



**Rural Energy for
America Program**

REAP

*Renewable Energy Systems &
Energy Efficiency Improvements*



Eligible Applicants

Agricultural Producer

















- **Individual or entity that receives 51 percent or more of their gross income from agricultural production**
– crops, livestock, aquaculture, forestry operations, nurseries, dairies

Rural Small Business



- **For-profit small business** - as defined by the Small Business Administration (SBA)
- **Rural area or non-metro community of \leq 50,000**

Improve Profits for Your Rural Small Business, Farm or Ranch with REAP

Energy Efficiency		Renewable Energy	
	Lighting		Solar
	Heating		Wind
	Cooling		Small Hydroelectric
	Ventilation		Anaerobic Digesters
	Fans		Biomass
	Automated Controls		Geothermal
	Insulation		Wave/Ocean Power



Eligible Project Costs

- **Equipment:**
 - Purchase & installation
 - New or refurbished
- **Post-application construction & facility improvements**
- **Retrofitting**
- **Professional service fees**
- **Permits & license fees**
- **Working capital, land acquisition (Guarantee loan ONLY with restrictions)**




Ineligible Project Costs

- **Residential energy projects**
- **Equipment:**
 - Farm tillage equipment
 - Used equipment
 - Vehicles
- **Pre-application construction & facility improvements**
- **Application preparation or grant writer fees**
- **Line of credit**
- **Lease payments**
- **Payment to the applicant/business owner, beneficiary, or relative**

REAP Grant Assistance

Up to 25%
of Eligible Project Costs

 Renewable Energy Systems		 Energy Efficiency Improvements	
Minimum Grant Request	\$2,500 Total eligible project costs \geq \$10,000	Minimum Grant Request	\$1,500 Total eligible project costs \geq \$6,000
Maximum Grant Request	\$500,000 Total eligible project costs \geq \$2 million	Maximum Grant Request	\$250,000 Total eligible project costs \geq \$1 million

REAP Guaranteed Loan Assistance

Up to 75%
of Eligible Project Costs

Minimum Loan Amount	\$5,000 Total eligible project costs \geq \$6,667
Maximum Loan Amount	\$25 million Total eligible project costs \geq \$33.4 million
Details	<ul style="list-style-type: none">• USDA guarantees a commercial loan; applicant must have a willing lender.• Terms are negotiated between the lender and borrower.• Fees, appraisals, equity & collateral requirements apply.

REAP Application Window Closing Deadlines

March 31, 2017	<ul style="list-style-type: none">➤ Set Aside Fund Competition-Grant Request \$20,000 or less➤ Grant Request > \$20,000➤ Combination Grant/Loan Request➤ Grant Request \$20,000 or less not competing for set aside
Continuous Application Cycle	<ul style="list-style-type: none">➤ Guaranteed Loans <p>*Loan must score a minimum of 50 to compete</p>

