Building Owners, Operators and Managers: Energy Costs Getting You Down?

Grants for making **Energy Efficiency Improvements** and installing **Renewable Energy Systems** are available through the Rural Energy for America Program (REAP) which is provided by the USDA-Rural Development office. <u>The grant funds may be used to pay 50% of the eligible project costs</u>, with maximum grant request of \$500,000 for Energy Efficiency Improvements and \$1,000,000 for Renewable Energy Systems.

Eligible **Energy Efficiency Improvements** are "any improvements to a facility, building or process that reduces energy consumption".

For commercial buildings, eligible **Energy Efficiency Improvements** might include building envelope improvements (insulation, windows, doors); heating, ventilation, and cooling system (HVAC) improvements; pumping system improvements; variable frequency drives (VFD); lighting; energy management control systems; refrigeration equipment; etc.

For industrial, manufacturing, and other buildings, eligible **Energy Efficiency Improvements** may include more efficient systems or system components for pumping, commodity handling, compressed air, drying, heating, cooling, lighting, VFD's, insulation, computer controllers, refrigeration equipment, etc.

Eligible **Renewable Energy Systems** must produce usable energy from a renewable energy source. These may include biomass, methane digester, <u>solar</u>, wind, geothermal, gasification, hydroelectric, etc.

To be eligible for potential funding,

- 1. The building must be in a location with a population of less than 50,000, and
- 2. The building must be owned by a small business as defined by their NAICS code.

Only costs of eligible improvements purchased and installed after the date of your complete application being received by USDA are eligible for grant reimbursement.

Chances for getting approved for funding are excellent, close to 100%, however, applications go through a competitive process and final approval is based on how your application competes against others in your state, so approval is not guaranteed. Final word of funding status may not be received until several months after submitting your application. However, <u>you can proceed with your work as soon as the application</u> is sent to USDA, so there will be no hold-up for retrofits that have to be done promptly.

For more information and for assistance with the grant application process, contact: Donald Thompson Thompson Engineering, LLC. Email: donnie@thompsonenergy.net Phone: 601-201-1510. We have assisted with more than 600 projects in 10 states to secure grants in excess of \$10 million for energy efficiency improvements in 2003-2022. The typical application process takes approximately 10 days. You have 2 years to finish the improvements after the application is approved. Applications are accepted year-round, but <u>deadlines</u> are June 30, September 30, December 31, and March 31.