



Section 9006

Energy Efficiency Improvements and Renewable Energy Systems



History of Section 9006

- The Farm Bill established the Renewable Energy Systems and Energy Efficiency Improvements program under title IX, Section 9006
- Congress provided nearly \$23 million to fund the program in each of fiscal years 2003-2006
- Funded projects for Oklahoma

2004- 10 applications - \$231,783

2005- 4 applications - \$66,757

2006- 7 applications - \$110,764



Program Facts

- Grant request must not exceed 25 percent of the eligible project costs.
 - Renewable energy grants can range from \$2,500 to \$500,000.
 - Energy efficiency grants can range from \$1,500 to \$250,000.
- Projects under \$200,000 total project costs qualify for a simplified application process.
- Loan guarantees can be for up to 50% of total eligible project costs. Guarantees can range from \$5,000 to \$10,000,000 per project.
- Projects can qualify for combined grant and loan guarantee, but the grant portion is still subject to the above limits and combined funding assistance cannot exceed 50% of total eligible project costs.



Eligibility

- Rural
 - Population less than 50,000
- Agricultural producer
- Small business - Examples
 - Construction Machinery Manufacturer – Max. 750 employees
 - Poultry Processing – Max. 500 employees
 - Office Supply store – Max. \$6.5 million
 - Grocery Store – Max. \$25 million
- Demonstrate Financial need



Eligible Projects

- Wind Energy



Eligible Projects

- Bio-diesel plant



Eligible Projects

- Energy Efficiency Improvements



First Step

- Assemble a project team
 - Organize
 - Project
 - Funding
 - Technical Assistance

Second Step

- EEI projects
 - >\$50,000 – Energy assessment
 - <\$50,000 – Energy Audit
- Renewable Energy Systems
 - Feasibility study

Third Step

- Technical Report
 - Guideline
 - Team effort
 - System Installer or contractor
 - Engineer

Fourth Step

- Secure matching funds
 - Local lender
 - Rural Economic Development Loan Program
 - Small Business Administration

Fifth Step

- Complete application
 - Utilize template
 - Simplified application - $> \$200,000$
 - Full application - $< \$200,000$

Summary

www.rurdev.usda.gov/rbs/farbill

www.rurdev.usda.gov/ok

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