Chicken Farm



Radiant heat, fans, vents & computerized controls



- \$99,293 Total Cost
- \$20,000 REAP Grant



- \$79,293 Commercial Loan



Improved egg production, reduced time and labor, energy savings



Rural Business-Cooperative Service

Renewable Energy



Veterinary Hospital

Rooftop solar panels

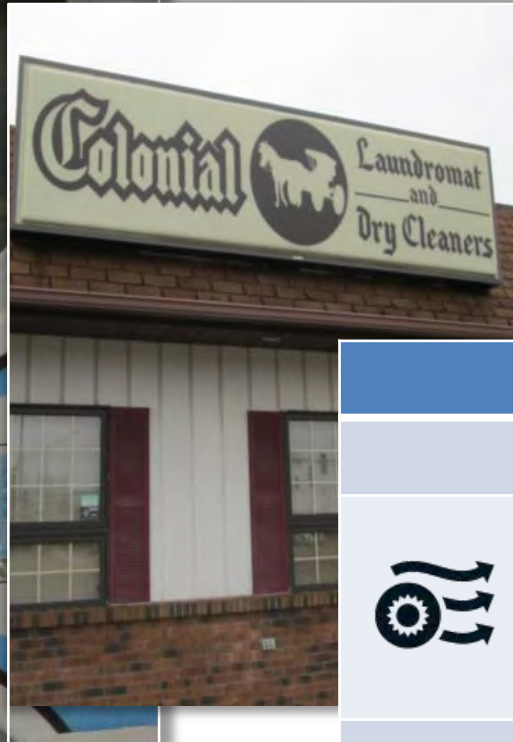



- \$148,050 Total Cost
- \$ 20,000 REAP Grant
- \$128,050 Applicant Funds

30-40% reduction in operating expenses



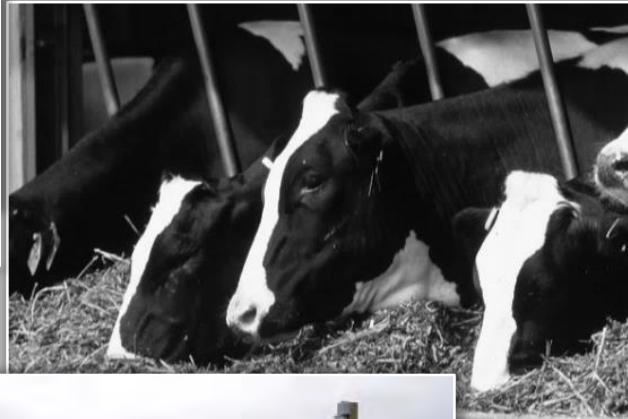
Rural Business-Cooperative Service Energy Efficiency



Laundromat & Dry Cleaner	
	Energy efficient equipment
	• \$42,040 Total Cost
	• \$10,510 REAP Grant
	• \$31,531 Dealer Financing
52% energy savings	

Rural Business-Cooperative Service

Renewable Energy



Small Energy Company & Dairy Farmers

1 MW Anaerobic digester

- \$4.15 Million Total Cost
- \$100,000 REAP Grant
- \$2.65 Million REAP Guarantee

