



RENEWABLE ENERGY DEVELOPMENT GRANT

As a condition of your Renewable Energy Development (RED) grant, project construction must begin within 12 months of the execution of the performance agreement. The following guidance is intended to clarify what does and does not constitute beginning construction activities for the purposes of the RED grant.

“Beginning construction” as outlined in your Performance Agreement, means the start of the physical assembly of the project or its infrastructure at the project site.

The following activities will be considered beginning construction activities for the RED grant purposes:

- On-site assembly of equipment listed in the system description of the Performance Agreement
- On-site assembly of infrastructure such as equipment foundations, holding tanks, or racking equipment
- Installation of electrical infrastructure such as a switch yard, substation, or upgrades to a motor control center (MCC)
- Construction of mounting equipment or support systems

The following activities **will not** be considered beginning construction activities for RED grant purposes:

- Project planning activities such as:
 - Design
 - Permitting
 - Land surveys or sampling
 - Interconnection or utility agreements
 - Other project preparation activities
- Site preparation activities such as:
 - Demolition
 - Excavation or grading
 - Constructing access roads
 - Installing temporary or permanent fencing
 - Other activities to get the site “construction ready”
- Off-site assembly of project equipment
- Delivery of project equipment or materials
- Merely the existence of, or not directly related modifications of, pre-existing infrastructure
- The simple incurrence of eligible project costs

The 12 month deadline to begin construction of the project cannot be amended or waived. For projects that do not submit a final report within 1 year of the execution of the performance agreement, ODOE may verify that construction has begun by requesting labor invoices demonstrating construction activities from the list above have occurred at the project site and physical site inspections. If projects are unable to demonstrate they have begun construction, the performance agreement and grant will be considered void.