

PART 2000 - GENERAL

SUBPART C - Memorandum of Understanding Between the United States Department of Agriculture Rural Development and the United States Department of Agriculture Natural Resources Conservation Service

§ 2000.101 General.

The attached Memorandum of Understanding (MOU) between Rural Development and the Natural Resources Conservation Service (NRCS) has been developed to ensure that the Rural Energy for America Program (REAP) and Environmental Quality Incentives Program offer interchangeable farm headquarter energy audits and to reduce the risk of duplicating efforts from these programs by cross checking the location of energy audits of each agency with each other.

§ 2000.102 Reaching agreement with NRCS.

The Rural Development State Director will coordinate with NRCS State Conservationists when Rural Development energy audits are awarded under REAP and will arrange for conferences to discuss the MOU, exchange office information, discuss in detail the coordination of energy related agency programs, and to establish the necessary working relationship to avoid duplication of effort in serving the public.

§ 2000.103 State supplements.

State Directors may issue instructions, as needed, for the course of action to be taken by Energy Coordinators in developing a working relationship with the NRCS staff.

§§ 2000.104 - 2000.150 [Reserved]

Attachment: Exhibit A

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Administration  
General

**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN THE**  
**UNITED STATES DEPARTMENT OF AGRICULTURE (USDA)**  
**RURAL DEVELOPMENT**  
**AND THE**  
**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**NATURAL RESOURCES CONSERVATION SERVICE**

This Memorandum of Understanding (MOU) is entered into by Rural Development and the Natural Resources Conservation Service.

**I. PURPOSE.**

The purpose of this MOU is to ensure that Rural Development and the Natural Resources Conservation Service offer interchangeable farm headquarters energy audits through the Rural Development Rural Energy for America Program (REAP) and the Natural Resources Conservation Service Environmental Quality Incentives Program (EQIP). This MOU also ensures that the risk of duplication of efforts in the two programs is minimized by crosschecking the locations of energy audits related to both agencies.

**II. BACKGROUND AND MUTUAL BENEFITS.**

Under the provisions of the Food, Conservation, and Energy Act of 2008, Rural Development was authorized to provide funds for energy audits through REAP. Concurrently, the Natural Resources Conservation Service was given new authority to address energy conservation through EQIP. EQIP includes farm headquarters energy audits where appropriate, as well as farm field (landscape) energy analyses as part of a more comprehensive whole farm energy management plan. REAP requires energy audits for businesses, small agricultural producers, ranchers and farmers applying for energy efficiency grant and loan-guarantee funds. Both agencies recognize the need for collaboration in order to:

- Identify potential duplication of energy audits,
- Set appropriate technical criteria for those conducting headquarters energy audits,
- Promote proper energy audit standards, and
- Reduce the potential for double payment for an energy audit.

**III. RESPONSIBILITIES.**

A. Rural Development and the Natural Resources Conservation Service will:

1. Jointly set criteria including energy audit standards and, in turn, will accept findings from audits conducted with funds provided through either agency for REAP or EQIP program purposes with the following caveat: Rural Development will accept the findings of any audit conducted with funds provided under EQIP, provided the person(s) conducting the audit have met the qualifications specified by Rural Development in 7 CFR Part 4280, Subpart B, Section 103. The intent of this requirement is to improve audit quality and more effectively invest public funds provided by Congress for energy audits.

2. Cross publicize the availability of energy audit funds in REAP and EQIP as well other Rural Development and Natural Resources Conservation Service energy, water and land conservation programs. Additionally, guidance documents used in the States where both programs exist will acknowledge both programs, as well as proactively promote the implementation of recommendations made in energy audits. Headquarters of both Rural Development and the Natural Resources Conservation Service will inform the respective State offices as to where both programs are offered.

3. Cross-check funding requests, as recommended in the USDA Office of Inspector General (OIG) Audit Report - Implementation of Renewable Energy Programs in USDA (Report No. 50601-0013-Ch). Specifically:

- Rural Development State Directors and Natural Resources Conservation Service State Conservationists will coordinate at the State level to share lists of audit recipients for cross checking to promote the efficient provision of audit services through funding provided by each agency. Lists developed at the State level will be provided to the respective national contacts identified in Section VII of this MOU.
- In States with both programs, the Natural Resources Conservation Service State Conservationist will provide the Rural Development State office with a list of EQIP energy audit recipients.

- In States with both programs, the Rural Development State Director will provide information to the Natural Resources Conservation Service State office on the location and targeted market segment of REAP energy audit recipients.

4. Ensure that the technical service providers who perform farm energy audits or field energy analyses for the Natural Resources Conservation Service programs meet criteria indentified in the published standards for technical service providers maintained by the Natural Resources Conservation Service. Technical service providers are non-USDA individuals, entities, or public agencies certified by the Natural Resources Conservation Service to provide technical services to program participants or USDA.

5. Ensure that energy audits conducted for farming operations conform to the American Society of Agricultural and Biological Engineers standard X612, Performing On-Farm Energy Audits.

IV. IT IS MUTUALLY AGREED THAT.

A. Rural Development and Natural the Resources Conservation Service will adhere to Section III of this MOU in implementing energy audits under REAP and EQIP.

B. The exchange of data by the Natural Resources Conservation Service and Rural Development, and the use of such data by the agencies, will be carried out in compliance with the information gathering provisions of section 1619 of the 2008 Farm Bill, (7 U.S.C. 8791(b)), section 1244(b) of the Food Security Act of 1985, as amended, (16 U.S.C. Section 3844(b)), the Privacy Act, the Freedom of Information Act, and related acts concerning privacy and the dissemination of records. Data will be shared on a project-by-project basis and will be used only for that project. Where the same data are needed by more than one project facilitated by this MOU, this need will be identified in the specific project funding agreement between the MOU signatories in order to expedite data distribution.

C. This MOU defines, in general terms, the basis on which the signatory agencies will cooperate and, as such, does not obligate the expenditure of any funds. Expenditures of funds, human resources, equipment, supplies, facilities, training, public information, and expertise will be provided by each signatory agency to the extent that its participation is required and resources are available to achieve the products identified. Any endeavor or activity that involves the transfer of funds, services, or property between the agencies will require execution of separate agreements and is contingent upon the availability of appropriated funds. Such activities must be independently authorized under appropriate statutory authority. This MOU does not provide such authority.

D. This MOU in no way restricts the agencies from participating in similar activities or arrangements with other public or private agencies, organizations, or individuals.

V. PERIOD OF MOU.

This MOU shall take effect upon the signature of both parties and shall remain in effect for five years from the date of execution. Either party may request to amend this MOU. Such an amendment shall become effective upon written agreement by both parties hereto. Either party may terminate this MOU following a 30-day advance written notice to the other party.

VII. CONTACTS.

A. Rural Development Contact:

Director, Energy Division, Business and Cooperative Programs  
Room 6867-S  
14<sup>th</sup> and Independence Ave., SW  
Washington, DC 20250

B. Natural Resources Conservation Service Contact:

Director, Financial Assistance Programs Division, Natural  
Resources Conservation Service, USDA  
Room 5239-S  
14<sup>th</sup> and Independence Ave., SW  
Washington, DC 20250

ACCEPTED BY:

\_\_\_\_\_/s/\_\_\_\_\_  
JUDITH A. CANALES  
Administrator, Business and Cooperative Programs  
USDA Rural Development

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11/6/09  
DATE

\_\_\_\_\_/s/\_\_\_\_\_  
DAVE WHITE  
Chief  
USDA Natural Resources Conservation Service

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2/22/10  
DATE