high-tech
 manufacturing, coal technology acceleration, and food systems, by way of programs
 that bolster entrepreneurial, technical, academic, and scientific talent in these sectors.

Building a Competitive Workforce

This refers to targeted training that prepares individuals for specific jobs or careers, or for advancement within an occupation, in industries with high workforce demand. Proposals for training programs should be supported with evidence that indicates a demand for that particular skillset in the area to be served. There should be no overlap with existing workforce programs in those areas. Examples may include the following:

- Trainings that lead to a specified credential or advanced degree
- **Partnerships with employers** to assist with job search, interview training and other soft skills targeting un- or under-employed people, or persons with barriers to employment
- **Increasing labor participation rates** by targeting underemployed workers and recruiting and training people who have dropped out of the workforce

Increasing Access to Broadband

This refers to projects that promote reliable, affordable, and high-speed broadband access to increase connectivity and strengthen economic competitiveness. Up to one-third of POWER FY 2025 program funds will be available to fund broadband projects. Broadband projects have additional application requirements. See <u>Appendix B: Broadband Project Requirements</u> for details. Examples may include the following:

- Broadband construction, which creates new broadband and other telecommunications infrastructure
- Broadband as a Service (Baas), which offers communities the option to procure broadband as a service rather than funding capital expenditure (construction/infrastructure)

For the 2025 POWER application cycle, applicants proposing projects that contain a substance use disorder (SUD) focus should apply for ARC's INSPIRE Initiative. While SUD response components may be included in POWER applications, such a proposal must address at least one of the POWER investment priorities (noted above) and at least one of ARC's five strategic investment goals.

Grant Types

Implementation Grants

Implementation grants are for programmatic delivery of eligible <u>POWER Investment</u> <u>Priorities</u>. Applicants may also request funding to support construction incidental to their project.

Funding Amounts and Period of Performance

- **Funding:** Between \$400,000–\$2 million, except,
 - o Broadband construction and BaaS: \$400.000-\$2.5 million
- **Period of Performance:** Between 12 and 36 months, except,
 - o Projects with construction activities: Between 12 and 48 months
 - o BaaS: Minimum 7-years.
- Applicants must address all components noted in the section titled <u>Criteria for Implementation Grants</u>.
- Special guidance on access-to-capital, broadband, construction, and tourism

projects can be found in the Appendices.

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

Planning Grants

Planning grants will help coal-impacted communities develop plans, strategies, and feasibility studies targeted at the growth of their economies. Planning projects should result in grantees better understanding their resources, identifying strengths and needs, and focusing their future efforts through cost/benefit analyses. The objective of 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.

Funding Amounts and Period of Performance

- **Funding:** Up to \$100,000
- **Period of Performance:** Up to 12 months
- Applicants must address all components noted in the section titled <u>Criteria for Planning Grants.</u>
- **Note:** The requested budget should reflect the full funding request with that amount allocated across the project period.

(5) Application Process and Scoring Criteria

Important Dates

NOSA release date	August 12, 2025	
Virtual pre-application workshop August 21, 2025 Register <u>here</u> .		
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Steps in Application Process

State Program Manager Outreach

Before submitting a <u>letter of intent (LOI)</u>, every applicant is required to contact the state program manager of the state or states impacted by the project proposal. State officials can ensure that the proposals are in alignment with their state Appalachian economic development plans and strategy statements. <u>Find the name and contact information for your state program manager on ARC.gov.</u>

Best practices when contacting your state program manager:

- Clearly and succinctly summarize your proposed project. It's important to provide your state program manager with a clear, concise written summary of your proposed project including the amount of funding requested, counties impacted and project partners. Clearly state your intent to apply for POWER funding. Some questions to consider asking:
 - o Does this project align with the state's economic development priorities?
 - o Do you have suggestions for partners that can strengthen my project?
 - o Do you have suggestions on my project design?
 - What other resources do you recommend I use to make this proposed project more impactful?
- Reach out well in advance of an application deadline. State program managers field many inquiries from constituents across their state and may not be able to respond to you immediately. Build in extra time for this outreach and do not wait until the last minute to reach out.
- **Be open to feedback**. Although not required, some state program managers may provide feedback on your project summary. They are trusted resources and have deep understandings of their states' economic development strategy. Consider their feedback and, as appropriate, use it to inform your final application submission.

