



Committed to the Future of Rural Communities

Farm Bill Section 9007 - 7CFR 4280-Subpart B

RURAL ENERGY FOR AMERICA PROGRAM (REAP) (RES/EEI PROJECTS)

UPDATE – May 4, 2010

The FY 2010 Notice of Solicitation of Applications (NOSA) for the Rural Energy for America Program (REAP) was announced on April 26, 2010. The website address is:

<http://edocket.access.gpo.gov/2010/pdf/2010-9580.pdf>

Michigan USDA Rural Development Agency will have approximately \$11.4 million in total funding available through the Renewable Energy for America Program (REAP) for FY2010.

Breakdown of the funds is as follows:

\$1 million for grant requests greater than \$20,000

\$830,000 available for grants less than \$20,000

\$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 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.

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