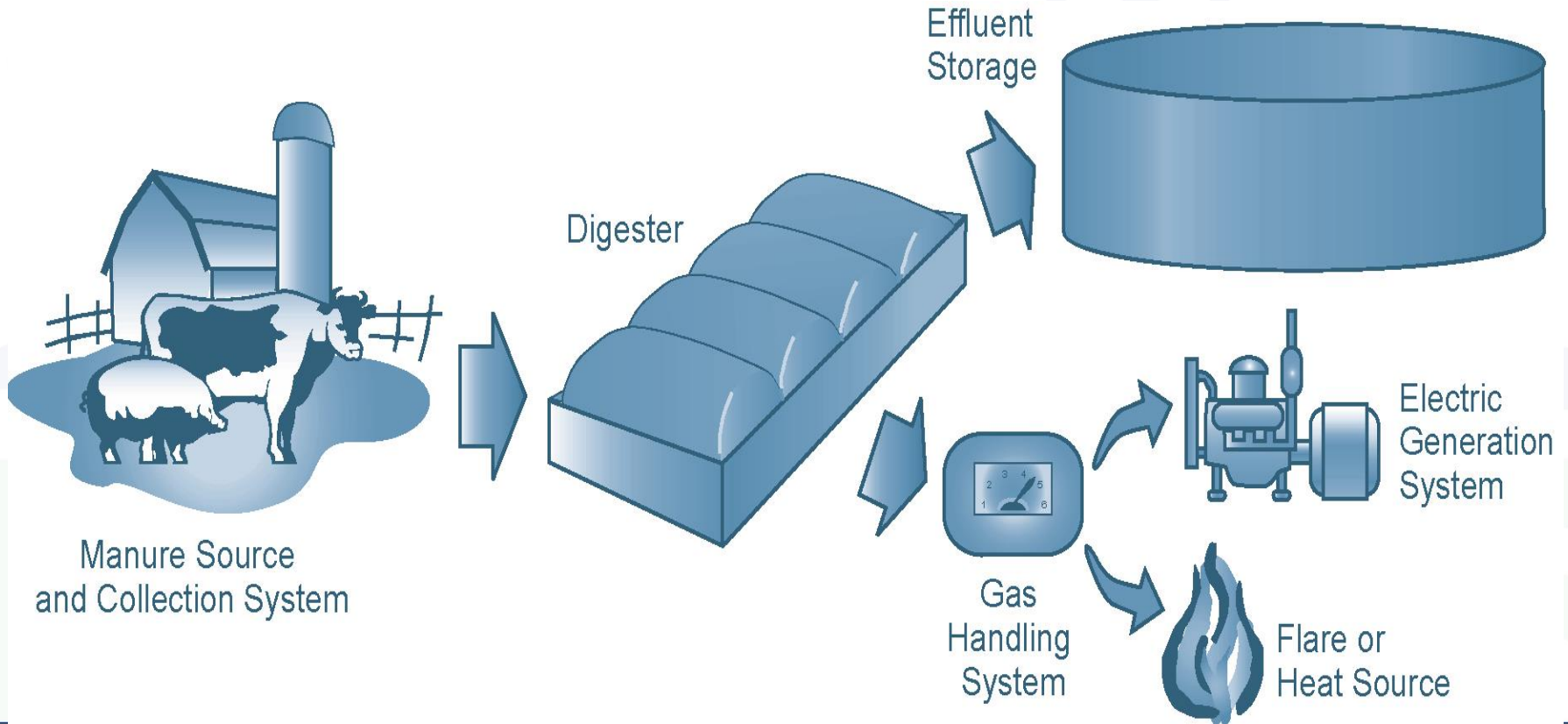


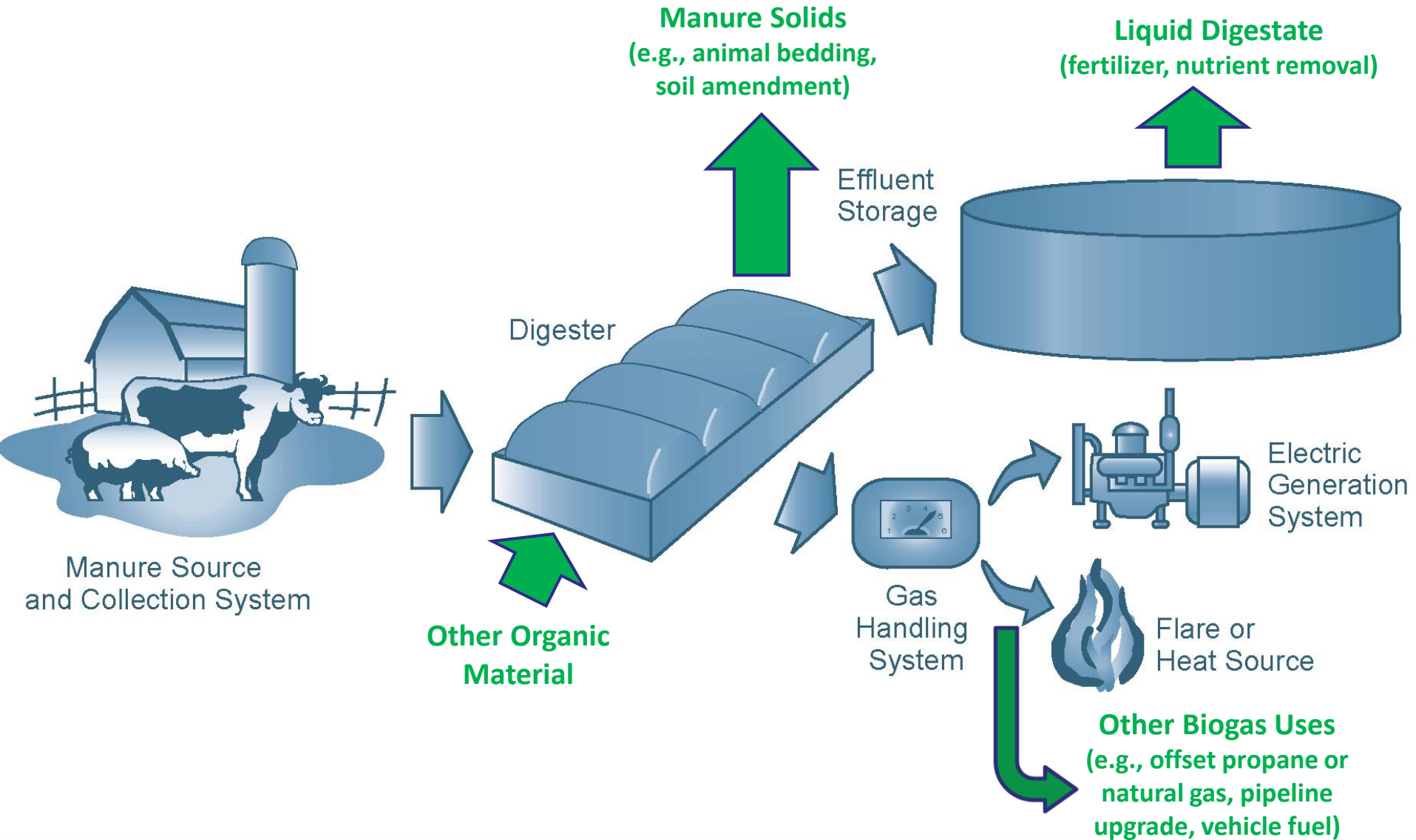
# DCA – Environmental Stewardship Training Waste to Energy: Anaerobic Digestion