Letter of Intent

Applicants are required to submit a letter of intent (LOI) electronically for both implementation and planning applications by **September 12, 2025, at 5 p.m. EDT**. The electronic LOI form will be available at www.arc.gov/power on August 12, 2025.

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. ARC state program managers of each state impacted by the proposal will receive a copy of the LOI. Applicants who meet basic eligibility requirements will be emailed instructions on how to submit their application on the POWER application portal (power.arc.gov) within a few business days of their LOI submission.

Submitted applications for POWER FY 2025 funding that substantially differ from the information included in the received LOI will be disqualified during the review process.

Note: ARC staff will not provide programmatic feedback on LOIs prior to submission.

Full Application

Applications must be completed and submitted via the application portal (<u>power.arc.gov</u>) no later than 5 p.m. (EDT) on October 22, 2025.

Accessing the Application Portal

- If the submitted LOI is accepted, ARC staff will create an 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.

Completing the Application

- 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.
- A <u>POWER Application Checklist</u> is included in Appendix F. This checklist outlines the
 major components of the POWER 2025 application and required documentation. You
 can use this list to preview what will be required should you submit an application for
 POWER funding.

Specifications and Requirements

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 <u>Application Review Criteria</u> section. Only applications that meet the following criteria will be scored:

- Applicants must meet eligibility requirements.
- Applications must meet the ARC <u>cost-share matching requirement</u> for the proposed service area.
- Applicants must contact the <u>state program manager</u> of the state or states impacted by the project proposal before LOI submission.
- 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.

Review Process

- 1. **POWER letters of intent (LOI)** will first be reviewed by ARC staff and 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.
- 2. **Applications** will be jointly reviewed and scored by ARC federal program staff, state ARC officials, and outside subject matter experts based on the criteria set out in this document.
- 3. **Scores will be calculated,** and finalists will be selected. **Finalists** are those recommended to move forward in the process. All applicants will be notified of their application status. Finalists will be assigned an ARC project coordinator who will work with the applicants to review and finalize their proposal.
 - a. There is a limited amount of time available for this review and processing. Finalists will be expected to remain attentive and responsive to their assigned ARC project coordinator during this period.
 - b. During this review, ARC reserves the right to negotiate budget costs with

- applicants, which may include requesting that the applicant remove or adjust certain proposed costs.
- c. Additionally, ARC may request that the applicant modify objectives or work plans and provide supplemental information pertaining to any aspect of the application.
- d. ARC also reserves the right to reject an application when documentation raises a reasonable doubt as to the applicant's ability to successfully fulfill the objectives and requirements of the grant award.
- 4. Awards will be announced in the spring of 2026.

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 cochair 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.

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, broadband, construction, and tourism construction projects have additional requirements. Please see the relevant appendices for more information.

, and the second se	POINTS AVAILABLE
Project Description	16 points
Project plan	10
Clearly and fully describe the proposed project's scope of work.	
Timeline	2
 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 start no sooner than May 1, 2026. 	
Geographic scale	4

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	15 points
Coal impact data	5
This review criterion will be calculated based on coal impact data for the	
counties selected in the <u>Project Geography</u> .	
 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. Indicate how your proposal addresses the direct impacts of coal-related job losses in the project area and is best suited to do so. Complete applications for a POWER FY 2025 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 including but not limited to U.S. Census and American Community Survey, Bureau of Labor Statistics, and Office of Surface Mining Reclamation and Enforcement, U.S. Department of the Interior. 	10
Rationale	32 points
Alignment with ARC Strategic Investment Goals Explain how the proposed scope of work and the project's goals align with one or more of the ARC Strategic Investment Goals.	4
Alignment with POWER Investment Priorities	4
Explain how the project aligns with at least one of the <u>POWER</u>	
Investment Priorities and why POWER is the appropriate funding	
source for this project. Consider how this project will expand and	
diversify economic development opportunities in the target	
communities (see section <u>Program Description</u>).	
State and regional priorities	4

•	Demonstrate how your proposal aligns with the appropriate state ARC strategy statements or <u>state economic development plans</u> and existing regional economic development priorities.	
Plann •	ing and supporting 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. Applicants must demonstrate evidence of the viability of their project and may also use data available on the POWER website, ARC's Research and Evaluations, or from other sources.	4
Marke	et analysis	4
•	Describe what you know about the economic conditions of your project area. 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.	
Addre	sses needs of the project area	4
•	Describe the outstanding needs of the project area and how the proposed project is the best suited to address them. Describe how your project will have a direct economic development benefit for the community.	
Evide	nce of local demand	4
•	Describe the local demand for this project. Show beneficiaries and key community stakeholders' support 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 : Ensure that support letters speak specifically to the sentiments of the contributing organization or individual. The submission of generic form letters may result in a deduction of points.	
Finan	cial sustainability	4
•	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 financially sustainable, e.g., the project will generate revenue.	
Projec	ct Team	12 points
Partne	Identify key 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. Proposals should have multiple stakeholders engaged in project implementation from multiple sectors and from multiple disciplines.	5

