



NEWS RELEASE

United States Department of Agriculture • Rural Development
3001 Coolidge Rd. • 2nd Floor North • Suite 200 • East Lansing, MI 48823
Phone: (517) 324-5204 • Fax: (517) 324-5225 • Web: <http://www.rurdev.usda.gov/mi>

USDA RURAL DEVELOPMENT ANNOUNCES 2009 FUNDING FOR RURAL ENERGY FOR AMERICA PROGRAM (REAP)

EAST LANSING, May 5, 2010 – U.S. Dept. of Agriculture Rural Development Director for Michigan James Turner today announced that the agency has approximately \$11.4 million in funding available through the Renewable Energy for America Program (REAP) for investments in renewable energy systems and to make energy-efficient improvements.

“Michigan exports about \$20 billion every year to other states and countries to supply our energy needs,” said Turner. “By developing renewable energy systems here and incorporating energy efficiencies, we keep those dollars in Michigan, where they can help grow our economy.”

Michigan USDA Rural Development will have approximately \$1 million for grant requests greater than \$20,000; approximately \$830,000 available for grants less than \$20,000; and \$9.6 million available for REAP guaranteed loans. Once the state allocation has been exhausted, unfunded applications will then compete nationally.

Eligible projects in the 11 technology areas include:

- anaerobic digesters,
- biomass,
- geothermal (including electric generation and direct use),
- hydrogen, solar (small and large),
- wind (small and large),
- small hydropower projects (30 megawatts or less), and
- energy efficiency improvements.

Examples of energy efficiency projects include, but are not limited to: the installation of more energy efficient motors, pumps, fans, blowers, compressors, grain dryers, irrigation projects, refrigeration units, ventilation systems, windows, insulation, heating systems, lighting systems, and plumbing fixtures.

Grants can cover up to 25 percent of total eligible costs. The minimum energy efficiency grant is \$1,500 and maximum is \$250,000. The minimum renewable energy grant is \$2,500 and maximum is \$500,000. For feasibility study grants, the maximum award is \$50,000 or 25 percent of eligible study costs, whichever is less. Guaranteed loans can cover up to 75 percent of total eligible cost. Loan limits are a minimum of \$5000 and a maximum of \$25 Million.

Applications will be evaluated and selected based on the highest scoring projects and will be funded with State Allocations every two weeks beginning May 14, 2010, until all funds have been awarded. To be considered for any 2010 funding, all applications must be completed and received to the USDA Rural Development State Office or Area Offices, no later

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than June 30, 2010. Neither complete nor incomplete applications received after this date will be considered for fiscal year 2010 funding.

For further program information contact the USDA Rural Development Business Programs Division in the East Lansing State Office at (517) 324-5157.

USDA, through its Rural Development mission area, administers and manages more than 40 housing, business and community infrastructure and facility programs through a network of 6,100 employees located in 500 national, state and local offices. These programs are designed to improve the economic stability of rural communities, businesses, residents, farmers and ranchers and improve the quality of life in rural America. Rural Development has an existing portfolio of more than \$134 billion in loans and loan guarantees.

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