

Welcome to the REAP Webinar



the
MINNESOTA
PROJECT

working for strong local economies,
vibrant communities, and a healthy environment



**GREAT PLAINS
INSTITUTE**

Better Energy.
Better World.





United States Department of Agriculture

Rural Development

2014 REAP Application Cycle



Rural Development

Eligible Applicants

- Rural Small Business
- Agricultural Producers



Dennis Hamm Farms
Solar Panel Purchase & Installation



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Eligible Projects

- Renewable Energy Systems
- Energy Efficiency Improvements

**Flex Fuel Pumps no longer eligible*



Marzolf Implement (repair shop)
Energy efficiency improvements



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Funding Availability

Renewable Energy and Energy Efficiency Project Funding

- Grants – \$12 Million
- Guaranteed Loan - \$57 Million
- Combination Grant/Loan

New to 2014

- No Feasibility Study Grants
- No Renewable Energy Development Assistance or Energy Audit Grants

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Application Deadlines

- 2014 Deadline for Application Submittal
 - 60 days from publication
 - July 31, 2014 for Guaranteed Loans



Rural Development

On the Web

- Rural Development’s website has an Energy Page devoted to REAP with:
 - Current news (NOFA, funding announcements)
 - Application templates
 - Links to eligibility
 - Past project information

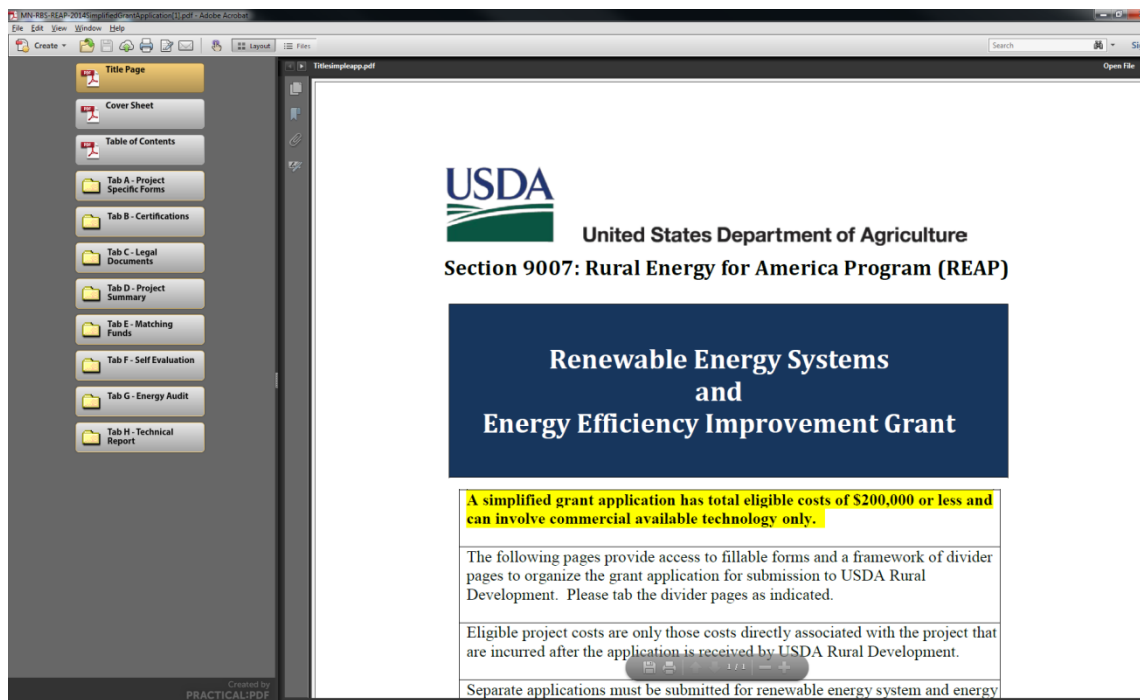


<http://www.rurdev.usda.gov/MN-RBS-REAP-LoanGrant.html>



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Application Review





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Scoring Tips

1. Replacement, Savings or Generation

- *Savings* | EE projects; <\$50,000 and receive audit
- *Replacement* | RE projects up to 150%
 - Replacement project must show prior energy use
 - Facility of the same size (within 10% of prior)
- *Generation* | RE projects selling to grid



