

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT



High Energy Cost Grant Program



◆ OBJECTIVE

The purpose of this grant program is to assure access to adequate and reliable energy services for persons in extremely high energy cost communities by providing financial assistance to acquire, construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities serving the community.

◆ ELIGIBILITY

To be eligible to receive a grant under this program:

You must be an eligible applicant; must serve an eligible extremely high energy cost community; must improve energy generation, transmission, or distribution facilities serving an eligible community; and the administrative costs of the project must not exceed 4 percent of grant funds.

◆ WHO IS AN ELIGIBLE APPLICANT

You are eligible to apply if you are any of the following:

A legally-organized for-profit or nonprofit organization such as, but not limited to, a corporation, association, partnership (including a limited liability partnership), cooperative, or trust, sole proprietorship, a State or local government, or any agency or instrumentality of a State or local government, including a municipal utility or public power authority, an Indian tribe, a tribally-owned entity, an Alaska Native Corporation, an individual or group of individuals, or any of the above entities located in a U.S. Territory or other area authorized by law to participate in programs of the Rural Utilities Service or under the Rural Electrification Act.

◆ ELIGIBLE COMMUNITIES

An eligible community under this program is one in which the average home energy costs exceed 275 percent of the national average under one or more high energy cost benchmarks established by RUS based on the latest available residential energy information from the Energy Information Administration (EIA) of the U.S. Department of Energy. Eligibility may be established using average annual household expenditures for individual fuels or for total energy, or average per unit cost for home energy.

◆ ELIGIBLE PROJECTS

Grants under this program may be used for acquisition, construction, installation, repair, replacement, or improvement of energy generation, transmission, or distribution facilities in communities with extremely high energy costs.

Examples: Electric generation, transmission, and distribution facilities, equipment & materials, including associated and supporting activities; land or right of way acquisition, engineering & professional expenses, permitting costs, natural gas distribution or storage facilities & associated equipment and activities serving residential customers or community use; petroleum product storage and handling facilities serving residential or community use; renewable energy facilities and systems used for on-grid or off-grid electric power generation, water or space heating, or process heating and power (renewable energy sources include solar, wind, hydropower, or biomass technologies); backup or emergency power generation or energy storage equipment, included distributed generation installed on consumer premises.

◆ CONTACT:

Karen Larsen, Policy Analysis & Loan Management Staff
USDA, Rural Development Electric Programs
1400 Independence Ave, SW STOP 1560, Room 5165-South
Washington, DC 20250-1560
Tel: 202 720-9454 Fax: 202 690-0717