

ENERGY EFFICIENCY PROGRAMS
SECTION 9007-RURAL ENERGY FOR AMERICA PROGRAM
QUICK REFERENCE FACT SHEET

The Energy Efficiency Programs offer Guaranteed Loans, Grants and combination Grant/Guaranteed Loans to help agricultural producers and rural small businesses make energy efficiency improvements in rural areas.

Eligibility

- 1 An **agricultural producer** (individual or entity) **directly** engaged in the production of agricultural products and obtains at least 50% of their gross income from their agriculture business.
- 2 A **rural small business** – an entity is considered a small business in accordance with the Small Business Administration's (SBA) small business size standards (by NAICS codes). SBA small size standards can be found at <http://www.sba.gov/size/index.html>
 - ⇒ A private entity including a sole proprietorship, partnership, corporation, and a cooperative (including a cooperative qualified under section 501(c) (12) of the Internal Revenue Code.
 - ⇒ An electric utility, including a Tribal or governmental electric utility that provides service to rural consumers on a cost-of-service basis without support from public funds or subsidy from the Government authority establishing the district, provided such utilities meet SBA's definition of small business. These entities must operate independent of direct Government control.

With the exception of the entities described above, all other non-profit organizations and public entities are **excluded**.

For grant projects with total eligible costs **exceeding \$200,000**, agricultural producers and rural small businesses with a demonstrated financial need.

For grant projects with total eligible costs of **\$200,000 or less**, applicants must provide a statement certifying their financial need.

Eligible Purpose

- Project must be to make energy efficiency improvements.
- Project must be for a pre-commercial or commercially available, and replicable

technology.

- Project must have technical merit.
- Project must be located in a rural area (outside any 50,000+ population city and its urbanized periphery. To determine if project is in a rural area, go to <http://eligibility.sc.egov.usda.gov>.
- Applicant must be the owner of the project.
- Sites must be controlled by the applicant.
- Satisfactory sources of revenue in an amount sufficient to provide for the operation, management, maintenance, and debt service of the project must be available for the life of the project.

Energy Efficiency projects must be verified by an **energy audit** or **assessment**, depending on the total eligible project costs..

- Heating/Cooling system improvements
- Lighting improvements
- Irrigation system improvements
- Refrigeration system improvements

Application Process

Two copies of your application are to be submitted to the USDA Rural Development State Office where your project is located. Separate applications must be submitted for renewable energy system and energy efficiency improvement projects. Only one application per each type of project may be submitted per year. Applications are accepted at any time. To qualify for consideration for funding, an applications must meet the application requirements, technical requirements and environmental requirements. For additional information you may go to: <http://www.rurdev.usda.gov/IA/>

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Please read the NOSA through and contact the State Office early in the application process for assistance and guidance. Simplified or reduced applications may be accepted for applicants with total eligible project costs under a specified threshold.

Applications are to be submitted to the State Office by US Postal Service or courier delivery service at:

Mr. Joseph M. Mueller,
B&C Program Director
USDA, Rural Development
4440 NW 25th Place
PO Box 147010
Gainesville, FL 32614
Phone: (352) 338-3482

How much assistance is available?

Minimum grant	\$1,500
Maximum grant	\$250,000
Maximum grant per applicant per fiscal year <i>\$750,000*</i> <i>(cannot exceed 25% of total eligible project costs)</i> <i>*If project is a combination of Renewable Energy and Energy</i>	
Minimum guaranteed loan	\$5,000
Maximum guaranteed loan	\$25,000,000
Minimum grant portion of the combined funding request	\$1,500
Maximum combination grant/guaranteed loan <i>\$25,000,000</i> <i>(shall not exceed 50% of total eligible project costs)</i>	
Services of a Professional Engineer required for technical report?	Projects with total eligible costs >\$200,000
Technical Report required?	YES

Application Guidelines

	Grant	Guaranteed Loan	Combination Grant & Guaranteed Loan
Who is the applicant?	Agricultural producer or rural small business	A lender is the applicant seeking a guarantee on a loan to an agricultural producer or a rural small business	2 applications are needed. Grant application is from the agricultural producer or the rural small business. Lender submits application for the guaranteed loan.
What are eligible costs?	<ol style="list-style-type: none"> 1. Post application purchase and installation of equipment, except agricultural tillage equipment, used equipment and vehicles. 2. Post application construction or project improvements, except residential 3. Energy audits or assessments 4. Permit and license fees 5. Professional service fees, except for application preparation. 6. Feasibility studies and technical reports 7. Business Plans 8. Retrofitting 9. Limited construction directly pertaining to eligible project costs. 	The same eligible costs as listed for a grant, with the addition of: 10. Working Capital 11. Land Acquisition	Only the guaranteed portion can be used for working capital or land acquisition.