# Anaerobic Digestion

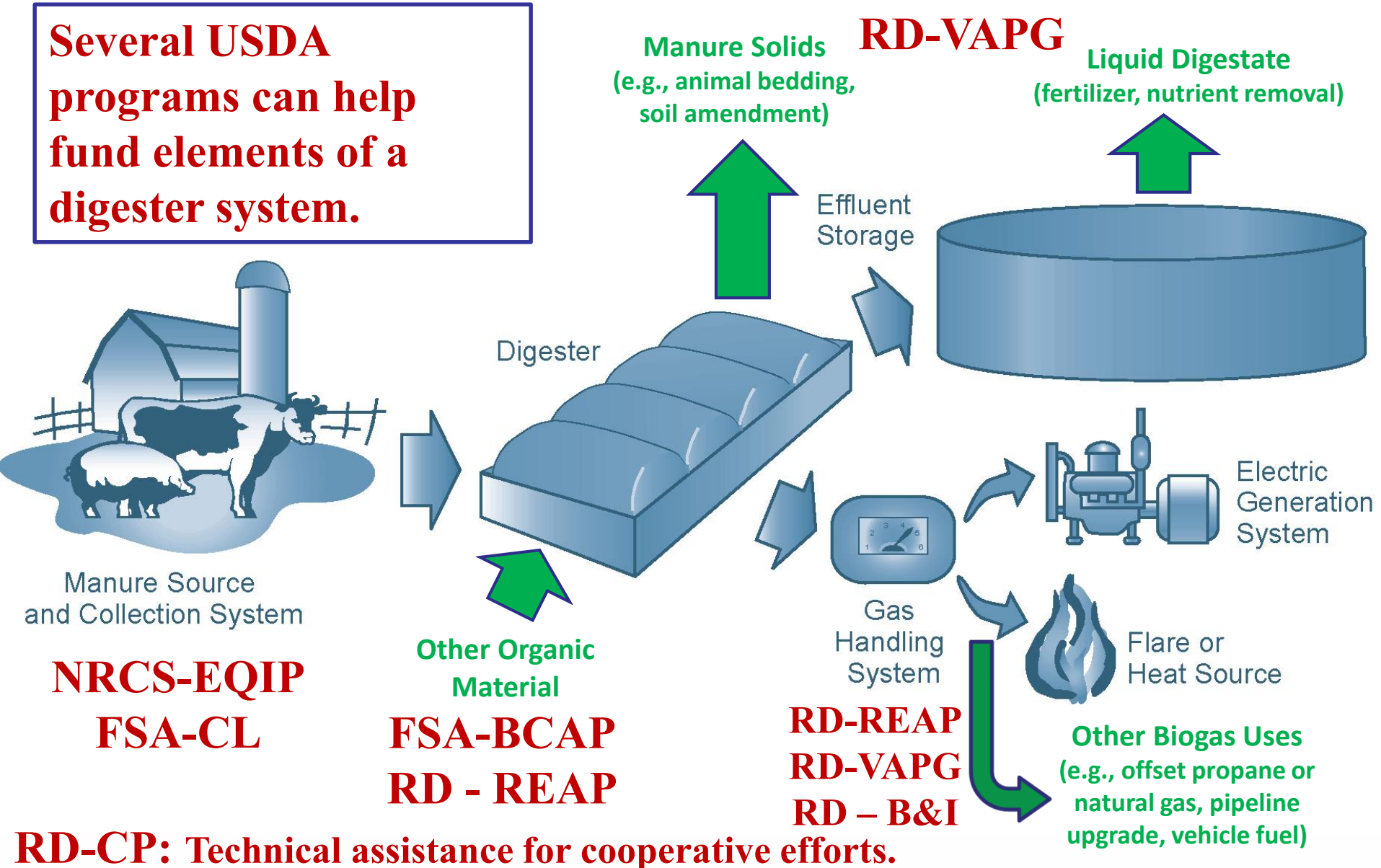


# Anaerobic Digester System



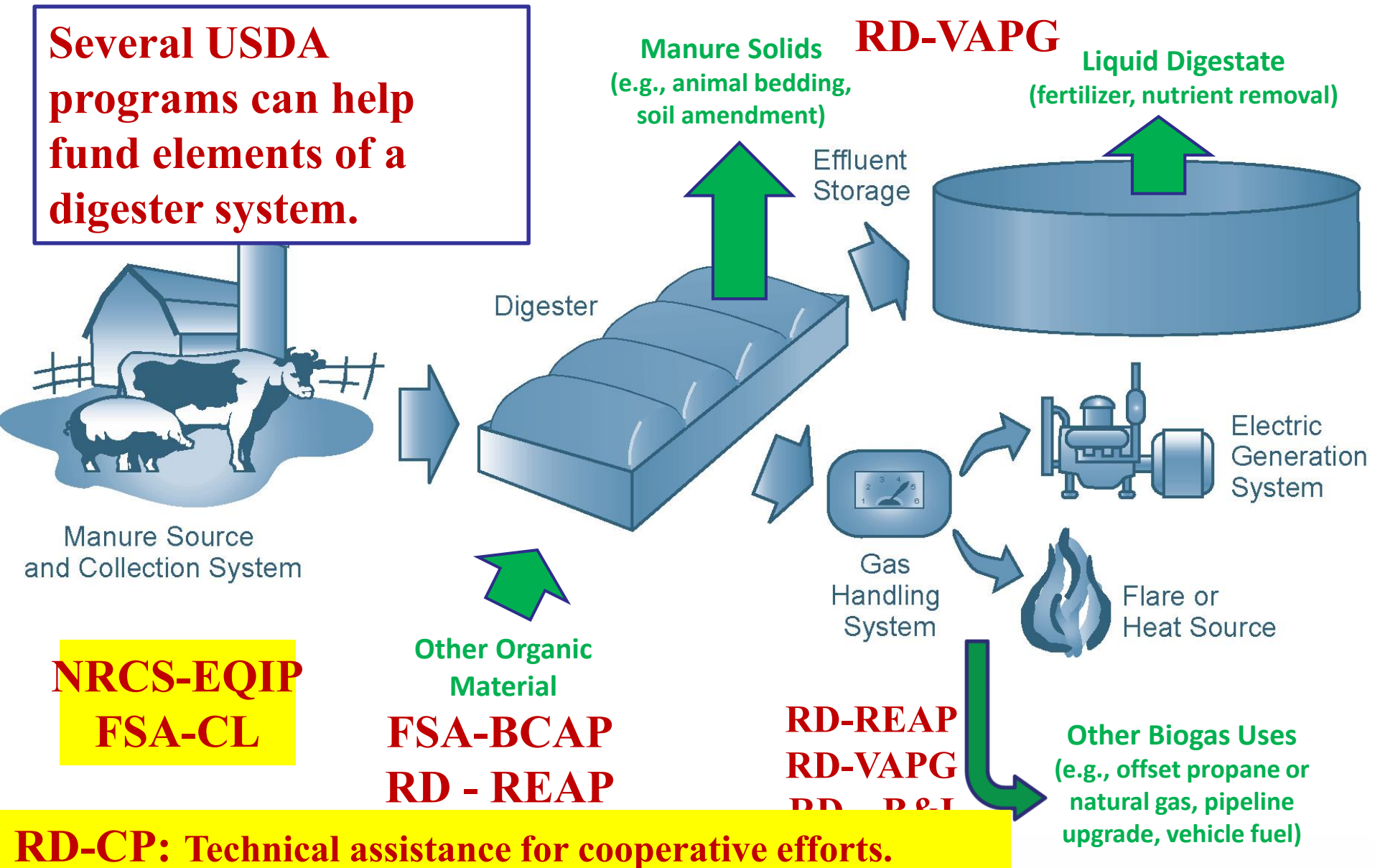
# Anaerobic Digester System

Several USDA programs can help fund elements of a digester system.



# Anaerobic Digester System

Several USDA programs can help fund elements of a digester system.



# Funding Opportunities

## *NRCS – Environmental Quality Incentives Program (EQIP)*

*EQIP provides a voluntary conservation program for farmers, ranchers and owners of private, non-industrial forest land that promotes agricultural production, forest management and environment quality as compatible national goals. EQIP offers financial and technical help to assist eligible producers install or implement conservation practices on eligible agricultural land.*

*NRCS State Office  
771 Corporate Drive, Suite 210  
Lexington, KY 40503  
(859) 224-7350  
[www.nrcs.usda.gov](http://www.nrcs.usda.gov)*



# Funding Opportunities

## *Farm Service Agency (FSA) Conservation Loan Program (CL)*

*CL funds can be used to implement a conservation practice approved by the Natural Resources and Conservation Service (NRCS) including manure management and manure digestion systems.*

*Direct loans available for up to \$300,000 and Guaranteed loans up to \$1,119,000. Terms will vary and will be based on the life of security offered, but not to exceed 20 years for Real Estate security and seven years for Chattel property.*

