

RES/EEIG VAPG

- Renewable Energy Systems & Energy Efficiency Improvements Grants & Loan Guarantees
- Value Added Producer Grants

RES/EEIG

- Reduce energy consumption & dependence on foreign energy sources
- 2008 Farm Bill Program
- \$25 million in grants for FY 2009 & \$500 million in loan guarantees - **Estimated
- Application deadline for grants & Loan Guarantees and combo grant/guarantees to be published in the Federal Register, SOON.



<http://www.gpoaccess.gov/fr/index.html>

Types of Renewable Energy

- Biomass
- Wind
- Solar
- Geothermal
- Hydrogen
- Hydrokinetic

Solar Energy

40 projects for \$2.2 million



Solar Energy

\$49,500

Solar Powered Stock Tanks in the
Powder River Basin: A Renewable
Energy System for
Livestock Producers



Loan Guarantees

- Maximum Loan - \$25,000,000
- Maximum % of Eligible Project Costs = 75%
- Loan/Grant combo cannot exceed 75% of Eligible Project Costs

Grant Limitations

- Grant can pay no more than 25% of eligible project costs.
- Maximum RES grant is \$500,000.
- Maximum EEI grant is \$250,000.
- Minimum grant is \$2,500 for RES & \$1,500 for EEI.

Energy Efficiency Improvements Irrigation Pump Replacement

Nebraska

117 projects

Example: The project will replace an old, inefficient diesel motor with a new electric, more efficient motor on an irrigation well.



Total Project Costs _____

Minus Ineligible Costs _____

= **Total Eligible** Costs _____

X 25%

Equal **Maximum Grant** of _____

Total Eligible Costs minus Grant =
Matching Funds Required to be
Covered by the Applicant

Eligible Applicants & Grant Purposes

- Agricultural Producers & Small Rural Businesses (SBA definition).
- Purchase renewable energy systems.
- Make energy efficiency improvements.
- Construction, equipment, professional fees.

What projects are eligible?



- Must be for the **purchase** of a renewable energy system or energy efficiency improvement.
- Pre-commercial or commercially available and replicable technology.
- Technical merit as per 4280.112 (d)
- Located in a **rural** area
- Applicant must be **owner** of system & control revenue & expense, incl. O&M
- Sites must be **controlled** by applicant
- Satisfactory sources of revenue

Application Process

- Applications must be complete and submitted by the appropriate deadline. Separate applications must be submitted for grant/guarantee combinations.
- RD Instruction 4280-B outlines the application requirements in addition to instructions in the NOSA. These instructions can be found in the website at:
www.rurdev.usda.gov/rbs/farmbill/what_is.html

Amount of financial assistance	<i>Renewable Energy</i>	<i>Energy Efficiency</i>
<i>Minimum grant (up to 25 % of total eligible project costs)</i>	\$ 2500	\$ 1500
<i>Maximum grant (up to 25 % of total eligible project costs)</i>	\$ 500,000	\$ 250,000
<i>Minimum guaranteed loan (up to 75% of total eligible project costs)</i>	\$ 5000	\$ 5000
<i>Maximum guaranteed loan (up to 75 % of total eligible project costs)</i>	\$25 million	\$25 million
<i>Minimum combination grant & loan (up to 75 % of total eligible project costs)</i>	\$ 5000	\$ 5000
<i>Minimum grant portion of the combined funding request</i>	\$ 1500	\$ 1500
<i>Maximum grant assistance in any one fiscal year per borrower</i>	\$ 750,000	
<i>Maximum total amount of loans guaranteed to any one borrower</i>	\$25 million	
<i>Guaranteed loan - Equity evidence by borrowers</i>	= or < \$600,000 – not less than 15% of eligible project costs	
<i>Maximum percentage of guarantee</i>	= or < \$600,000 – not less than 25% of eligible project costs	
	>\$600,000 & =or< \$5 million	85%
	>\$5 million & =or< \$10 million	80%
		70%