Powers an equivalent of 700 homes/year





Rural Business-Cooperative Service



Nursery



Energy efficient glass roof, radiant heat, fans, vents, & computerized controls

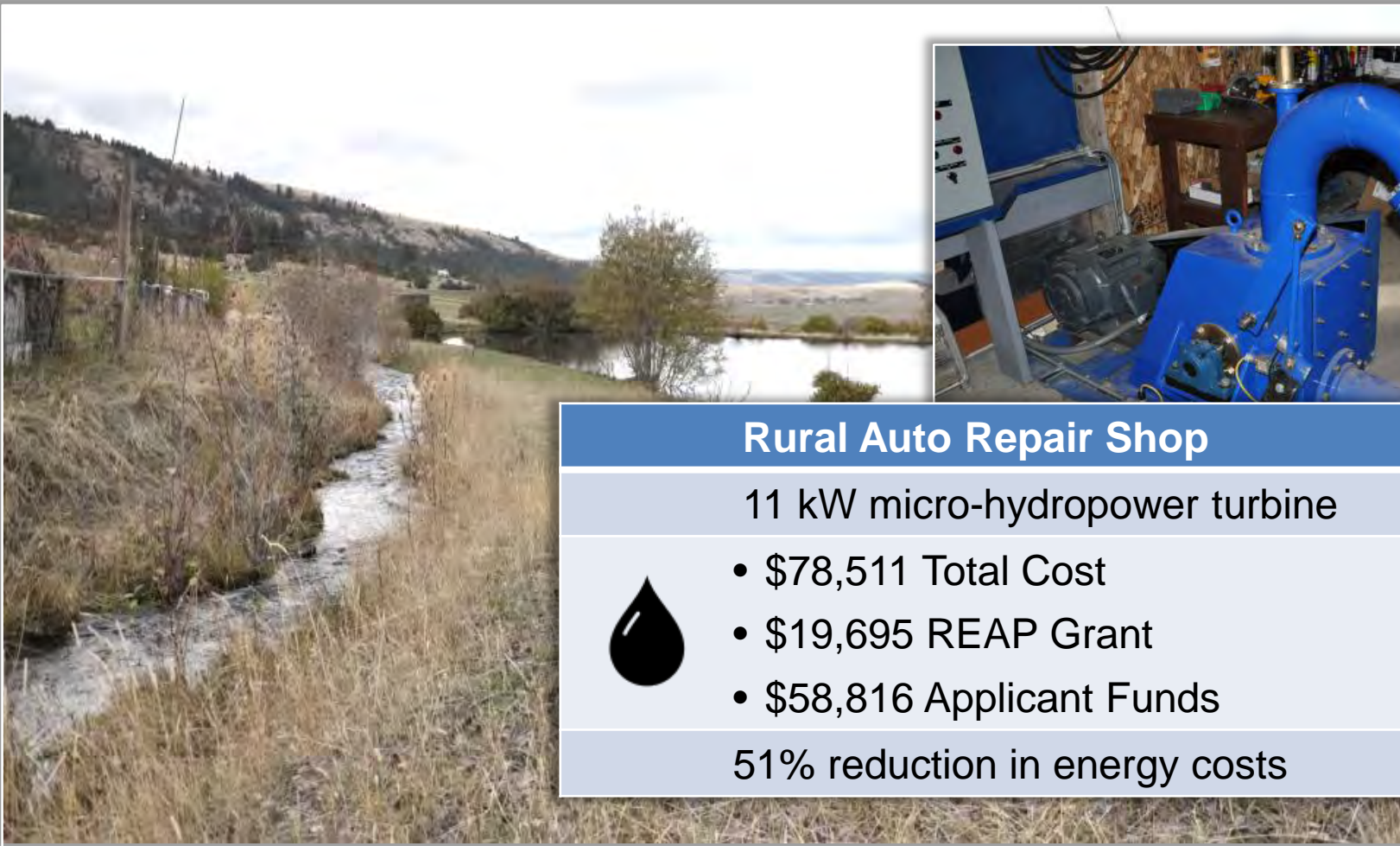


- \$287,855 Total Cost
- \$ 71,964 REAP Grant
- \$100,000 REAP Guarantee



- \$115,891 Commercial Loan

40% reduction in energy costs



Rural Auto Repair Shop

11 kW micro-hydropower turbine



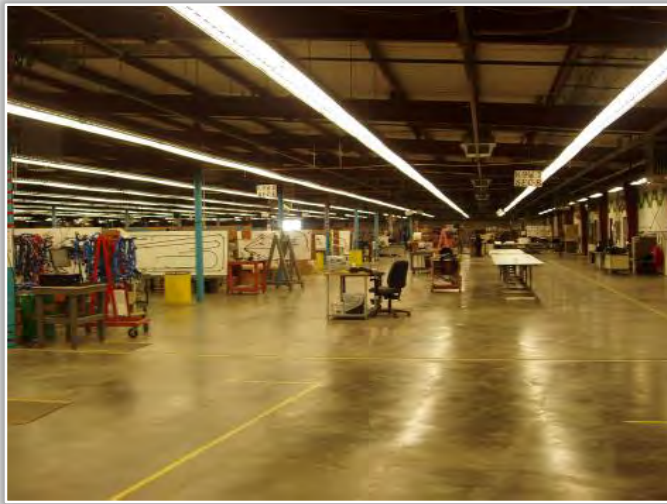
- \$78,511 Total Cost
- \$19,695 REAP Grant
- \$58,816 Applicant Funds

51% reduction in energy costs



Rural Business-Cooperative Service

Energy Efficiency



Rural Manufacturer

Efficient lighting system



- \$78,511 Total Cost
- \$19,695 REAP Grant
- \$58,816 Applicant Funds

50% savings on lighting bill



Grocery Store

Energy efficient cooler doors



- \$41,363 Total Cost
- \$8,827 REAP Grant
- \$2,950 Electric Co-op Rebate

\$500 per month savings



Rural Business-Cooperative Service

Renewable Energy



Grocery Store



Geothermal heat, energy efficient coolers & lighting



- \$198,600 Total Cost
- \$49,650 REAP Grant
- \$148,950 Commercial Loan



40% reduction in energy costs



Rural Business-Cooperative Service Energy Efficiency



Flower & Gift Shop



Energy efficient heating & cooling, insulation



- \$34,509 Total Cost
- \$8,627 REAP Grant
- \$17,200 REAP Guarantee



- \$8,682 Applicant Funds

60% reduction in energy costs

Rural Business-Cooperative Service Energy Efficiency

Menominee Tribal Enterprises - Wisconsin

- \$250,000 REAP grant
- \$1,148,234 Total Project Costs
- Biomass Combined Heat and Power
- REAP funds were used to purchase and install a new energy efficient boiler at Menominee Tribal Enterprises' sawmill facility in Neopit, WI
- Will generate steam for use in wood drying kilns and for space heating





Michigan Winery

- \$104,088 REAP grant
- 148 kW Solar
- Estimated replacement of 40% energy usage
- Will generate estimated 172,351 kWh of electricity per year, or enough electricity to power 15 homes



On Farm Solar

- \$19,984 REAP grant



- 28.5 kW Solar
- \$79,936 Total Project Cost
- Estimated payback of 9 years





On Farm Solar

- \$47,762 REAP grant
- 54 kW Solar
- \$191,048 Total Project Cost
- Estimated replacement of 65% of the farm's energy usage



How to Apply

- Contact the USDA Rural Development Energy Coordinator in your state for application materials and resources:
http://www.rd.usda.gov/files/RBS_StateEnergyCoordinators.pdf
- Submit applications any time of year.
- Applications compete for funding based on score throughout the year.



Additional Funding & Technical Assistance

- State Agencies & Programs
- Incentives From Local Utilities
- Commercial Lenders





United States
Department of
Agriculture

Rural Development



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USDA Rural Development is committed to the future of rural communities.

Rural Energy for America Program (REAP)

www.rd.usda.gov/reap

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