 Identi with t releva poten 	alistic outputs and outcomes; return on investment fy the proposed project outputs and outcomes that are aligned he scope of work; reviewers will assess whether they appear nt, realistic, and achievable. Reviewers will also gauge the tial return on investment based on the correlation between the nt of funding requested, the overall scope of work, and the stated	3
-	utputs and Outcomes	8 points
is awa includ docur match agend 2026). additi	ibe the readiness of the project team to begin work once a grant orded (projects will begin no sooner than May 1, 2026). This des, but is not limited to, the applicant's ability to submit all required mentation by stated deadlines. Though not exhaustive, this includes in (must be confirmed and accessible by March 20, 2026) and basic by commitment letters (must be submitted to ARC by March 20, Highlight whether or not significant hiring is required, and what onal expertise is needed, for implementation of the proposed of work.	2
the pr teams mana	onstrate the ability for the project team to undertake/accomplish roposed scope of work including, but not limited to, the project of qualifications and experience in or demonstrated capacity to ge large grants and federal awards; familiarity with federal grant ations; and organizational policies, procedures, and systems. If you are a current POWER, ARISE, INSPIRE, READY, 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.	5
	If a multi-state project is proposed, at least one partner must be located in each state within the service area. Il project team membership can comprise, but is not limited to, llowing 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	

		<u> </u>
	outputs and outcomes. Please review Appendix E: ARC Guide to	
	<u>Performance Measures</u> for general tips and performance measures by	
	project type.	
Meth	odology	5
•	Explain the methodology and reasoning used to determine the	
	estimated outputs and outcomes, providing evidence to support the	
	proposed estimates.	
Matcl	h and Budget Evaluation	15 points
Matcl	h	5
•	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 March 20, 2026. Applicants whose match is not confirmed by March 20, 2026, 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 produce timely and adequate assurance of the available matching funds in form and substance satisfactory to ARC. O Note: Access-to-Capital projects have additional match considerations. Please see Appendix A: Access-to-Capital Project Requirements for more information.	
Budg	uet .	5
•	Submit complete budget and appropriate federal Standard Forms.	
	 There will be a section in the POWER application portal to submit a version of your budget. Please follow the instructions as indicated in the portal. All items included in the budget, Standard Forms, 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 will be elaborated in the budget narrative. 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. 	
Buda	et narrative	5
•	Submit a complete and detailed budget narrative:	
	 The budget narrative will include a detailed explanation of 	

	expenditures by the line item.	
0	A template for the narrative is located <u>here.</u>	
0	All items included in the budget, Standard Forms, 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.
- **Note:** The project budget should reflect the full funding request with that amount allocated across the project period.

Application Completeness	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 and may be subject to disqualification.	
This includes, but is not limited to, the specific requirements for the	
following project types:	
 Access-to-Capital Projects 	
 See <u>Appendix A: Access-to-Capital Project Requirements</u> 	
for full list of requirements.	
○ Broadband Projects	
 See <u>Appendix B: Broadband Project Requirements</u> for full 	
list of requirements.	
o Construction Projects	
 See <u>Appendix C: Construction Project Requirements</u> for 	
full list of requirements.	
 Tourism Construction Projects 	
 See <u>Appendix D: Tourism Construction Project</u> 	
Requirements for full list of requirements.	
TOTAL	Up to 100

