

Get 25% off a Variety of Farm Upgrades

- The USDA Rural Development Office offers a 25% cost share **grant** for renewable energy and energy efficiency projects under the Rural Energy for America Program (REAP).
 - The grant does NOT have to be repaid
- The grant is available to agriculture producers and rural businesses.
 - At least 50% of gross income must come from ag operations; or
 - Be a small business located in a rural area
- REAP is an annual grant program that producers can apply for each year to improve energy efficiency on their operation.
- REAP grants are available for
 - Installation of windmill or solar panels
 - Converting diesel wells to electric
 - Installing pivot irrigation
 - Upgrading grain dryers
 - Upgrades to aerators
 - Upgrades to poultry houses
 - Upgrades to dairy barns
 - Replacing coolers
 - Upgrades to HVAC equipment
 - And much more
- The USDA requires an energy audit to be eligible for the program.
- Projects greater than \$200,000 require the applicant to prove they need the money; less than \$200,000, the applicant can self-certify their need.
- Producers applying for the grant will need a loan to cover the full cost of the project.
 - REAP payments are not made until after the project is completed.
 - Even if you can self-finance a project, you still need a loan; otherwise, the government will want to see your checking account to prove you can pay for the project.
- Projects less than \$80,000 are considered small projects and the USDA has allocated at least 20% of funds to these projects.
 - More than \$1 million is allocated to Florida, money not spent will be sent back to a national pool which will fund projects not approved at the state level.
- Projects can begin as soon as the applicant applies for the grant.
 - **REAP should not encourage you to do a project you wouldn't normally do; instead it should help make doing a project easier.**
- Deadline for REAP applications will be approaching June 15th. Applications received after the deadline will be considered for 2012.
 - Remember this is an annual program. Producers should consider making REAP part of their annual business plan.
- One of the major obstacles to this program has been the energy audit. In an effort to help our members, Farm Bureau is exploring options for our producers. Farm Bureau will share that information when it becomes available.

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