

Section 9006

Introduction and Overview

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ENVIRONMENTAL LAW & POLICY CENTER

Illinois Indiana Michigan Minnesota Ohio Wisconsin

The Environmental Law & Policy Center is the Midwest's largest environmental legal advocacy and eco-business innovation organization.

www.elpc.org

www.FarmEnergy.org





Environmental Law & Policy Center Clean Energy Activities

- **Farm Bill Clean Energy program**
 - Protecting funding for FBCE programs
 - Working with USDA to shape programs
 - Building partnerships for FBCE policies
 - Daschle-Dole
 - 25 x `25, Agriculture-led group
 - Informal network across country
 - Developing legislative alternatives



Farm Energy Benefits Farmers, All of Us

- **Win for agriculture:** Winning farm income strategy.
- **Win for rural economic development:** jobs, diversified and strengthened farm income.
- **Win for environmental progress;** clean air and water.
- **Win for national security.**
Diversified energy system protects our economy from disruptions





Section 9006: EE/RE Grant Program

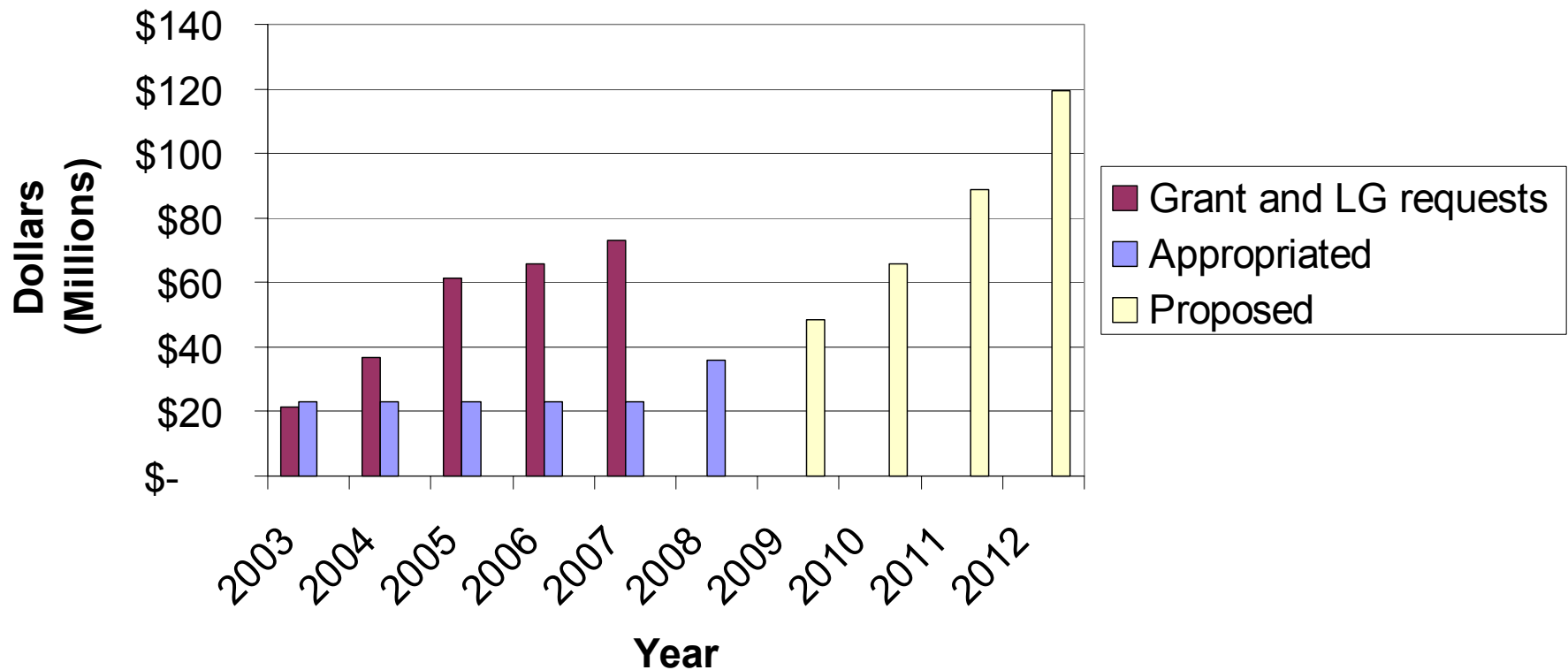
- Renewable Energy and Energy Efficiency Improvements program.
- USDA makes low-interest loans, loan guarantees, and grants for renewable energy and energy efficiency improvements.
- *For farmers, ranchers, and rural small businesses*
- Grants up to 25% of project cost, and a combined grant and loan or loan guarantee up to 50% of project cost.
- \$23 million authorized per year for 2003-2007
- Becomes **REAP – Rural Energy for America Program**





