



United States
Department of
Agriculture

Renewable Energy Programs

Virtual Renewable Energy Education Field Day

Overview of USDA Energy Programs Supporting Anaerobic Digesters

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Renewable Energy Programs

USDA Programs Supporting Anaerobic Digesters

- Rural Development Cooperative Programs
- Value Added Producer Grant (VAPG)
- Environmental Quality Incentives Program
- Rural Energy for America Program (REAP)
- Biorefinery Assistance Loan Guarantee Program
- Business and Industry Loan Guarantee
- Conservation Loan Program
- Bioenergy Program for Advanced Biofuels
- Biomass Crop Assistance Program (BCAP)

Rural Development

Cooperative Programs Technical Assistance

- Cooperative Programs could assist producers and/or existing cooperatives with advice and technical assistance on a group effort to facilitate the adoption of anaerobic digesters. The technical assistance could be in the form of producer surveys, feasibility analysis, drafting of by-laws and articles of incorporation, education materials, director training, and so forth.
- **Producers and/or their cooperatives wishing to request technical assistance should contact:**
 - **A state's rural development office at www.rurdev.usda.gov/state_office_addresses.html.**
 - **The national office: John Wells (202-720-3951, john.wells@wdc.usda.gov) or Bill Brockhous (202-720-2021, bill.brockhouse@wdc.usda.gov).**
 - **The cooperative development center in their region.**



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Value Added Producer Grant

- Value Added Producer Grants (VAPGs) provide grant funding to agricultural producers to enable economic planning and working capital activities directly related to the processing and/or marketing of value-added agricultural products, including farm-based renewable energy generated from an agricultural commodity or by-product such as an anaerobic digester.
- Planning grants of up to \$100,000 per project are available and working capital grants are capped at \$300,000 per project.
- For more information:
 - **Visit: www.rurdev.usda.gov/rbs/coops/vadg.htm**
 - **Or contact your state Rural Development Office, which is listed at www.rurdev.usda.gov/recd_map.html.**



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Environmental Quality Incentives Program

- The Environmental Quality Incentives Program (EQIP) offers financial and technical assistance through NRCS to help eligible participants install or implement structural and management practices that will improve environmental quality on agricultural lands.
- Producers pursuing digesters can receive financial assistance payments up to \$450,000 under EQIP.
- FY 2011:
 - **5 anaerobic digester contracts** planned in ME, NC, VT, & WI
 - These are PLANNED contracts and the EQIP dollars obligated for just these practices = \$999,677 for the five anaerobic digesters.
- **For more information, visit www.nrcs.usda.gov/programs/eqip or contact your USDA service office, which is listed at offices.sc.egov.usda.gov/locator/app.**



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Rural Energy For America Program Section 9007

- Provides assistance to agricultural producers and rural small businesses to complete a variety of projects, including renewable energy systems, energy efficiency improvements, renewable energy development, energy audits, and feasibility studies.
- **FY 11 Activity:**
 - Awards: 19 Loans and Grants and Combination Loan and Grants to Anaerobic Digesters in Seven States totaling over \$20 Million in assistance and leveraged with additional \$110 million of other funds
- **For more information, visit www.rurdev.usda.gov/rbs/busp/9006grant.htm or contact your state Rural Development Office, which is listed at www.rurdev.usda.gov/recd_map.html.**

Section 9003 Biorefinery Assistance Program

- Provides loan guarantees for the development, construction and retrofitting of commercial-scale biorefineries, and grants to help pay for the development and construction costs of demonstration-scale biorefineries.
- FY '11 Activity:
 - 1 project funded for \$12.8 Million
- *More information can be found at www.rurdev.usda.gov*



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Business and Industry Program

- The purpose of the B&I Guaranteed Loan Program is to improve, develop, or finance business, industry, and employment and improve the economic and environmental climate in rural communities. This purpose is achieved by bolstering the ex-isting private credit structure through the guarantee of quality loans that will provide lasting community benefits. It is not intended that the guarantee authority will be used for marginal or substandard loans or for relief of lenders having such loans.
- **More information can be found at www.rurdev.usda.gov/rbs/busp/b&i_gar.htm.**



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Conservation Loan Program

- The Conservation Loan (CL) Program provides farm owners and farm-related business operators access to credit to implement conservation practices including manure management systems, anaerobic digesters, and other emerging or existing conservation practices, techniques, or technologies.
- Direct CLs can be obtained through local Farm Service Agency (FSA) offices with loan limits up to \$300,000. Guaranteed CLs up to \$1,119,000 are available from lenders working with FSA. These limits vary annually.
- **For more information on the CL Program, contact a local FSA office or visit the FSA website at www.fsa.usda.gov.**



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Bioenergy Program for Advanced Biofuels

- The Bioenergy Program for Advanced Biofuels was authorized under Section 9005 of the Farm Bill. The program provides payments to eligible producers to expand production of advanced biofuels.
- Payments will be made to eligible biofuel producers for the production of fuel derived from renewable biomass, other than corn kernel starch, which includes biofuel derived from waste materials such as animal waste, crop residue, other vegetative waste material, food waste, and yard waste.
- FY '10 and '11 Activity: FY 10-\$80 million to 163 recipients: FY 11-\$44.6 million to 154 recipients
- **More information can be found at www.rurdev.usda.gov/rbs/busp/9005Biofuels.htm.**

Biomass Crop Assistance Program

- Biomass Crop Assistance Program (BCAP) provides assistance to support the production of eligible biomass crops on land within approved areas. In exchange for growing eligible crops, FSA will provide annual and establishment payments.
- FSA will also provide matching payments to eligible material owners at a rate of \$1 for each \$1 per dry ton paid by a qualified biomass conversion facility up to \$45 per dry ton delivered to the biomass conversion facility. Matching payments are available for no more than two years per participant.
- Certain materials used as substrates in digester systems may be eligible for BCAP funding.
- **For more information, visit www.fsa.usda.gov/bcap.**



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How to Learn More About USDA Renewable Energy

- **USDA Home Page:** www.usda.gov
- **USDA Renewable Energy Website:**
www.usda.gov/energy
- **USDA Energy Matrix**
www.energymatrix.usda.gov