*Farm Service Agency State Office  
771 Corporate Drive, Suite 100  
Lexington, KY 40503  
(859) 224-7440  
[www.fsa.usda.gov](http://www.fsa.usda.gov)*



# Funding Opportunities

## *Rural Development – Cooperative Programs*

*Technical Assistance provided by Rural Development through  
Kentucky Center for Agriculture and Rural Development  
(KCARD)*

***KCARD***

***Larry Snell, Executive Director***

***411 Ring Road***

***Elizabethtown, KY 42701***

***(270) 763-8258***

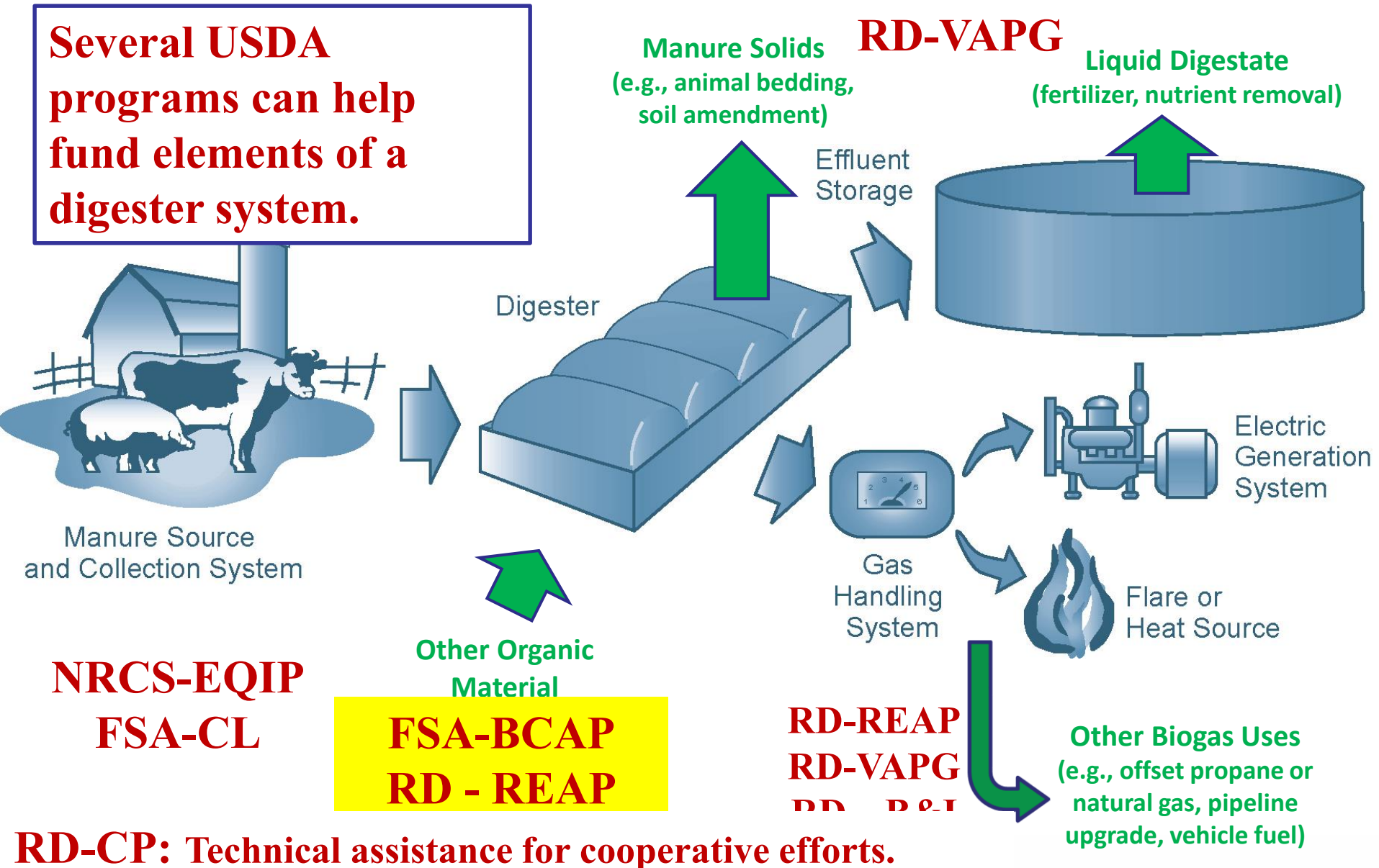
***lsnell@kcard.info***





# Anaerobic Digester System

Several USDA programs can help fund elements of a digester system.



