

Community Renewable Energy Program

Project Construction Guidance

As a condition of your Community Renewable Energy Program (C-REP) grant, project construction must begin within 12 months of the execution of the performance agreement. In addition, project construction must be completed within 36 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 C-REP grant. This guidance may be updated or changed by the Oregon Department of Energy.

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

The following activities will be considered beginning construction activities for the C-REP 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 or holding tanks.
- Installation of electrical infrastructure such as a switch yard, substation, or upgrades to a motor control center (MCC).
- Construction of mounting equipment, racking and/or support systems.

The following activities **will not** be considered beginning construction activities for C-REP 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 unless “good cause” is shown, as defined in [OAR 330-250-0010\(14\)](#). ODOE may verify that installation or construction has begun by physical site inspections and requesting labor invoices demonstrating construction activities from

the list above have occurred at the project site. If projects are unable to demonstrate they have begun “installation or construction” as defined in [OAR 330-250-0010\(15\)](#), the performance agreement and grant may be terminated.

Up to 30 percent of the Grant Monies may be released following the receipt and approval by the Oregon Department of Energy of evidence of the following:

1. Meaningful steps to seek site control. Evidence may include, but is not limited to, an option to lease or purchase the site or an executed letter of intent or an exclusivity agreement to negotiate an option to lease or purchase the site.
2. Filing of a request for interconnection with host utility or appropriate transmission provider.
3. Providing an account of Incurred Project Costs at the time of the disbursement request.
4. Demonstrating a need for use of the funds within twelve months of execution of the agreement.

Documentation of this evidence should be emailed to the program at community.grants@energy.oregon.gov.

Under the authority contained in [ORS 330-250-0100\(2\)\(l\)](#) ODOE has determined that costs incurred by a grantee for administering the grant are not eligible. Administrative costs directly associated with the acquisition, construction, and installation of the renewable energy system are eligible costs.