Application Review Criteria for Planning Grants

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

	POINTS AVAILABLE
Project Description	18 points
Project plan Clearly and fully describe the proposed project's scope of work.	10
Timeline • Include a full timeline of the project's proposed activities and	3

milestones. Please note that the grant period will start no sooner than May 1, 2026.	
Geographic scale Identify the proposed project area, highlighting geographic areas of focus.	5
Coal Impact	15 points
This review criterion will be calculated based on coal impact data for the counties selected in the Project Geography .	5
 Provide supporting documentation and a written narrative of how the proposed project area has been impacted by the decline of the coal economy. Complete applications for a POWER FY 2025 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 including but not limited to: U.S. Census and American Community Survey, Bureau of Labor Statistics, and Office of Surface Mining Reclamation and Enforcement, U.S. Department of the Interior. 	10
Rationale	30 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 .	6
Alignment with POWER Investment Priorities Explain how the project aligns with at least one of the POWER Investment Priorities and why POWER is the appropriate funding source for this project. Consider how this project will help plan to expand and diversify economic development opportunities in the	6

targe	t communities (see section <u>Program Description</u>).	
• Demo	gional priorities constrate how your proposal aligns with the appropriate ARC strategy statements or state economic development and existing regional development priorities.	6
Descioutst	needs of the project area ribe how the proposed project is best suited to explore anding needs in the project area and represents progress rd addressing a regional goal.	6
 Description Lette democration Note senting 	ribe the local demand for this project. Show beneficiaries seey community stakeholders' support for the project. It is from stakeholders should validate demand and constrate strong input and engagement of the broader munity in planning and project design. It is that support letters speak specifically to the ments of the contributing organization or individual. The hission of generic form letters may result in a deduction of st.	6
Project Tear	n	10 points
propo their Propo imple discip	ify key partners and describe each partner's role in the osed project. Partners should be able to clearly articulate role in the proposal via partner engagement letters. osals should have multiple stakeholders engaged in project ementation from multiple sectors and from multiple	4

local and regional business owners, and other representatives from the private sector	
Organizational capacity	4
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 in or demonstrated capacity to manage large grants	
and federal awards; familiarity with federal grant regulations;	
and organizational policies, procedures, and systems.	
o If you are a current POWER, ARISE, INSPIRE, READY, 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	2
	۷
Describe the readiness of the project team to begin work once a Describe the readiness of the project team to begin work once a Describe the readiness of the project team to begin work once a	
grant is awarded (projects will begin no sooner than May 1, 2026).	
This includes, but is not limited to, the applicant's ability to submit	
all required documentation by stated deadlines. Though not	
exhaustive, this includes match that must be confirmed and	
accessible by March 20, 2026. Highlight whether or not significant	
hiring is required, and what additional expertise is needed, for	
implementation of the proposed scope of work.	
Projected Outputs and Outcomes	13
Projected Outputs and Outcomes	points
Transition to implementation	10
Demonstrate how pursuing the outlined scope of work will	
prepare you for future implementation. Include discussion of	
where and now the potential funding could be found beyond	
where and how the potential funding could be found beyond the ARC POWER Initiative.	
the ARC POWER Initiative.	3
the ARC POWER Initiative. Visualizes long-term impacts to community/region	3
the ARC POWER Initiative. Visualizes long-term impacts to community/region Include a description of how project stakeholders envision the	3
the ARC POWER Initiative. Visualizes long-term impacts to community/region Include a description of how project stakeholders envision the proposed project transforming and furthering the long-term	3
the ARC POWER Initiative. Visualizes long-term impacts to community/region Include a description of how project stakeholders envision the	
the ARC POWER Initiative. Visualizes long-term impacts to community/region 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.	12
the ARC POWER Initiative. Visualizes long-term impacts to community/region 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	12 points
the ARC POWER Initiative. Visualizes long-term impacts to community/region 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 Match	12
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 the ARC POWER Initiative. Visualizes long-term impacts to community/region 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 Match 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 March 20, 2026. Applicants should demonstrate community and regional commitment to the proposed project by combining ARC resources with a 	12 points

TOTAL	Up to 100
receive the maximum points possible, and may be subject to disqualification.	
Applications will be awarded up to 2 points for completeness. Applications missing pieces of required documentation will not	
Application Completeness	
Application Completeness	2 points
Note: The project budget should reflect the full funding request with that amount allocated across the project period.	
 All items included in the budget, Standard Forms, 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. 	
• Submit complete and detailed budget narrative: o The budget narrative will include a detailed explanation of expenditures by line item. o A template for the narrative is located here . All items included in the budget Standard Forms, and	4
Note: The project budget should reflect the full funding request with that amount allocated across the project period.	
Submit complete budget and appropriate Standard Forms. There will be a section in the POWER application portal to submit a version of your budget. Please follow the instructions as indicated in the portal. All items included in the budget, Standard Forms, 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 will be elaborated in the budget narrative. Complete the appropriate federal Standard Forms (SF-424).	4
right to disqualify applicants unable to produce timely and adequate assurance of the available matching funds in form and substance satisfactory to ARC.	

