USDA Accepts Applications for Rural Energy for America Program

WASHINGTON, December 16, 2022 – U.S. Department of Agriculture (USDA) Secretary Tom Vilsack yesterday announced that the department is making $300 million available under the Rural Energy for America Program (REAP) to expand renewable energy and support energy-efficiency projects for people living in rural America. This funding includes $250 million provided by the Biden-Harris Administration’s historic legislative package known as the Inflation Reduction Act.

USDA Rural Development is in a unique position to make climate-smart investments in rural infrastructure. The Inflation Reduction Act represents the largest ever federal investment in clean energy for the future. This historic funding will strengthen our energy security, create good-paying jobs, and save Americans money on their energy costs.

USDA is seeking applications for Fiscal Year 2023 funding. Two significant changes to this additional funding include an increase in the maximum Federal grant share from 25% to 40% of total project cost and an increase of maximum grant amounts from $250,000 to $500,000 for energy efficiency projects and an increase from $500,000 to $1,000,000 for renewable energy systems. Projects in underserved areas are prioritized for funding under this notice.

USDA will host an informational webinar for applicants and stakeholders on Wednesday, December 21, 2022, from 3:00 - 4:30pm Eastern Time. To register, visit: https://www.zoomgov.com/webinar/register/WN_BSQ3b8K6Sz-sbpdJluEtfw.

Agricultural producers and rural small businesses are eligible applicants for loan guarantees and grants to develop renewable energy systems and to make energy efficiency improvements. State and local governments, federally-recognized tribes, land-grant colleges or universities or other institutions of higher education, rural electric cooperatives, public power entities, and Resource Conservation & Development Councils (as defined in 16 USC §3451) are eligible applicants for grants to conduct energy audits and provide development assistance.

Interested applicants are encouraged to contact their local USDA Rural Development State Energy Coordinator well in advance of the application deadlines to discuss their project and ask any questions about the REAP program or the application process.

Additional information on the required materials and how to apply for the REAP program are available on page 77059 of the Dec. 16, 2022, Federal Register.

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