



Committed to the future of rural communities.

Renewable Energy Systems & Energy Efficiency Improvements Grant Program

Purpose

This program is intended to encourage rural small businesses and agricultural producers to purchase and install renewable energy systems or energy efficiency improvements. The grant will not exceed 25% of the total eligible project costs.

Combine guaranteed loan and grant packages cannot exceed 50% of the total project costs.

Residential construction or improvements are not eligible for this assistance.

Eligible Applicants

An applicant must be a rural small business or an agricultural producer.

- The size requirement for a small business is defined by SBA at the following web-site: www.sba.gov/size/summary-what-is.html.
- An agricultural producer is defined as an individual or legal entity which receives 50% or more of their gross income from agricultural.
- Applicant must have a demonstrated financial need for the grant.

Eligible Areas

The project must be in a rural area or in an incorporated community under 50,000 population and not adjacent to an urban area. Applicant location eligibility can be found at:

<http://maps.ers.usda.gov/loanlookup/veiwer.htm>

Project Eligibility

The grant funds must be used to purchase a renewable energy system or to make energy efficiency improvements to an existing facility.

An eligible project must:

- be for pre-commercial or commercially available technology. (Not intended for research and development)
- have technical merit;
- be in a rural area;
- be owned and controlled by the applicant;
- have sources of revenue that are sufficient to provide for operation, management, maintenance, and debt service of the project.

Eligible Project Costs

The following items are considered to be eligible project costs as long as these costs are an integral part of the renewable energy system or energy efficiency improvement:

- 1) Post-application purchase and installation of equipment.
- 2) Post-application construction or improvements.
- 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) Construction of a new energy efficient facility only when the facility is used for the same purpose, is approximately the same size and based upon the energy audit will provide more energy savings than improving an existing facility. Only costs identified in the energy audit for energy efficiency improvement are allowed.

Ineligible Grant Purposes

Debt refinancing; lines of credit; agricultural tillage equipment; used equipment; vehicles; and application preparation fees.

Grant Request Limits

- Renewable energy systems:
 - Maximum grant request is \$500,000.
 - Minimum grant request is \$2,500.
- Energy efficiency improvements:
 - Maximum grant request is \$250,000.
 - Minimum grant request is \$1,500.

Additional Information

Grant applications are currently being accepted for the Fiscal Year 2006 allocation of funding. Please contact the following individuals to further discuss your proposed project:

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