

# Grant Spotlight: U.S. Department of Agriculture Rural Energy for America Program

The Rural Energy for America Program provides loans and grants to agricultural producers and rural small businesses for renewable energy systems or energy efficiency improvements.

## Agency: U.S. Department of Agriculture

**Award:** Grants or long-term loans. Renewable energy system grants are \$2,500 to \$1 million. Energy efficiency grants are \$1,500 to \$500,000.

- Loans can provide up to 75% of total eligible project costs.
- Grants can provide up to 50% of total eligible project costs.
- Combined grant and loan guarantee funding can provide up to 75% of total eligible project costs.

**Application deadline:** There are three quarterly deadlines for 2024—March 31, June 30, Sept. 30

## Match Requirement:

- Grants require a minimum 50% match
- Loans require a minimum 25% match and repayment of the loan
- Combined grant and loan awards require a minimum 25% match and repayment of the loan

**Eligible applicants:** Agricultural producers and rural small businesses

## Eligible Recipients

- Agricultural producers
- Small businesses in areas with populations of fewer than 50,000
  - Private for-profit entity
  - Tribal corporation or business
  - Electric utility
  - Cooperative

## Eligible Projects

Funds can be used for the purchase and installation of renewable energy systems and the construction of energy efficiency improvements such as:

- Biomass: biodiesel and ethanol, anaerobic digesters, and solid fuels
- Geothermal for electric generation
- Hydropower below 30 megawatts
- Hydrogen
- Small and large wind generation
- Small and large solar generation
- Ocean (tidal, current, thermal) generation
- High-efficiency heating, ventilation, and air conditioning systems (HVAC)
- Insulation
- Lighting
- Cooling or refrigeration units
- Doors and windows
- Electric, solar, or gravity pumps for sprinkler pivots
- Switching from a diesel to electric irrigation motor
- Replacement of energy-inefficient equipment

## Application Tips

- Agricultural producers can be located in non-rural areas only if the project is associated with a rural on-site production operation.
- All projects require an environmental review prior to award or construction.
- Your state may have other requirements. Check the online program page or contact your local USDA representative for more information.
- You are strongly encouraged to contact your local USDA Rural Development office when you are ready to apply. They will help with the application process.

## Resources

- [Program Page - USDA](#)
- [USDA Rural Development State Offices \(rd.usda.gov/about-rd/offices/state-offices\)](https://rd.usda.gov/about-rd/offices/state-offices)