Funding REAP

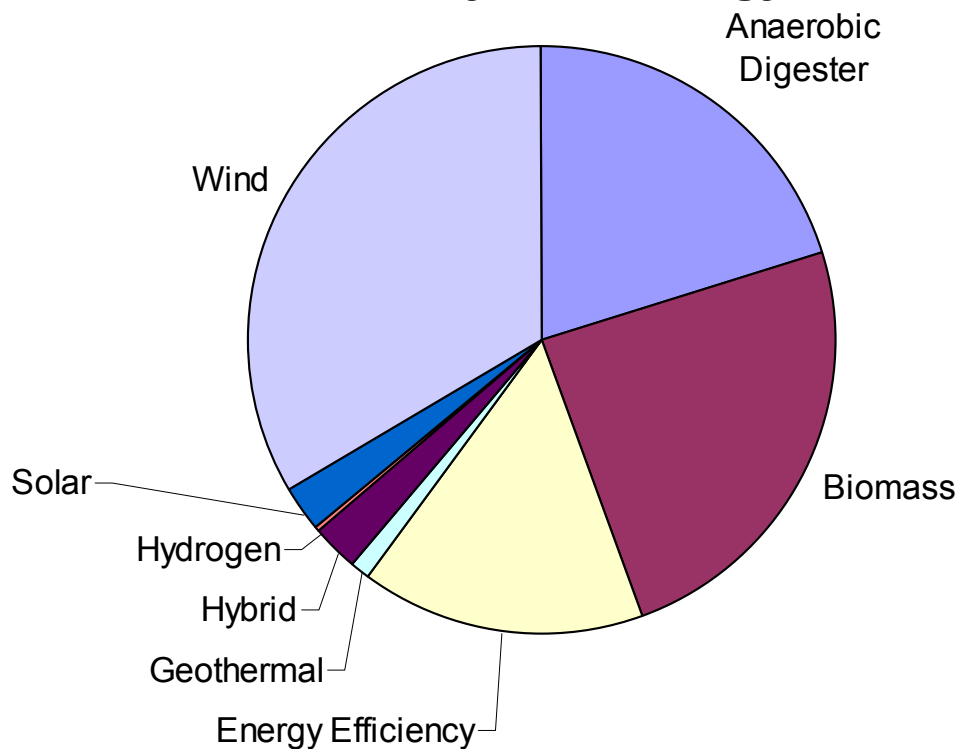
REAP Popularity and Funding





Section 9006 by Technology: by Funding Totals

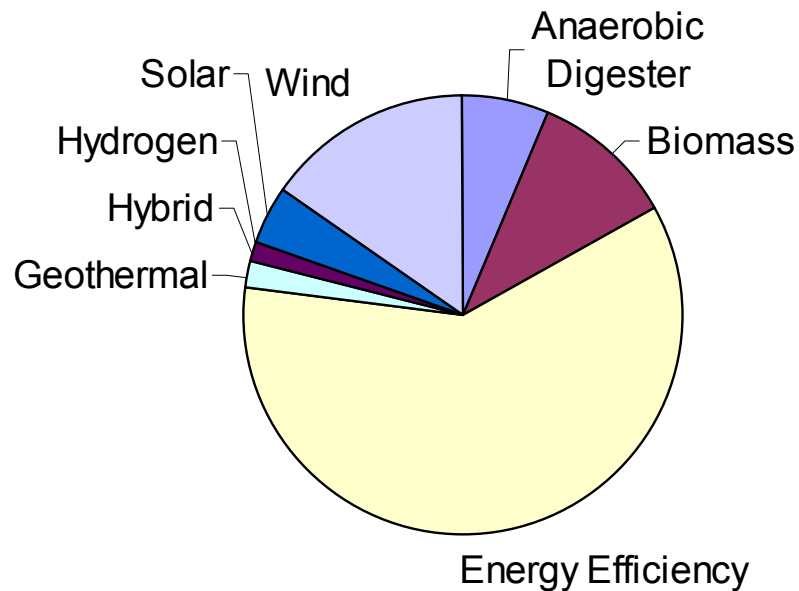
**Section 9006: 5-year Funding Totals
by Technology**





Section 9006 by Technology: by Funding Totals

Section 9006: 5-year Project Count by Technology





Energy Efficiency Works

- Section 9006 has funded 762 projects
- \$16.6 million in total grants funding
- \$4.2 million in loan guarantees.
- Used in dairy, poultry houses, irrigation, greenhouses, grain dryers, lighting.
- Widespread availability for agriculture.





