



# NEWS RELEASE

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## **USDA RURAL DEVELOPMENT ANNOUNCES AVAILABILITY OF \$22.8 MILLION FOR RENEWABLE ENERGY AND ENERGY EFFICIENCY IMPROVEMENT PROJECTS**

### *Two Stage Program Focuses on Energy Independence, Stronger Rural Economy*

**TEMPLE, TEXAS, MARCH 30, 2005** — Bryan Daniel, USDA Rural Development State Director, announced today the availability of \$22.8 million to support investments in renewable energy systems and energy efficiency improvements by agricultural producers and rural small businesses.

“Enhancing our energy efficiency is a key goal of the Bush Administration,” said Agriculture Secretary Mike Johanns. “Renewable energy is an exciting growth frontier for American agriculture. Implementing an innovative energy policy, which the President has proposed, provides an opportunity to strengthen both our national security and the rural economy.”

“The capital investments made through USDA Rural Development to the Renewable Energy and Energy Efficiency Improvements Program will support our natural resources and help develop new sources of energy,” said Daniel.

Section 9006 of the 2002 Farm Bill established the Renewable Energy Systems and Energy Efficiency Improvements Loan and Grant Program to encourage agricultural producers and small rural businesses to create renewable and energy efficient systems. The funds announced today will be available to support a wide range of technologies encompassing biomass (including anaerobic digesters), geothermal, hydrogen, solar, and wind energy, as well as energy efficiency improvements. To date, the Bush Administration has invested nearly \$45 million in 32 states through this program.

The \$22.8 million announced today will be made available in two stages. One-half, \$11.4 million, is available immediately for competitive grants. Renewable energy grant applications must be for a minimum of \$2,500 and a maximum of \$500,000. Energy efficiency grant applications may range from \$2,500 to \$250,000. The grant request may not exceed 25% of the eligible project cost. Applications must be completed and submitted no later than June 27, 2005. More information about the Renewable Energy and Energy Efficiency Improvements Program can be found in the Federal Register, Part II, March 28, 2005, Notice.

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The remaining \$11.4 million will be set aside through August 31, 2005, for renewable energy and energy efficiency guaranteed loans. Final details on how to apply for these funds will be published in the Federal Register later this year. Any funds not obligated under the guaranteed loan program by August 31, 2005, will be reallocated to the competitive grant program as of that date. For more information on the Renewable Energy and Energy Efficiency Grant Program, please contact J. Pat Liles, Business and Cooperative Programs Director, (254) 742-9780, or visit the website at <http://www.rurdev.usda.gov>.

USDA Rural Development's mission is to deliver programs in a way that will increase economic opportunity and improve the quality of life of rural residents. As a venture capital entity, USDA Rural Development provides equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. Further information on rural programs is available at a local USDA Rural Development office or by visiting the web site at <http://www.rurdev.usda.gov>.

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