





#### Exploring Virginia-Based Solarize Project Models Laurette Tucker, Rural Business Specialist USDA/Rural Development

### RURAL ENERGY FOR AMERICA PROGRAM – SECTION 9007

- The purpose of this program is to help farmers and ranchers and rural small businesses to reduce energy costs and consumption.
- This can be accomplished through a renewable energy system OR an energy efficiency improvement project. Energy Efficiency projects require energy audits.
- Application deadline: May 2, 2016

### RURAL ENERGY FOR AMERICA PROGRAM – SECTION 9007

- There are thousands and thousands of agriculture producers and small, rural businesses that serve rural America.
- This program is intended to provide a way that these businesses can contribute towards our National goals of energy reduction/conservation and reducing our dependency on foreign energy sources.

# **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**





- Privately owned for-profit small business as defined by the Small Business Administration (SBA)
- Rural area or non-metro community of ≤ 50,000



# Eligible Project Costs

# **O** Ineligible Project Costs

- Equipment:
  - Purchase & installation
  - New, refurbished, or remanufactured equipment
- Post-application construction & facility improvements integral to the renewable energy or energy efficiency project
- Professional service fees
- Permits & license fees
- Retrofitting
- Working capital, land acquisition (Guarantee ONLY)

- Residential energy projects
- Equipment:
  - Farm tillage equipment
  - Used equipment
  - Vehicles
- Pre-application construction & facility improvements; repairs or operating costs
- 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 \ge $10,000$	Minimum Grant Request	<b>\$1,500</b> Total eligible project costs ≥ \$6,000
Maximum Grant Request	<b>\$500,000</b> Total eligible project costs ≥ \$2 million	Maximum Grant Request	<b>\$250,000</b> Total eligible project costs ≥ \$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	<b>\$25 million</b> Total eligible project costs ≥ \$33.4 million
Details	<ul> <li>USDA guarantees a commercial loan; applicant must have a willing lender.</li> <li>Terms are negotiated between the lender and borrower.</li> <li>Fees, appraisals, equity &amp; collateral requirements apply.</li> </ul>



# FRANJILOU FARMS

40 KW GROUND-MOUNTED SOLAR MOUNT CRAWFORD, VA



#### SHEPHERDS CORNER FARM

12.4 KW ROOF-MOUNTED SOLAR PURCELLVILLE, VA



## MIKAS CHALET

20 KW ROOF-MOUNTED SOLAR HARRISONBURG, VA



#### GLEBE FARM

GRAIN DRYER REPLACEMENT BRANDY STATION, VA



### DANIEL HORNING

POULTRY HOUSE REPLACEMENT MOUNT SOLON, VA

#### **CONTACT INFORMATION**

LAURETTE TUCKER
USDA Rural Development
100 Dominion Drive
Farmville, VA 23901
434-392-4906, extension 125
State Office: 804-287-1606
laurette.tucker@va.usda.gov

#### **THANK YOU!**

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