Application Process

- **Simplified Application** - Total eligible project costs are \$200,000 or less (grant request \$50,000 or less).
- **Full Application** - Total eligible project costs exceed \$200,000 (grant request exceeds \$50,000)



National Renewable Energy Laboratory

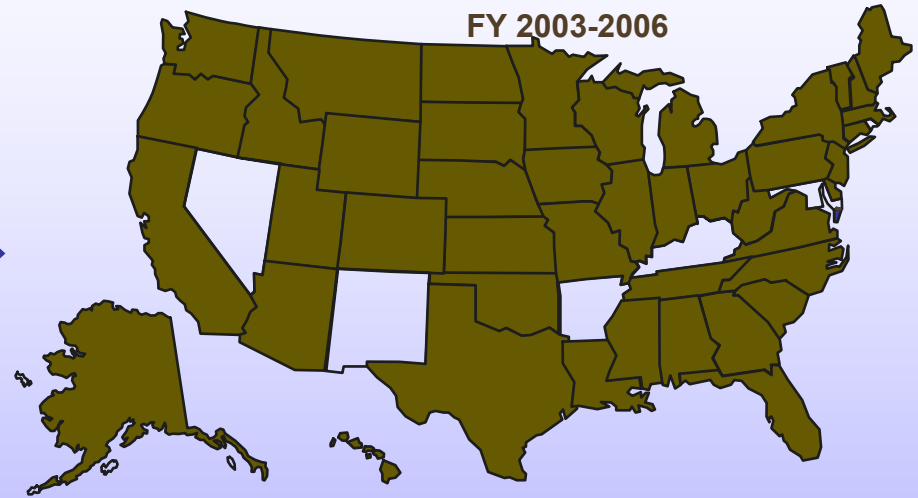
- Only national laboratory ***dedicated*** to renewable energy and energy efficiency R&D
- Research spans fundamental ***science*** to ***technology*** solutions
- ***Collaboration*** with industry and university partners is a hallmark
- Research programs ***linked*** to market opportunities



2002 Farm Bill Initiative: The Renewable Energy and Energy Efficiency Program

USDA Farm Bill Section 9006

States with 9006 Awards
FY 2003-2006



- NREL collaborates with USDA to bring technical expertise the Section 9006 program
 - Transfers technical and program successes between agencies
 - Work with USDA on program design
 - Technical review of all applications
 - Engage DOE program networks in outreach and technical support
- Grant awards in first 4 years (2003-2006):
 - 810 projects in 44 states including a broad range of EE and RE technologies
 - \$83.7 million in awards have leveraged over \$963 million in rural energy projects
 - Awards include 330 MW in wind and 200 million gal/year of ethanol and biodiesel production.

NREL's Role

- Contracted to provide third party objective expert advice and review
- Technical evaluations go to NREL.
- Technology-neutral.
- Do not provide assistance to applicants.



Tips for Individual Success

- Contact your USDA Rural Development energy officer to pre-screen and get tips.
- Follow instructions and point-scoring guidelines.
- Organize your effort and your project
- Organize your application along lines of the NOFA
- Be ready to compete and win!





Application Pitfalls

- Insufficient information to score well
- Not following directions or format
- Poorly written
- Do not address what is instructed
- Inconsistent organization
- No PE stamp as required (for energy efficiency projects with total eligible project costs exceeding \$200,000)
- Leaving out pertinent information. When in doubt add it.





FarmEnergy.org

- Tools and Resources to Help
 - Technical worksheets and checklists
 - Application templates
 - F.A.Q.
 - Program News
- Advocacy Tools
 - News on Farm Bill developments
 - Tools to communicate with Congress





Key to state success: Effective state-level efforts

- Existing programs lay groundwork
- Support for education and feasibility studies helps people test ideas and make sound investment decisions
- RPS and RFS build markets
- Cooperative utility/REC atmosphere





Key to state success: Winning Collaborative Efforts

- States with coordinated outreach, education and application assistance do well
- *“Many hands make for light lifting”*
- Example: State Department of Natural Resources ready to determine if project contributes to environmental goals
- RC&Ds helping with applications
- Extension offices provide technical assistance





Conclusion

Thank you for listening!

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