(6) Unique Entity Identifier and System for Award Management (SAM)

Applicants are required to meet the following criteria:

- Be registered in the System for Award Management (SAM) (<u>sam.gov</u>) before any ARC funds are awarded to the applicant.
- Provide a valid Unique Entity ID (UEI) in their application.
- 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.

(7) Funding Restrictions

POWER FY 2025 grant awards funded in part or entirely 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).

In developing their project proposals, applicants should also consult <u>Executive Orders</u>, including those on energy policy and ending diversity, equity and inclusion activities, such as EO 14154 and EO 14151.

(8) 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.
- An organization that does not currently have a federally negotiated indirect cost rate may elect to charge a de minimis rate of 15% based on modified total direct costs, as defined in 2 CFR § 200.1 and below. No documentation is required to justify the 15% de minimis indirect cost rate, which may be used indefinitely. See 2 CFR § 200.414(f) for more information on use of the de minimis rate.

Modified Total Direct Cost Rate Definition

Modified Total Direct Cost (MTDC) refers to all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of \$50,000.

(9) Post-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 <u>Uniform</u> <u>Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</u> at 2 CFR Part 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 Part 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 <u>Appendix C: Construction Projects</u>). Basic Agency commitment letters must be submitted to ARC by March 20, 2026. 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

All grantees must comply with the Infrastructure Investment and Jobs Act (IIJA) and the Build America, Buy America Act (the Act), Pub. L. No. 117-58, §§ 70901-52, including the implementing requirements at 2 CFR Part 184 and M-24-02, as summarized here. None of the funds provided under POWER may be used for an infrastructure project unless:

- a) 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.
- b) 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.
- c) All construction materials are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States. The construction material standards are listed in the definitions section below.

The Buy America Preference 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 a Buy America Preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

Waivers

When necessary, recipients may submit a written waiver request to ARC to waive the Buy America Preference. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by ARC and the Office of Management and Budget Made in America Office.

Recipients should consult ARC to determine whether there are any applicable waivers in place.

When ARC has determined that one of the following exceptions applies, a final determination of the waiver request will be made:

- a) Applying the Buy America Preference would be inconsistent with the public interest.
- b) The types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality.

c) The inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

See the definitions section of Buy America terms.

a) Definitions:

- a) Construction materials refers to articles, materials, or supplies that consist of only one of the items listed in paragraph (1) of this definition, except as provided in paragraph (2) of this definition. To the extent one of the items listed in paragraph (1) contains as inputs other items listed in paragraph (1), it is nonetheless a construction material. (1) The listed items are: (i) Non-ferrous metals; (ii) Plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables); (iii) Glass (including optic glass); (iv) Fiber optic cable (including drop cable); (v) Optical fiber; (vi) Lumber; (vii) Engineered wood; and (viii) Drywall. (2) Minor additions of articles, materials, supplies, or binding agents to a construction material do not change the categorization of the construction material. "Buy America Preference" means the "domestic content procurement preference" set forth in section 70914 of the Build America, Buy America Act, which requires the head of each federal agency to ensure that none of the funds made available for a federal award for an infrastructure project may be obligated unless all of the iron, steel, manufactured products, and construction materials incorporated into the project are produced in the United States.
- b) Infrastructure means public infrastructure projects in the United States, which includes, at a minimum, the structures, facilities, and equipment for roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property; and structures, facilities, and equipment that generate, transport, and distribute energy.

(10) General Legal Disclosures

POWER FY 2025 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.

Note: ARC will not reimburse any 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 may terminate awards made under this NOSA in whole or in part if ARC determines that the award no longer effectuates the program goals or ARC's priorities.

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.

