**Agricultural Energy Efficiency Initiative (AEEI):**

***A Farm Energy Program for Southside and Southwest Virginia***

Funded by a 2014 grant from the

Virginia Tobacco Indemnification and Revitalization Commission

*and is supported by*

VCE Community Viability and the

Virginia Tech Biological Systems Engineering Department.

*Southside and Southwest Virginia farmers interested in energy efficiency improvements are invited to apply to the Agricultural Energy Efficiency Initiative (AEEI). At least 60 farmers in the Tobacco Region who are accepted into the AEEI will be allocated a $5,000 energy account that will provide 1) access to and funding for energy audits and renewable feasibility studies and 2) a cost-share program for retrofit and/or renewable systems. In addition, participants will have opportunities to participate in educational programs on energy efficiency practices and technologies.*

**Program Guidelines**

**Energy Audits, Feasibility Studies, and Retrofit/Renewable Implementation**

Too often efforts to promote energy efficiency fail to lead to implementation. Learning from the failures experienced in other states, project managers designed a cost-share program in the original *On-Farm Energy Efficiency Pilot Project,* funded by the Virginia Tobacco Commission from 2010-2012, which successfully integrated the energy audit process with the implementation of some of the recommendations. Building upon the successes of the previous pilot, this second phase expands the cost-share program to allocate up to $5,000 per program participant. These funds will be used toward the energy audit process, implementation of energy efficiency improvements, and/or development of a renewable energy feasibility study.

**Criteria for Participation**

The primary criteria for participating in this program is that the entity is a working agricultural/forestry operation (based on IRS tax returns) within The Tobacco Commission region.

1. **Energy Audits**

Program participants will be required to have an energy audit, or have one that is less than two-years old that satisfies ASABE S612 Farm Energy Audit Criteria (Completed by an NRCS Technical Service Provider), or ASHRAE Level II Energy Audit (completed by a Professional Engineer or Certified Energy Manager), as appropriate for entity type. Participants will be encouraged to use any complementary technical assistance programs for which they may be eligible and that may offset audit costs. For example, EQIP eligible agricultural producers will be encouraged to participate in the NRCS cost-share program to assist in farm energy audit expenses. Any similar programs offered by utilities or other agencies will also be explored to most efficiently leverage and extend program funds. However, if no complementary programs are available to offset the energy audit costs for an eligible participant the program will cover 100% of the costs of the energy audit using funds from the maximum $5,000 per participant allocation.

(Questions concerning the acceptability of any audit should be sent to John Ignosh at jignosh@vt.edu.)

1. **Renewable Energy Feasibility Studies**

The cost-share program to partially fund a renewable energy feasibility study may be utilized by producers who completed the energy audit process and, based on the producer’s management goals, have implemented all relevant energy efficiency retrofit opportunities having a simple payback period of less than 5 years. The feasibility study must

        satisfy the criteria for the USDA Rural Development REAP program, and

        include a project screening model output from the RETScreen Clean Energy Project Analysis Software. Please contact John Ignosh regarding certain project-specific exceptions to this requirement

Upon completion of the feasibility study, program participants interested in implementing the renewable energy project will be informed of cost-share and grant opportunities offered through the USDA Rural Development grant program among any other active programs offered by utilities or other agencies as well as any remaining funds from the original $5,000 project allocation.

(Questions concerning feasibility studies should be sent to John Ignosh at jignosh@vt.edu.)

1. **Implementation Cost-Share Program**

Energy-cost saving opportunities identified in the audit report or in the renewable energy feasibility study are eligible for the cost-share program. Participants will also be encouraged to explore additional cost-share and grant programs for which they may be eligible and that may offset implementation costs. For example, EQIP eligible agricultural producers will be encouraged to participate in the NRCS cost-share program to assist in partially funding specific energy efficiency improvements. Similarly, program participants will be informed of additional cost-share and grant opportunities offered through the USDA Rural Development’s Rural Energy for America Program (REAP). Any similar programs offered by utilities or other agencies will also be explored to most efficiently leverage and extend program funds.

Recognizing that significant energy cost savings can be generated by understanding what to pay attention to in a particular production environment, this project proposes to incentivize participation in the educational sessions by offering an opportunity to increase the cost-share percentage. Individuals that choose to participate in at least one (1) educational program (e.g., online, in-person workshops, via mail correspondence, etc.) and complete a brief assessment will be eligible to increase their cost-share from 25% to 50%, up to $5,000 or the balance remaining in their allocation. Individuals that do not wish to participate in the educational component are eligible for a 25% cost-share, up to $5,000 or the balance remaining in their allocation. In no case will the program subsidize the entire cost of the implementation plan or renewable energy study.

(Questions concerning the application and/or cost share program should be sent to Martha Walker at walker53@vt.edu)

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