

## Examples of MN Projects Funded

- Small and Large Wind Turbines
- Corn/Wood/Pellet Burners
- Geothermal Systems
- Anaerobic Digesters
- Small Scale Ethanol Facilities

More information and tools can be found at:

[www.rurdev.usda.gov/mn/](http://www.rurdev.usda.gov/mn/)



Wind turbines near Owatonna funded by USDA Rural Development's Renewable Energy Grant Program.

## Contact Information

### Field Representatives:

NW MN	Butch Koehmstedt	(218) 681-2843	x4
W Central MN	John Strand	(320) 763-3191	x4
NE MN	Tom Leach	(218) 829-5965	x4
E Central MN	Paul Dornfeld	(763) 689-3354	x4
SW MN	Paul Pierson	(507) 372-7783	x4
SE MN	Naomi Lenz	(507) 437-8247	x4

### Renewable Energy Coordinator:

Lisa Noty (507) 373-7960 x120

The funding period(s):

To be announced.

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## RENEWABLE ENERGY



RURAL ENERGY FOR AMERICA PROGRAM

# Program Description

## History

USDA Rural Development's Rural Energy for America Program (REAP) was created as part of the 2002 Farm Bill and reauthorized in the 2008 Farm Bill. Minnesota has realized almost \$25 million in benefits since the program was introduced.

## Eligible Projects

Projects must be for the purchase of a renewable energy system. Renewable energy systems include systems that generate energy from wind, solar, biomass or a geothermal source. Projects also include systems that produce hydrogen derived from biomass, or water using a renewable energy source.

## Available Funds

Grants can be up to 25 percent of the eligible project costs. The minimum grant available is \$2,500, the maximum is \$500,000. Applications should be limited to the amount needed to make the project feasible.

## Eligible Areas

Projects are required to be in rural areas, defined as any area with a population less than 50,000 and rural in nature.

## Eligible Applicants

- **Agricultural producers**, including farmers and ranchers, who receive 50 percent of their gross income from agricultural operations could be eligible.
- **Rural Small Businesses** meeting the Small Business Administration size standards can also apply.
- A private entity, a rural utility, and rural electric cooperatives are typically eligible, but non-profit or public entities are not eligible.

## Technical Requirements

- **T**echnical report
- Applications with project costs of \$200,000 or less may file a Simplified Application.
- Professional engineer if project is over \$400,000
- Feasibility study for projects over \$200,000.

## Eligible Project Costs

- **P**urchase and installation of equipment, except agricultural tillage equipment and vehicles.
- Construction
- Feasibility studies and business plans
- Professional service fees, excluding application preparation
- Permit fees and energy audits or assessments.

## Other Requirements

- **B**e for pre-commercial or commercially available and replicable technology
- Be technically feasible
- **P**roject revenues sufficient to provide for operation and maintenance
- Applicant must be the owner of the system and control the operation and maintenance of the proposed project.
- Simplified applications may be filed for projects under \$200,000 to be completed within 24 months.