Appendices

APPENDIX A: Access-to-Capital Project Requirements

Application Content

In addition to the aforementioned guidelines, applicants for Access to Capital (ATC) projects must follow the guidelines below and the checklists specific to ATC projects. ATC projects are typically loan funds or equity funds. 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. Outline the proposed financial products and/or services.
- c. Describe one or two sample projects and how the deals might be structured.
- d. Detail any 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. Please summarize any pipeline of loan or equity investments, feasibility studies, and letters of demand from businesses.
- 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 traditional sources of financing or financial services available to the target communities and how the proposed products/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 lending or investing.
 - 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 the length of time involved.
 - iv. Discuss whether the applicant is a member of any professional finance 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 and members of the loan review or investment committee. Attach position descriptions (if not hired) or brief resumes of these individuals.
- iii. Briefly describe the applicant's capacity to manage the revolving loans or investment funds and conduct associated programmatic activities effectively. Describe the applicant's experience with similar activities.
- iv. Indicate whether the applicant is a member of any finance associations or organizations and describe their level of involvement.
- v. Provide an overview of underwriting/investment guidelines and portfolio management systems; upload and include policies as part of your current operating plan.
- vi. Please confirm that you have read ARC's <u>Access-to-Capital Projects</u>
 Application and Operating Guidelines
- vii. 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.)
- viii. 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

- a. List the expected outputs and outcomes of the project.
- b. Provide a credible and established methodology for estimating each performance measure that results from the project.
- c. Specific guidance for access-to-capital project performance measures are included in <u>ARC's Access-to-Capital Projects Application and Operating Guidelines</u>. These measures include:
 - i. Businesses Served
 - ii. Businesses Improved
 - iii. Leveraged Private Investment (LPI)
 - iv. Jobs Created
 - v. Jobs Retained
 - vi. Businesses Created (if applicable)
- d. **Note**: All access-to-capital projects MUST include the performance measures listed above.
- e. Note: Capital raise will count towards LPI measure.
- f. Additional information on ARC Performance Measures can be found in Appendix E: ARC Guide to Performance Measures.

6. Match and Budget Evaluation

- a. Budget
 - i. 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 on both forms. Additionally, the capital will be described and listed under the "Other" category on the budget narrative.

b. Match

- i. All POWER program capital asks require a 3:1 private capital raise.
- ii. 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 to non-capital portions of the budget. However, the capital raise may be used to cover the match for the loan/investment match.
- iii. Additionally, the 3:1 capital raise will count toward the leveraged private investment performance measurement.

7. Additional Required Attachments

- a. Include a five-year pro forma balance sheet that reflects the use of the loan proceeds and grant award indicating the necessary start-up capital, operating capital, and short-term credit; and projected cash flow and income statements for five years supported by a list of assumptions showing the basis for these projections.
- b. If applicant is an existing financial organization, please 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. 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.
- d. Attach/include a letter that demonstrates proof of capital raise. This letter should state 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.
- e. ARC requires all applicants and grantees to submit an RLF/Investment Operating Plan to be approved by ARC. Please follow <u>ARC's Access-to-Capital Plan Outline</u>. This outline can be used as a tool to guide applicants in the development of their loan and investment operating plans.

APPENDIX B: Broadband Project Requirements

Access to high-speed, affordable, and reliable broadband is a critical component needed by all segments of the community for economic development: for business development; job creation; health care services, including telemedicine; and to help rural areas compete with more densely populated areas. Up to one-third of POWER FY 2025 program funds will be available to fund broadband projects.

Understanding that broadband construction projects can be capital intensive, grant requests for construction 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 construction funding, at least 65% of the project's budget must be directed to the physical construction of broadband infrastructure.** Projects whose budgets direct more than 35% of their funds toward activities not directly associated with construction 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 for at least seven (7) years. 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.

ARC will gather data required to comply with the data and mapping collection standards of the Federal Communications Commission (FCC) under Section 1.7004 of title 47, Code of Federal Regulations, or any successor regulation, for broadband infrastructure projects, and data requested by National Telecommunications and Information Administration (NTIA) to comply with the ACCESS BROADBAND Act local economic impact reporting requirements, including impacts on jobs and small businesses.

Applicants must submit a GIS shapefile of the project area as well as the Fabric broadband serviceable locations (BSLs) that will be served as a result of the project. This data should be zipped and included with the submitted application for ARC to review.

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

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

Fiber Construction 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).
 - o Broadband fiber construction in central-business-district designated areas and industrial parks.
 - o 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 maps³, electric pole attachment maps, state broadband maps, and speed tests from broadband demand crowdsourcing surveys.
- ARC will not support construction in areas that already have adequate broadband availability. For the purposes of this NOSA, ARC will support funding "Unserved" and "Underserved" locations⁴.
 - Unserved Location—The term "unserved location" means a broadbandserviceable 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) a latency sufficient to support real-time, interactive applications.
 - o Underserved Location—The term "underserved location" means a broadbandserviceable 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) a latency sufficient to support real-time, interactive applications.
 - o If existing service providers fail to meet either threshold, then ARC is willing to consider broadband grant applications for that service area.
 - o 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, the 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

³ https://www.fcc.gov/reports-research/maps/

⁴ See statute 47 USC 1702

federally subsidized grant award for broadband construction. 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.
- 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 construction). 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 <u>Broadband Feasibility Studies</u>, below)
 - o 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 100/20Mbps 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.
- 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.