Technical requirements	<i>Renewable Energy (RE)</i> -Total Eligible Project Costs	<i>Energy Efficiency (EE)</i> - Total Eligible Project Costs
Energy assessment or energy audit required –conducted by energy assessor or energy auditor	NA	= or < \$50,000
Energy audit required – conducted by or reviewed by energy auditor	NA	> \$50,000
Technical report – Appendix A <i>Commercial technology</i>	= or < \$200,000	= or < \$200,000
Full technical report – Appendix B <i>Pre-Commercial or Commercial technology</i>	> \$200,000	> \$200,000
Licensed PE requirement – requires a design review, installation monitoring, testing prior to commercial operation, and project completion certification by PE	> \$400,000	> \$200,000
Technical report reviewed with opinion & recommendation by qualified independent consultant	> \$1,200,000	> \$1,200,000
Renewable Energy - Business level feasibility study	> \$200,000	No

Title Page	
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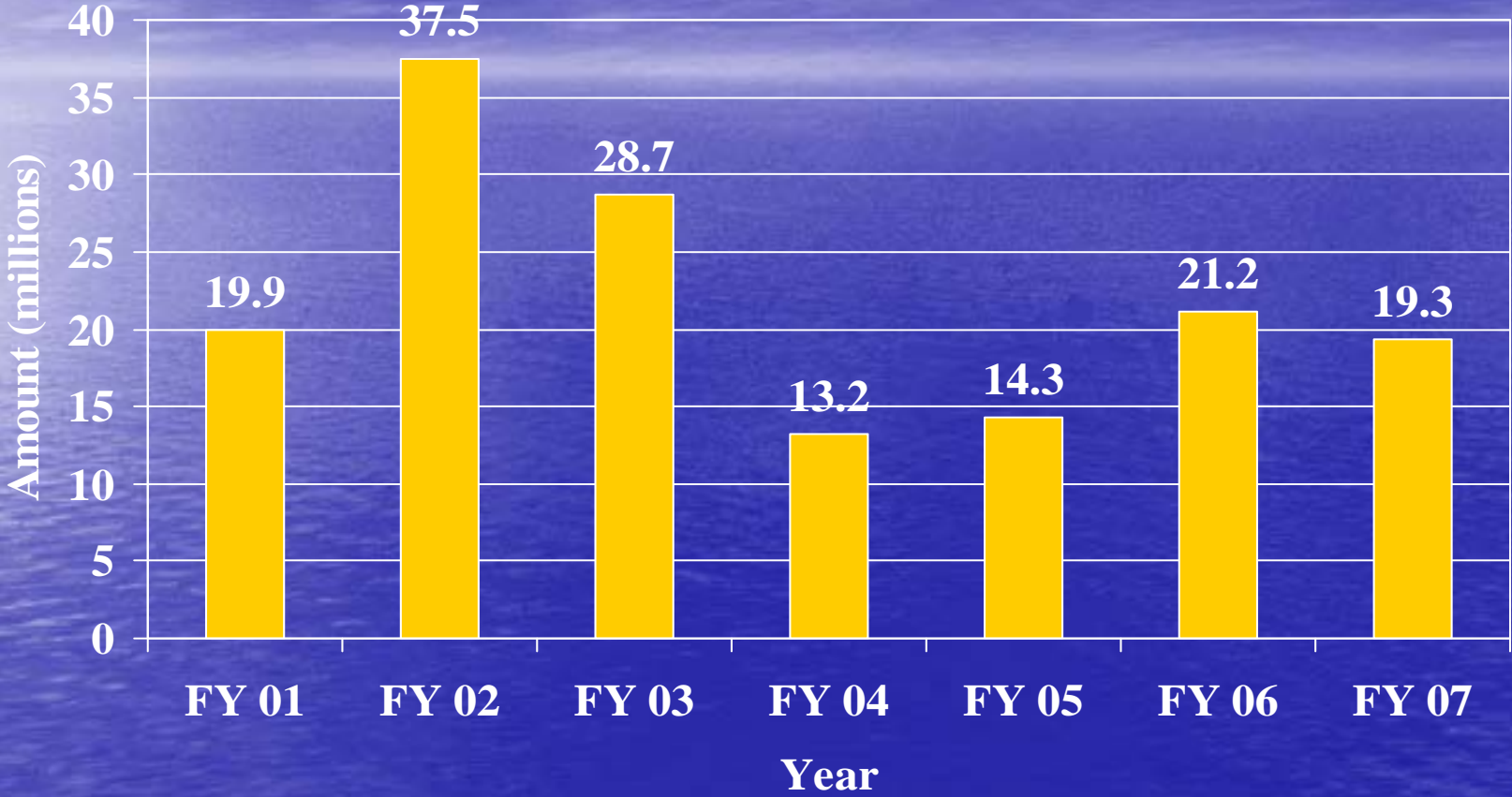
Value-Added Producer Grant Program

