



United States Department of Agriculture

USDA Rural Development: Financing Energy Projects





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Community Programs

*Community Facility and
Water Environmental Loan
and Grant Programs*



Eligible Applicants

Municipal Entities



- **For CF, rural areas of $\leq 20,000$**
– towns, villages, schools, libraries, etc.
- **For WEP, rural areas of $\leq 10,000$** – water, wastewater, stormwater, and solid waste utilities

Private-Non-Profits



- **Community-based non-profits**
– hospitals, daycares, assisted living facilities, community centers, theatres, small colleges, museums, etc. serving rural areas of $\leq 20,000$
- **Private, non-profit water utilities** – water and wastewater utilities serving $\leq 10,000$



CF Loan & Grant Assistance

Equipment Only or Entire Project

Renewable Energy Systems		Energy Efficiency Improvements	
Grant Request	75, 55, 35, or 15% of Project Maximum grants of \$50K	Grant Request	75, 55, 35, or 15% of Project Maximum grants of \$50K
Loan Request (2.75%)	Up to 100% of Project	Loan Request (2.75%)	Up to 100% of Project



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WEP Loan & Grant Assistance

100%
of Eligible Project Costs

**INTEREST RATE
2009**

Since 2009
Water Loan Interest
Rates have fallen by
over a third

**INTEREST RATE
TODAY**

Interest rates
now just
1.75%
to **2.875%**

**40-Year
Repayment
Terms**

Take advantage of these historically low rates! Apply now!

The graphic features two water towers on a green field under a blue sky. The taller tower on the left is labeled "INTEREST RATE 2009". The shorter tower on the right is labeled "INTEREST RATE TODAY". Text to the right of the towers states that since 2009, water loan interest rates have fallen by over a third, and that interest rates are now just 1.75% to 2.875%. Below the towers, it mentions "40-Year Repayment Terms" and encourages applying now to take advantage of these low rates.



Community Program Allocations

Community Facilities		Water Environmental	
Vermont	\$500K Grant, \$11M Loan	Vermont	\$3M Grant \$4M REAP \$10M Loan
New Hampshire	\$300K Grant, \$12.5M Loan	New Hampshire	\$3M Grant, \$11M Loan



Running the Numbers (CF Example)

\$250,000 Town Hall Solar Project

35% CF Grant-Eligible Town	\$50K (\$87K-eligible but capped this year to \$50K) Check out eligibility at http://www.rd.usda.gov/programs-services/community-facilities-direct-loan-grant-program/nh
CF Loan Amount	\$150K
Other Funding	\$25K (Clean Energy Development Fund Grant) \$25K (Applicant Contribution)



CP Funding Criteria

Small Communities with a Population of less than 5,500 (up to 30 points)

Median Household Income below the Statewide Average, \$55K in VT and \$67K in NH (up to 30 pts.)

Health and Sanitary Benefits (up to 25 pts.)

Commitment of Funds/Use of Other Funds (up to 15 pts.)

Project Consistent with a Regional Plan (up to 10 pts.)

State Director and Administrator Priorities (up to 15 pts.)

Other Points include Consolidation, Operational Efficiency, and Facility Type (esp. public safety and health)



Eligible Project Costs

- **Land purchase/site development**
- **Equipment:**
 - Purchase & installation
 - New only
- **Construction (e.g., weatherization efforts)**
- **Legal, engineering, and other consultant services**
- **Permits**
- **Short-term financing interest**
- **Other costs deemed necessary for project completion**

Covering construction costs under a loan kicks in basis of design, voter approval, environmental review, and bidding/contract requirements



Ineligible Project Costs

- **Pre-application construction & facility improvements**
- **Operation and Maintenance Costs**
- ***Electric production > facility needs**



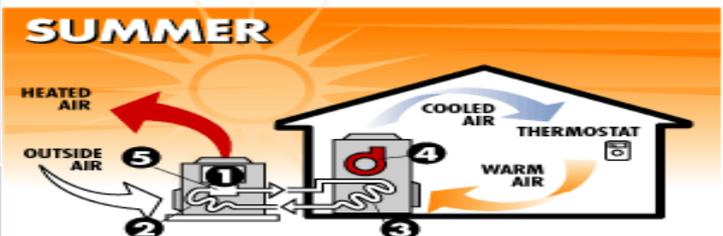
Catamount Arts Center



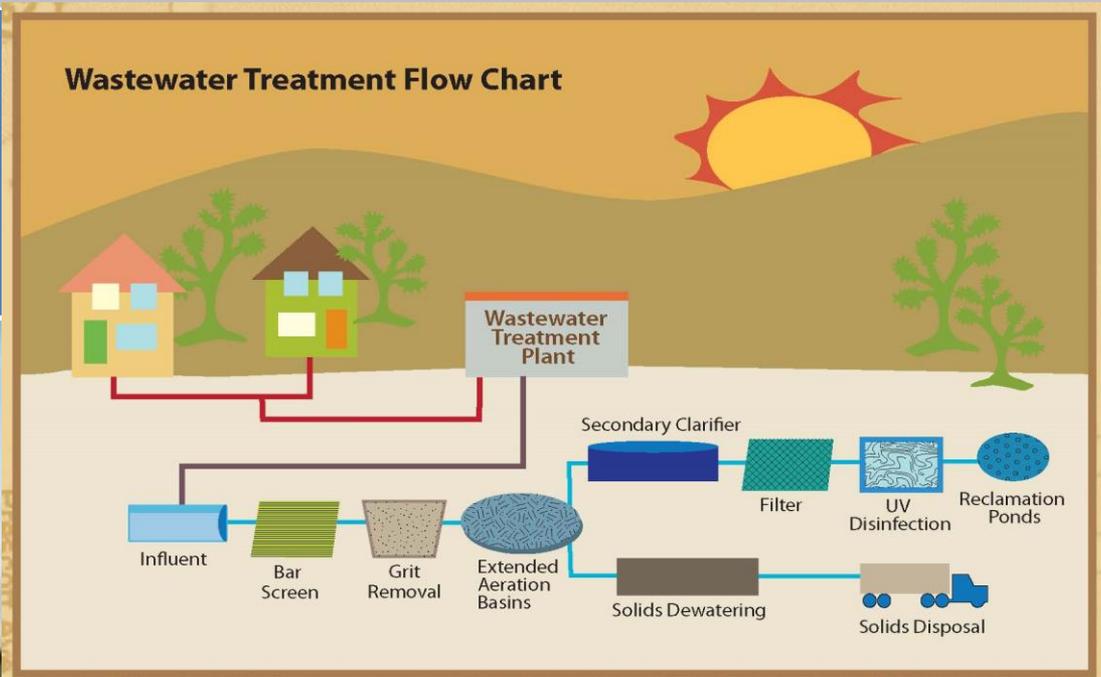
80 Off-site Solar Panels, LED Lighting, and 3 Heat Pumps

- \$103K Total Cost, \$49K Direct Loan, \$50K Grant
- \$5K Applicant

30-40% reduction in operating expenses



Wastewater Utility Model



On-Site Solar Panel Install

- \$360,000 Total Cost
- \$75,000 NH PUC Grant
- \$285,000 WEP Loan

60% reduction in energy costs