



NEWS RELEASE

United States Department of Agriculture • Rural Development
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AGRICULTURE SECRETARY VILSACK ANNOUNCES MORE THAN \$13 MILLION TO HELP MEET COUNTRY'S RENEWABLE ENERGY NEEDS

DECATUR, Ill., Sept. 2, 2009 – Agriculture Secretary Tom Vilsack today announced that the department is providing more than \$13 million in loans and grants for 233 renewable energy projects in 38 states under the Rural Energy for America Program (REAP). Dallas Tonsager, Under Secretary for Rural Development, made the announcement on behalf of Vilsack during a speech at the Farm Progress Show.

"Under President Obama's leadership, USDA is working to increase the availability of renewable energy, which not only will reduce our dependence on foreign oil, but also strengthen our national economy," Vilsack said. "The funding announced today will help expand renewable energy in America, which is a key part of the nation's long-term strategy for continued economic prosperity and energy independence."

The loan guarantees and grants can be used for renewable energy systems, energy efficiency improvements, feasibility studies and energy audits. These funds are not part of the American Recovery and Reinvestment Act. For more information on the REAP program, which is authorized under the 2008 Farm Bill, please visit www.rurdev.usda.gov/rbs/farmbill/index.html.

Terrydale Farms, Inc., in Charleston, Ill., was selected to receive a \$20,000 grant to replace a 25-year-old grain dryer that uses a labor-intensive process that often results in under- or over-dried grain. The replacement dryer will use technology that automatically adjusts the burner temperature to produce evenly dried grain in a shorter period of time. The new system is expected to reduce energy consumption by nearly 37 percent annually – or 125 million BTUs – and lower Terrydale Farms' annual energy bill by more than \$8,500.

In Story City, Iowa, Milford Wind Energy, LLC, has been selected to receive a \$1.8 million guaranteed loan and a \$500,000 grant to build a 900 kilowatt wind turbine for energy generation. When complete, the turbine is expected to produce nearly 3.3 million kilowatts of electricity annually and generate more than \$200,000 in electricity that will be sold to the local utility company. Construction of the turbine is expected to be completed next year.

REAP funding is already contributing to increased renewable energy production. For example, in 2003, USDA Rural Development approved a \$300,000 renewable energy grant to Lincolnland Agri-Energy, LLC., in Palestine, Ill. The 453-farmer cooperative operates a livestock feed production plant and a 49-million-gallon-per-year ethanol plant. The grant

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enabled the cooperative to buy a \$1.4 million thermal oxidizer to control plant emissions. This critical piece of equipment removes 75 percent of the emissions from the dryer exhaust without reducing plant performance. The oxidizer has another benefit: the heat it produces is captured in a steam recovery system and turned into energy. Lincolnland's USDA grant produced 37 local jobs.

Funding of each recipient is contingent upon the recipient meeting the conditions of the grant or loan agreement. The following is a complete list of REAP projects announced today.

Pennsylvania

- John K. Davin, Forever Greene House, \$7,268 grant

USDA Rural Development's mission is to increase economic opportunity and improve the quality of life for rural residents. Rural Development fosters growth in homeownership, finances business development and supports the creation of critical community and technology infrastructure. Further information on rural programs is available at a local USDA Rural Development office or by visiting www.rurdev.usda.gov.

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USDA Rural Development serves as the lead federal agency for rural development needs by offering financial and technical assistance to individuals, businesses and communities. USDA Rural Development programs include funding for day care centers, fire trucks and other community facility projects; the purchase, construction or repair of homes; loans and guarantees to rural businesses to save or create jobs and renewable energy; and loans and grants for water and sewer utility projects. For more information on programs offered by USDA Rural Development, contact the Pennsylvania State Office at (717) 237-2299 or visit its website at www.rurdev.usda.gov/pa.