# Funding Opportunities

## *FSA – Biomass Crop Assistance Program (BCAP)*

*BCAP provides financial assistance to owners and operators of agricultural and non-industrial private forest land who wish to establish, produce, and deliver biomass feedstocks.*

*BCAP provides two categories of assistance:*



# **BCAP Assistance Options:**

- 1. Matching payments may be available for the delivery of eligible material to qualified biomass conversion facilities by eligible material owners. Qualified biomass conversion facilities produce heat, power, biobased products, or advanced biofuels from biomass feedstocks.**
- 2. Establishment and annual payments may be available to certain producers who enter into contracts with the Commodity Credit Corporation (CCC) to produce eligible biomass crops on contract acres within BCAP project areas.**



# BCAP contact info

FSA State Office  
771 Corporate Drive, Suite 100  
Lexington, KY 40503  
(859) 224-7601  
[www.fsa.usda.gov](http://www.fsa.usda.gov)



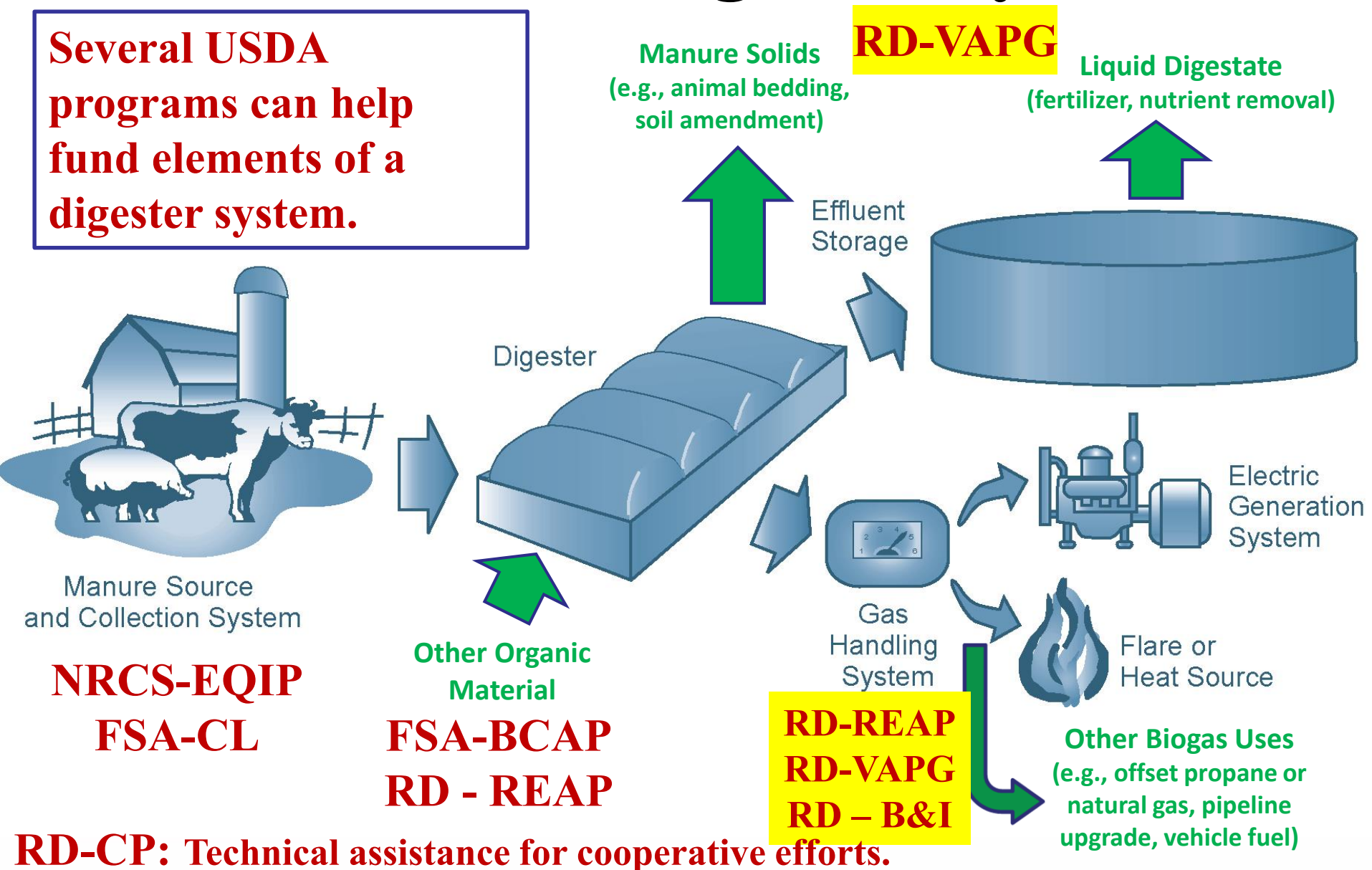
# *REAP* - Rural Energy for America Program

