



Rose Consulting Service

Your bridge to successful grants

West Central Clean Energy Resource Team

Grant Opportunities Discussion

21 June, 2007

Sunburg, MN

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Rose Consulting Service grant assistance includes:

- ❖ Deciphering grant requirements to guide you through the process
- ❖ Advising clients and installers on needed information for completion of application
- ❖ Assuring all supplied information complete and fully supported to maximize points during scoring
 - Developing the “story” - “Why should the grantor fund this project?”
- ❖ Adding clarity on projects with unique characteristics to find and address any challenge areas
- ❖ Assuring packet assembled properly, copied and submitted prior to deadline

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Section 9006 Renewable Energy / Energy Efficiency Grants

- ❖ RCS applied for and received funding for 8 small wind turbines in 2006
- ❖ Work on 2007 program applications included 8 small wind grant applications (5 submitted) and a Combination Guarantee Loan/Grant application

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Recommendations on Section 9006 - EE

- ❖ **Energy efficiency first!**
 - Efficient operations need smaller RE systems

- ❖ **Get an energy efficiency assessment or audit as the first step**
 - EE projects over \$50,000 require an official audit
 - Check with your local utility to see if they offer Energy Audit services

- ❖ **Grant application must be finished and mailed in prior to putting any money down on equipment!**
 - Leasing equipment is not an eligible use for 9006 grant funds; equipment must be purchased by the applicant

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Recommendations on Section 9006 - RE

- ❖ Start with a site assessment. Look for a site assessors who can match the strengths of your site and your energy needs with an un-biased recommendation of technology and/or brand
 - Many installers will do site assessment, but may only sell one type of RE Technology or one brand of equipment. Shop around!
 - Installers may charge for a site assessment and then discount a system purchase accordingly if you purchase system/installation from them

- ❖ Educate yourself on various technologies and systems
 - Windustry is a good wind resource (www.windustry.org)
 - Minnesota Renewable Energy Society has links to background information and installation professionals (www.mnrenewables.org)
 - Take classes to learn more - Minnesota Renewable Energy Society offering "basic" & "site assessment" classes in Solar Thermal, Solar PV and Wind this fall

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Recommendations on Section 9006 - RE

- ❖ Choose your installer before calling for grant application assistance
 - Installer will need to provide site, resource and system information

- ❖ Get a break-even analysis from installer (or independent accountant) as soon as possible
 - Bankers will want to know what the numbers look like before committing to loaning the funds
 - Determine if the numbers make sense for you before getting too excited about your project
 - Pending legislation would help with economics (\$1500 tax credit per .5 kW installed) IF PASSED

- ❖ Start early! Application can be mailed at any time prior to deadline!

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Value Added Producer Grants

- ❖ To help eligible producers of agricultural commodities, agricultural producer groups, farmer and rancher cooperatives, and majority-owned producer-based business ventures to develop strategies to create marketing opportunities in emerging markets and develop business plans for viable marketing opportunities
- ❖ Deadline also in the Spring (May 16 in 2007)
- ❖ Offered to Independent Producer, Farmer or Rancher Cooperatives, Agricultural Producer Group, or Majority-Controlled Producer Based Business Ventures
- ❖ Funds up to 50% of either a Working Capital or a Planning Project
 - Maximum grant for Planning project is \$100 K
 - Maximum grant for Working Capital is \$300 K

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Value Added Producer Grants

❖ Categories of Value-Add

- Incremental value that is realized by the producer from an agricultural commodity or product as the result of a change in it's physical state
- Incremental value that is realized by the producer from an agricultural commodity or product as the result of differentiated production or marketing, as demonstrated in the business plan. (This category qualifies ONLY for a working capital grant, and requires a business plan be in existence.)
- Incremental value that is realized by the producer from an agricultural commodity or product as the result of product segregation
- Economic benefit realized from the production of farm- or ranch-based Renewable energy. (Energy must be generated on-premises.)

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Value Added Producer Grants

- ❖ **Planning Grants** - A defined program of economic activities to determine the viability of a potential value-added venture including feasibility studies for a large RE project, marketing or business plans, legal fees.
- ❖ **Working Capital grants** -Funds which are used to operate the venture and pay the normal expenses associated with the operation of that venture.
 - **Funds cannot be used to purchase long-term assets.**
 - **Examples of eligible Activities include:**
 - ☀ Design or purchase an accounting system for the proposed venture
 - ☀ Pay for salaries, utilities, and rental of office space
 - ☀ Purchase inventory (not including delivery of a raw commodity to the processing plant), office equipment (e.g. computers, printers, copiers, scanners), and office supplies (e.g. paper, pens, file folders)
 - ☀ Conduct a marketing campaign for the proposed value-added product

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Xcel Renewable Development Fund

- ❖ "The overall purpose (mission) of the fund is to increase the market penetration of renewable energy resources at reasonable costs in the Xcel Energy service territory, promote the start-up, expansion and attraction of renewable energy projects and companies in the Xcel Energy service territory and stimulate research and development into renewable technologies that support this mission."
- ❖ \$23 Million available, to be divided between Energy Production and R&D projects, and an additional \$5 Million for "other innovative programs"
 - EP - up to \$2 Million per project
 - RD - up to \$1 Million per project
- ❖ Round 3 proposals due by 12 July, 2007.
- ❖ Earliest another round would occur is probably in 2010.
- ❖ Wind projects are no longer eligible for consideration.

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Section 9008 Bio-mass Research and Development

- ❖ Joint DOE / USDA grant program for projects addressing research and development of biomass based products, bioenergy, biofuels and related processes.

- ❖ Highly competitive grant process
 - 4 page “pre-application” due by 11 July, 2007
 - Full application by invitation only; expected application time period is Sep-Oct 20.

- ❖ “Up to” \$14 Million available to fund 10-13 projects nationwide
 - Minimum grant - \$250K
 - Maximum grant - \$2 Million
 - Since 2002, 55 grants totaling \$58.1 Million awarded

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Other Ag.-based opportunities

- ❖ State of Mn Sustainable Ag Demonstration Grant
 - Provides up to \$25,000 to individuals or groups for sustainable ag research or demonstration projects
 - Practices and values that promote environmental stewardship and conservation of resources, long-term economic viability and productivity, diversification, preservation of quality of life for farm families and support for rural communities
 - Energy production (wind, methane, biomass) eligible activities
 - Must be on-farm activities
 - 2006/2007 programs required application by Dec 15, 2006

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Other Ag.-based opportunities

- ❖ NCR-SARE - Sustainable Ag Research and Education Farmer Rancher Program
 - Competitive grants to farmers/ranchers for on-farm research, demonstration and education projects
 - Call for proposals in Aug, Proposals due Dec 1
 - Grants up to \$6000 for individual applicants, up to \$18000 for group applications
- ❖ Farmer's Market Promotion Program
 - To increase consumption of agricultural commodities by expanding direct producer-to-consumer market opportunities
 - Intended for agriculture cooperatives, economic development organizations, local government, etc (Not individual ag producers)
 - Maximum award is \$75000; total funds available \$1Million
 - Mid-April deadline

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High national and regional interest in increasing the integration of Renewable Energies in the marketplace means:

Other funding opportunities are expected!

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