



Committed to the future of rural communities.

Renewable Energy and Energy Efficiency Program

Why renewable energy and energy efficiency?

USDA Rural Development provides grants and loan guarantees to farmers, ranchers, and rural small businesses to purchase renewable energy systems or make energy efficiency improvements. Renewable energy and energy efficiency systems provide a significant opportunity for rural economic development and growth. These opportunities include increasing local revenue, bolstering the local job market, and increasing the economic yield of land.

Many U.S. agriculture producers have discovered that renewable energy can generate additional revenue from their land while continuing with their existing operations.

Energy efficiency improvements are a tool for increasing farm or business productivity while reducing costs. Projects may include retrofitting lighting or insulation, or purchasing or replacing equipment with more efficient units in existing facilities or new replacement facilities.

Eligible renewable energy technologies:

Anaerobic digester A renewable energy system that uses animal waste and other organic substrates to produce thermal or electrical energy via anaerobic digestion.

Bioenergy project A renewable energy system that produces fuel, thermal energy, or electric power from a biomass source, other than an anaerobic digester project.

Biomass Any organic material that is available on a renewable or recurring basis, including agricultural crops; trees grown for energy production; wood waste and wood residues; plants, including aquatic plants and grasses; fibers; animal waste and other waste materials; and fats, oils, and greases, including recycled fats, oils, and greases. It does not include paper that is commonly recycled or unsegregated solid waste.

Geothermal, direct use A system that uses thermal energy directly from a geothermal source

Geothermal, electric generation A system that uses geothermal energy to produce high pressure steam for electric power production.

Hydrogen project A renewable energy system that produces hydrogen or, a renewable energy system that uses mechanical or electric power or thermal energy from a renewable resource using hydrogen as an energy transport medium.

Small solar, electric Small solar electric projects are those for which the rated power of the system is 10kW or smaller. Small solar electric projects are either stand-alone (off grid) or interconnected to the grid at less than 600 volts (on grid).

Large solar, electric Large solar electric systems are those for which the rated power of the system is larger than 10 kilowatts (kW). Large solar electric systems are either stand-alone (off grid) or interconnected to the grid (on grid).

Small solar, thermal Small solar thermal projects are those for which the rated storage volume of the system is 240 gallons or smaller or that have a collector area of 1,000 square feet or less.

Large solar, thermal Large solar thermal systems are those for which the rated storage volume of the system is greater than 240 gallons or that have a collector area of more than 1,000 square feet.

Small wind system Wind energy system for which the rated power of the wind turbine is 100kW or smaller and with a generator hub height of 120 feet or less. A small wind system is either stand-alone or connected to the local electrical system at less than 600 volts.

Large wind system A wind energy project for which the rated power of the individual wind turbine(s) is larger than 100kW.

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