

High Energy Cost Grants

What does this program do?

Helps power provider in lowering energy costs for families and individuals in areas with extremely high per-household energy costs (275 percent of the national average or higher).

Who may apply for this program?

Most retail or power supply providers serving qualified rural areas, including:

- **State and local governmental entities**
- **Federally recognized Tribes**
- **Nonprofits, including cooperatives and limited dividend or mutual associations**
- **For-profit businesses**

What is an eligible area?

- The law requires the consideration of several factors to determine whether an area qualifies as rural for the purposes of this program
- Email Energy.Grants@usda.gov.

How may funds be used?

To finance the acquisition, construction, or improvement of facilities serving residential customers or communities, including:

- Electric generation, transmission and distribution facilities, including:
 - Equipment, materials, and activities
 - Land or right-of-way acquisition, professional expenses, engineering and permitting costs
- Natural gas distribution and storage facilities, including equipment, materials, and activities
- Petroleum product storage and handling facilities, including equipment, materials, and activities
- Renewable energy facilities, including solar, wind, hydropower or biomass technologies used for on- or off-grid:
 - electric power generation
 - water or space heating
 - process heating and power
- Backup or emergency power generation or energy storage technology, including generation equipment installed on consumer premises

Implementation of initiatives such as:

- Energy efficiency improvements and conservation measures (i.e. weatherization of residences and community facilities)
- Programs encouraging the use of energy-saving appliances and devices
- Programs aimed at improving the quality and cost of energy service

Additional requirements include:

- Borrowers must have the legal authority to provide, construct, operate, and maintain the proposed facilities or services
- All facilities receiving federal financing must be used for a public purpose
- Partnerships with other federal, state, local, private, and nonprofit entities are encouraged
- For additional details, see the [Code of Federal Regulations 7 CFR 1709](#)

How do we get started?

- Applications for this program are accepted through our National Office
- Email Energy.Grants@usda.gov
- The application deadline is set each year by a NOFA
- Program Resources are available online (i.e. forms, guidance, certifications, etc.)

Who can answer questions?

- Email Energy.Grants@usda.gov
- Contact the [Rural Electric Program staff](#)

What governs this program?

- [Rural Electrification Act of 1936, as amended in 7 U.S.C. 901](#)
- [Code of Federal Regulations 7 CFR 1709](#)

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