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	Eligibility: 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). Speed: Meets or exceeds symmetrical speeds of 100Mbps so that	

BaaS Program Requirements

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.

<u>Availability</u>: Service outages must not exceed 48 hours in a given 365-day period (excluding force majeure occurrences).

<u>Latency</u>: Service latency must not exceed 100 milliseconds (ms) round-trip time.

Access: 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.

<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.

<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.

Reporting: Applicant 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 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 purpose 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.

<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.

Risk Analysis

Grantee must perform a risk analysis of the ISP to assess likelihood to

	BaaS Program Requirements
	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 in 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 2025 will also accept applications—through POWER planning grants up to \$50,000—for projects designed to evaluate the feasibility of broadband construction 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 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.

o 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 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 \$2 million that are not drawn from the available broadband construction funds. Examples of these include the following:

- Business technical assistance on how to best utilize broadband services
- Outreach efforts to ensure individuals and communities have access to and the skills to utilize robust broadband connections and internet-enabled devices that meet their needs
- Community outreach efforts to increase broadband use and adoption
- Unique distance-learning and other telecom-oriented health practice enhancements

APPENDIX C: Construction Project Requirements

In addition to the preceding requirements of this NOSA, applicants for construction projects must follow the guidelines below. Applicants must include the following additional components in their application narrative as well as include the required additional documentation.

• Basic Agencies

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.

Note: Some Basic Agencies will not administer non-construction-related project activities. If a project involves both construction and non-construction work, the applicant must clarify what activities the Basic Agency is willing to administer. If the application is selected as a finalist, separate budgets will be required for each scope of work (e.g., one for construction, one for non-construction).

- o By the application submission deadline (October 22, 2025), 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 full application by the application deadline, October 22, 2025.
 - The notice to the Basic Agency must include the following:
 - Notice of the organization's intent to apply to POWER funding;
 - 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;
 - 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 early winter 2026, 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 March 20, 2026. Finalists who are unable to secure and submit a Basic Agency letter by March 20, 2026, are subject to disqualification.
- o See the list of ARC's Basic Agency partners: https://www.arc.gov/basic-agency-partners/.

• Engineering or Architectural Budget

- o 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).
- o 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: Most Basic Agencies require a Preliminary Engineers Report (PER) in addition to or in lieu of an engineering or architectural budget. They may require the submission of a PER prior to committing themselves to serve as your Basic Agency. If you are not sure what your Basic Agency requires, please reach out to them in advance to ensure you meet their requirements.

Site Control

- o By the application submission deadline (October 22, 2025), applicants with construction components in their projects must, at a minimum, have selected their intended construction site and identified it in their application.
- Applicants are expected to own the site that would be improved under this NOSA. Applications with alternative arrangements, for which the applicant has the legal right to construct on the property but is not the property owner, will be considered only on a case-by-case basis and are subject to disqualification. Further, a federal basic agency may not, under its own rules or policies, administer a project with an alternative arrangement. If requested by ARC, supporting documentation of site control must be submitted no later than March 20, 2026.

• Other Considerations

o ARC will not fund improvements to private property.

APPENDIX D: Tourism Construction Project Requirements

In addition to the preceding requirements of this NOSA, applicants interested in pursuing POWER funding for infrastructure tourism projects (those that include construction) must adhere to the ARC Policy on Travel and Tourism for Construction Projects.

APPENDIX E: ARC Guide to Performance Measures

The <u>Guide to ARC Project Performance Measures</u> provides general tips for choosing performance measures for your project, as well as specific guidance on performance measures by project type. Use this guide as you select your performance measures. Remember that in your application, you must explain the methodology and reasoning used to determine the estimated outputs and outcomes, providing evidence to support the proposed estimates.

APPENDIX F: POWER Application Checklist

This <u>POWER Application Checklist</u> outlines the major components of the POWER 2025 application and required documentation. You may use this list to plan for what will be required should you apply for POWER funding. This checklist is not exhaustive of all application requirements, and you should consult this POWER NOSA and follow all instructions in the POWER application portal for the completion of your application.