



Rural Energy Savings Program (RESP)

What does this program do?

The Rural Energy Savings Program (RESP) provides loans to entities that agree to make affordable loans to help consumers implement cost-effective, energy efficiency measures.

This new program, authorized by Congress in the 2014 Farm Bill, fulfills an important component of President Obama's **Climate Action Plan** to build a cleaner and more sustainable domestic energy sector for future generations. RESP will help lower energy bills for rural families and businesses and will reduce barriers to investment in energy efficiency projects or activities.

Who may apply for this program?

Eligible applicants include current and former Rural Utilities Service (RUS) borrowers, subsidiaries of current or former RUS borrowers, and entities that provide retail electric service in rural areas.

What are the terms of the loans?

- Up to 20 years at a 0 percent interest rate
- Up to 3 percent interest rate for relending to end users qualified consumers, for up to 10 years
- Up to 4 percent of the loan total may be used for startup costs

What is an eligible area?

We encourage you to contact us to determine whether your program would serve an eligible rural area.

How may funds be used?

Funds may be used for the purpose of implementing energy efficiency measures to decrease energy use or costs for rural families and small businesses.

How is RESP different from the Energy Efficiency and Conservation Loan Program (EECLP)?

- RESP offers a lower-cost financing option and a 0 percent interest rate;
- RESP also has a broader pool of eligible borrowers (utilities, nonprofit organizations, municipalities and states) while EECLP program borrowers are limited to utilities that serve rural areas;
- RESP offers longer loan terms: 20 years versus 15 years for EECLP loans.

How do we get started?

Applications for the RESP program will be accepted on a first-come, first-served basis until funds are depleted. To be considered for funding, applicants should submit a letter of intent to RESP@wdc.usda.gov. More information is available in the funding announcement in the **Federal Register**.

Who can answer questions?

Contact Titilayo Ogunyale at titilayo.ogunyale@wdc.usda.gov

What law governs this program?

These loans are made available under the authority of section 6407 of the Farm Security and Rural Investment Act of 2002 (7 U. S.C. 8107a) (Section 6407).

Why does USDA Rural Development do this?

USDA offers a variety of financing options to expand efforts to help rural communities save money, reduce the need to purchase or generate energy, reduce emissions from the generation of electricity, and help strengthen rural economies through job creation for energy efficiency and conservation projects.

NOTE: Because citations and other information may be subject to change please always consult the program instructions listed in the section above titled "What Law Governs this Program?" You may also contact **your local office** for assistance. You will find additional forms, resources, and program information at www.rd.usda.gov. *USDA is an equal opportunity provider, employer, and lender.*