

Energy Programs at USDA

A faint, light blue background illustration of a rural landscape. It features a water tower on the right, a house in the center, and another house on the left. The foreground consists of rolling green hills.

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USDA/Rural Development

Rural Development

Over 40 grant, direct loan, and guaranteed loan programs to finance housing, businesses, and infrastructure in rural areas.

Program Areas:

- **Rural Housing Programs**
- **Rural Utility Programs**
- **Rural Business and Cooperative Programs**

<http://www.rurdev.usda.gov>

“Old” Energy Programs

- **Section 9006: Provide guaranteed loans and/or grants to farmers, ranchers and rural small businesses for renewable energy systems and/or energy efficiency projects.**
- **Section 9008: Biomass Research and Development—partnership between USDA and DOE**

“New” Energy Programs

- **Rural Energy for America Program (REAP): Replaces Section 9006**
- **Biorefinery Assistance**
- **Biomass Crop Assistance Program**
- **Repowering Assistance**
- **Bioenergy Program for Advanced Biofuels**
- **Biomass Research and Development (continuation of 9008)**

Rural Energy for America

- **Enhancements from previous program:**
 - **More technologies available (now includes small hydro and wave energy)**
 - **Increases loan guarantees from \$10M to \$25M**
 - **Establishes an energy audit grant program**
 - **Allows grants for feasibility studies**
 - **Increases combined guaranteed loan/grant combination from 50% to 75% of project costs (subject to statutory \$ limits)**

Biomass Research and Development

- **Continuation of Section 9008:**
 - **Reduces research topic areas from 4 to 3**
 - **Feedstocks,**
 - **Biofuels and Biobased Products Development,**
 - **Biofuels Development Analysis**

Biorefinery Assistance

Section 9003 provides:

- **Grants covering up to 30% of the cost of developing and building demonstration-scale biorefineries for producing "advanced biofuels," which essentially includes all fuels that are not produced from corn kernel starch.**
- **Loan guarantees of up to \$250 million for building commercial-scale biorefineries to produce advanced biofuels.**

Contact Information

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