



**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

| | |
|-------------------------------------|---|
| October 31 | <ul style="list-style-type: none">➤ Set Aside Fund Competition-Grant Request \$20,000 or less |
| March 31 | <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> |



Rural Business-Cooperative Service

Energy Efficiency

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





Veterinary Hospital

Rooftop solar panels

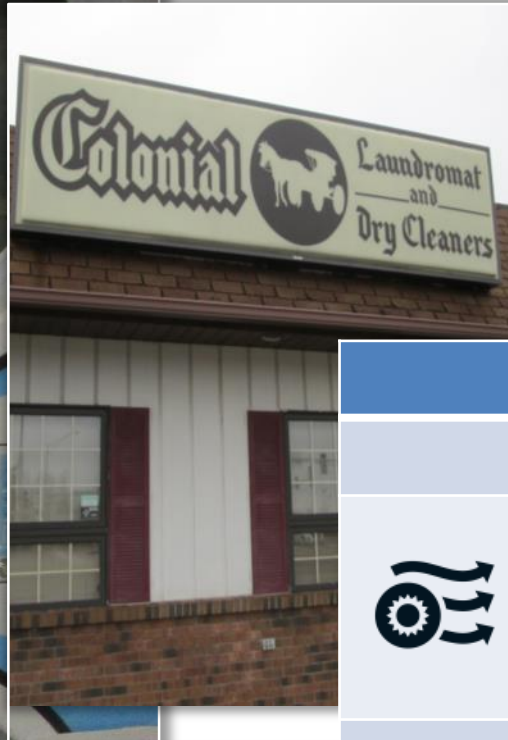


- \$148,050 Total Cost
- \$ 20,000 REAP Grant
- \$128,050 Applicant Funds

30-40% reduction in operating expenses



Rural Business-Cooperative Service Energy Efficiency

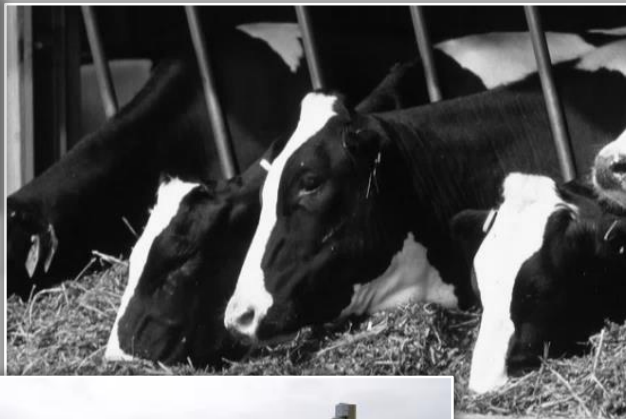


| Laundromat & Dry Cleaner | |
|--------------------------|-----------------------------|
| | Energy efficient equipment |
| | • \$42,040 Total Cost |
| | • \$10,510 REAP Grant |
| | • \$31,531 Dealer Financing |
| 52% energy savings | |



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 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

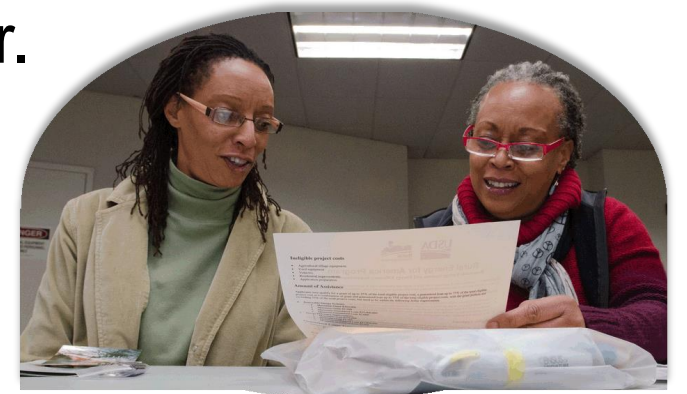


Other USDA programs to support energy

- EA/REDA – Energy Audits & Renewable Energy Development Grants
- 9003 – Biorefinery, Renewable Chemical and Biobased Product Manufacturing Assistance Program
- RED L/G – Rural Economic Development Loan and Grant
- RBDG – Rural Business Development Grants

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.





Rural Energy for America Program (REAP)

[**www.rd.usda.gov/reap**](http://www.rd.usda.gov/reap)

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., S.W., Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).