2009 Funding Cycle

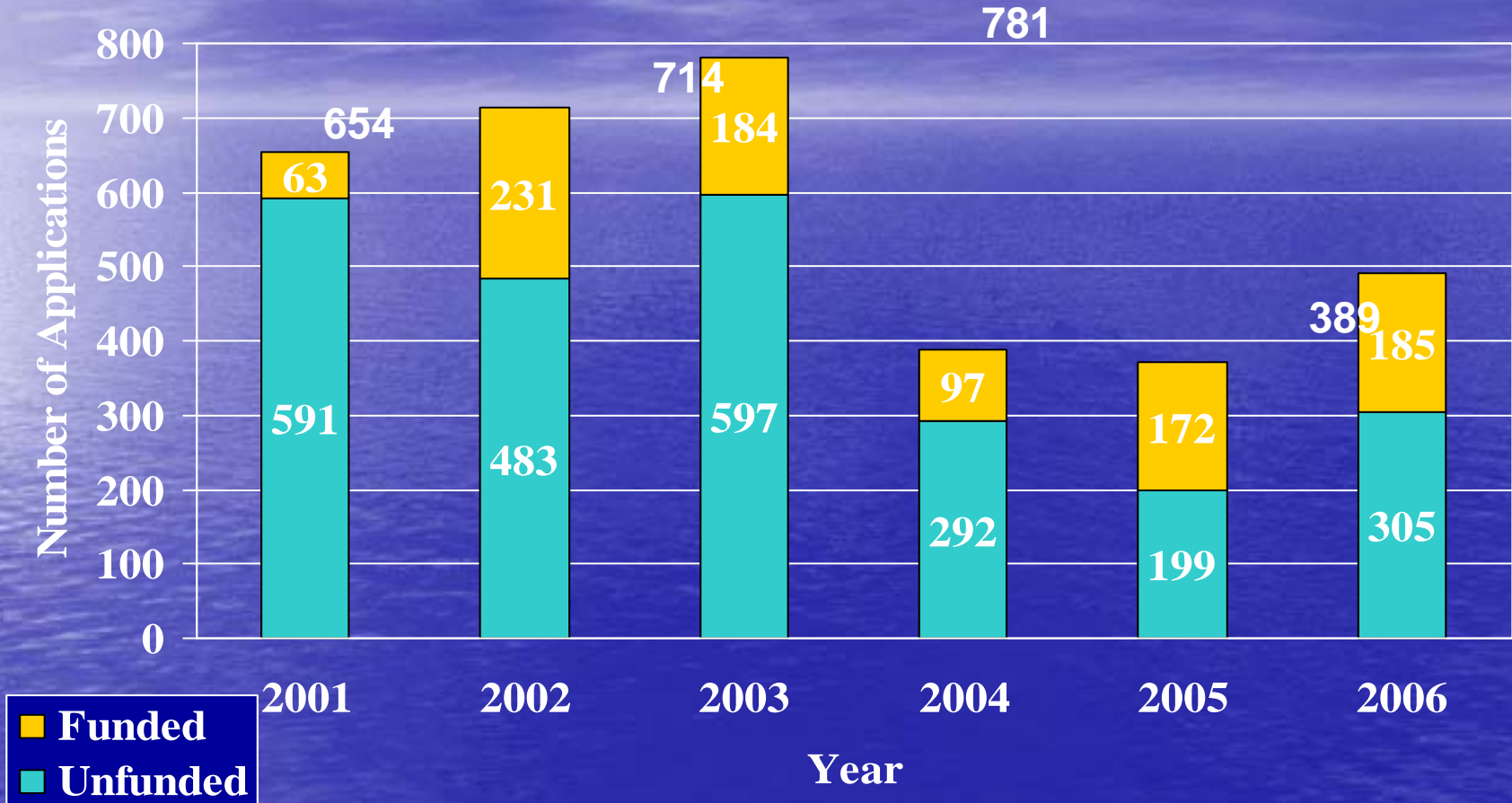
Purpose

The Value-Added Producer Grant (VAPG) Program is intended to provide grant funds to agricultural producers for planning activities and working capital expenses to assist them in receiving a greater share of the consumer's dollar for value-added agricultural products.

Funding



Applications



Application Processing

- Application Deadline – May 16, 2007
- Eligibility & Completeness
- Scoring

Eligibility

- Applicant eligibility
- Product eligibility
- Activity eligibility
- Other eligibility requirements

Applicant Eligibility

- Independent Producer
- Farmer or Rancher Cooperative
- Agricultural Producer Group
- Majority-Controlled Producer-Based Business Venture

Product Eligibility

- Change in physical state (e.g. lamb chops, diced tomatoes)
- Differentiated production or marketing (e.g. organic) - must reference a business plan
- Product segregation (e.g. identity-preserved corn)
- Farm-based renewable energy

Activity Eligibility

- Planning Activities (e.g. feasibility study, business plan, marketing plan)
- Working Capital (e.g. labor, inventory, advertising)

Other Eligibility

- Grant period eligibility
- Sufficient information to determine eligibility
- Responsive to submission requirements
- Complete
- Only one planning grant application and/or one working capital grant application per project per recipient
- Any previous grant must expire by December 31, 2007