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Scoring Tips

2. Environmental Benefits Letter

- Meets established goals of Federal, state, local
- Reference project by name, REAP program and specify the project identified.
- *Sources*: Department of Commerce, local electric cooperative



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Scoring Tips

3. Commercial Availability & Warranty

- Submit commercial information (i.e. vendor brochures)
- Warranty points only to commercially available
 - Statement from contractor/supplier
 - Evidence of purchase

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Scoring Tips

4. Technical Review

- Well-written narrative
 - Dust off the English writing skills | 35 points!



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Scoring Tips

5. Readiness

- Financially ready
 - Bank Statement
 - Letter from a bank official





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Scoring Tips

6. Small Ag Producer/Small Business

- Small Ag = Less than \$200,000 or between \$200K and \$600K (gross market value of ag products)
- Small Business = Less than \$1 million in annual sales and less than 15 employees



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Scoring Tips

7. Simplified Application

- Less than \$200,000 in total project cost

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Scoring Tips

8. Previous grantee

- REAP award in the past two years?





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Scoring Tips

9. Simple Payback

$EE + RE \text{ (replacement)} = \text{Total Project Cost} / \text{Income or Savings}$

RE generation = Need to factor in Maintenance, depreciation, interest (See template for formula)



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Scoring Tips

10. State Director / Administrator Points



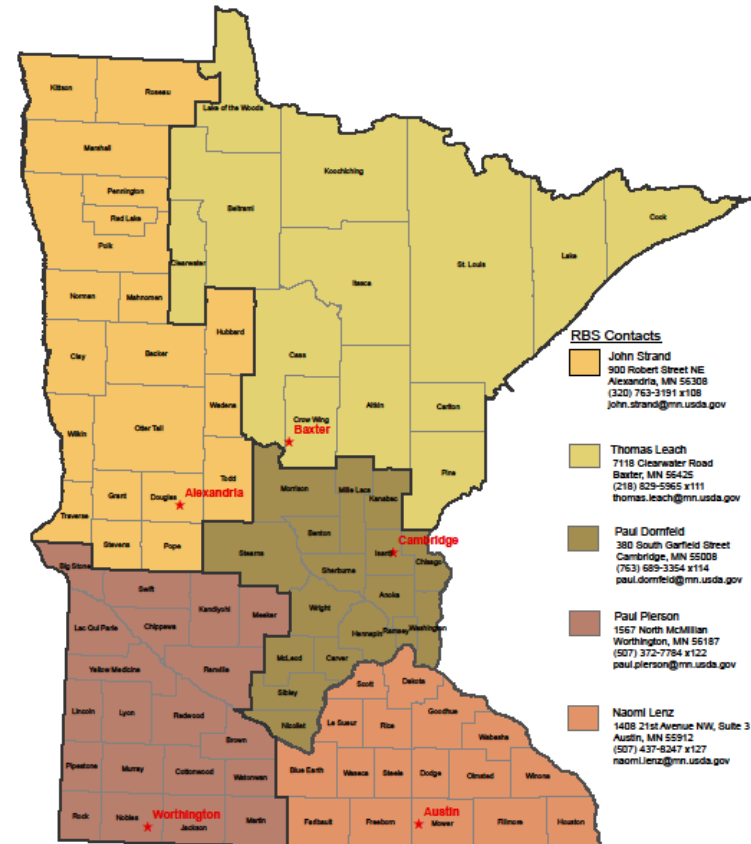
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Good Luck!

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Minnesota Rural Development Rural Business Service Staff



★ USDA Service Centers with a RBS Specialist □ County Boundary □ RD Area Boundary

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