## Feasibility Study Grant

- Maximum Grant \$50,000 or 25% of eligible project
- No minimum grant amount
- Feasibility study must be completed with 2 years of award date
- Only the costs to develop the feasibility study are eligible
- Applications must be from the prospective owner(s)
- **Additional Federal or State Funds to complete FS are NOT eligible**

# Anaerobic Digester System

Several USDA programs can help fund elements of a digester system.



# Rural Development – Value Added Producer Grants (VAPG)

## Grant Program:

Maximum for Working Capital - \$300,000

Maximum for Planning - \$100,000

Eligible Applicants – independent producers, farmer or rancher cooperatives, agricultural producer groups, and majority-controlled producer based business ventures.

50-50 Match is required



# Rural Development – Value Added Producer Grants (VAPG)

Planning – to develop a defined program of economic activities to determine the viability of a potential Value-Added venture, including feasibility studies, marketing strategies, business plans and legal evaluation.

Working Capital – to operate ventures and pay the normal expenses of the venture to allow the producer of the product to better compete in domestic or international markets.





# *REAP* - Rural Energy for America Program

- Program designed to assist farmers, ranchers and rural small businesses with energy projects
- This program provides grants and guaranteed loans for renewable energy systems and energy efficiency improvement projects



# *REAP* - Grant Program

- Grants request must not exceed 25% of the eligible project costs
  - **Renewable Energy:**
    - Minimum grant request \$2,500
    - Maximum grant request: \$500,000
    - If request is over \$50,000, regulation requires a project-specific feasibility study prepared by a qualified independent consultant
  - **Energy Efficiency:**
    - Minimum grant request \$1,500
    - Maximum grant request: \$250,000
    - If total project costs are over \$50,000, regulation requires an energy audit. Less than \$50,000, an Energy Assessment is required.



# *REAP* - Guaranteed Loan Program

- Guaranteed loans are limited to 75% of the total eligible project cost
- Maximum guarantee Loan is \$25 million
- Guaranteed Loan/Grant combination limited to a total of 75% of the total eligible project cost (25% Grant and 50% Guaranteed Loan).



# *REAP* - Guaranteed Loan Program

- 85% Guarantee for loans  $\leq$  \$800,000
- 80% Guarantee for loans  $\leq$  \$5,000,000
- 70% Guarantee for loans  $\leq$  \$10,000,000

# *REAP* - Guaranteed Loan Program

## Interest Rates

- Negotiated between lender and borrower
- May be Fixed or Variable

## Maximum Loan Terms

- 7 years for Working Capital
- 20 years for Machinery & Equipment
- 30 years for Real Estate



# Additional Programs

## *Business and Industry Guaranteed Loan Program – B&I*

Provides financial backing for rural businesses through loan guarantees up to 80% of a loan made by commercial lender.

Guaranteed Loans up to 10 Million Dollars



# Questions?

**Scott Maas**

Rural Energy Coordinator

USDA – Rural Development

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Lexington, KY 40503

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(859) 224-7435