Completeness

- Forms (SF-424, SF-424A, SF-424B, Equal Opportunity Survey)
- Title Page
- Table of Contents
- Executive Summary
- Eligibility Discussion
- Proposal Narrative
- Conflict of Interest Disclosure
- Certification of Judgment or Debt Owed to the United States
- Verification of Matching Funds
- Certification of Matching Funds

Proposal Narrative

- Project Title
- Information Sheet
- Goals of the Project
- Work Plan
- Pro Forma statements, if working capital
- Performance Evaluation Criteria
- Proposal Evaluation Criteria

Funding Decisions

- The Administrator of RBS makes the final funding decisions
- Applications will be funded in rank order until all available funds are expended

Award Process

- Applicants must:
 - Meet conditions of award prior to final approval for grant
 - Sign grant agreement
 - Submit progress and financial reports

Unsuccessful Applicants

- Notified within 45 days of award announcement
- Can request informal review, mediation, or formal appeal (see 7 CFR 11)

Useful Links

- Program Website
<http://www.rurdev.usda.gov/rbs/coops/vadq.htm>
- Federal Register
<http://www.gpoaccess.gov/fr/index.html>
- Code of Federal Regulations
<http://www.gpoaccess.gov/cfr/index.html>
- Office of Management and Budget
<http://www.whitehouse.gov/omb/>
- Federal Acquisition Regulation
<http://www.arnet.gov/far/>
- Florida Website/Other Programs
<http://www.rurdev.usda.gov/fl>

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