The USDA REAP Grant Summary

The United States Department of Agriculture (USDA) offers the Rural Energy for America Program (REAP) Grants for the purchase, installation and construction of a renewable energy system or energy efficiency upgrades. REAP creates opportunities for economic development for rural small businesses, farmers and ranchers by supporting renewable energy and energy efficiency projects. REAP grants provide 25% of the total system costs, with a maximum grant of $500,000.

**Grant Eligibility**

- Grant must go towards the purchase of a renewable energy system or energy efficiency upgrades
- Chosen technology must be commercially available
- Project must have technical merit
- Project must be located in a designated rural area
- Applicant must be the owner of the project
- Sites must be controlled by the applicant

The USDA provides each region a set amount of grant money to distribute to the applicants within their region. The funding is awarded based upon each grant’s score. Grants that are requesting $20,000 or less receive preference and are awarded first. Grants requesting higher amounts are scored competitively against each other and the higher the score, the more likely the grant will be awarded. Grant funds are awarded as a direct reimbursement once the energy project has been completed and been placed in use.

**Different Grant Levels**

- Simplified – Projects that have a total cost under $200,000 apply using the simplified grant application
- Full – Projects that have total costs over $200,000 apply using the full grant application and must have a third party feasibility study completed

**Grant Process**

- Application Preparation
  
  All documentation that is required for submitting the grant must be sent to Prosperity (See Required Documents section). Documents must be obtained by Prosperity four weeks prior to submission deadline in order to ensure a properly completed application.

- Application Submission
  
  The USDA requires paper copies of each application to be submitted to their regional office or through grants.gov. The earlier the application is submitted, the more feedback the USDA is able to give the applicant to help improve their scores. Once the USDA has received the application and deemed it as complete, the applicant is permitted to begin the project if desired. Projects that have started prior to application submission are deemed non-eligible.
Application Review
The USDA reviews the applications and begins notifying applicants of their awards. The review process can take as long as six to eight weeks to complete. Once all applicants are notified, there will be a press release detailing how much funding was awarded throughout the US.

Project Commencement & Reporting
After notification that the project has been approved for funding, the applicant may begin their project if they have not already done so. The USDA requires quarterly reports to be submitted to document the progress of the project. Prosperity can aid in the filing of these reports, as well as various other reporting. Once the project has been completed and has been approved by the local agencies, final paperwork will be submitted to the local office for review. Upon approval of the final paperwork, funds will be reimbursed to the applicant into the bank account that was designated at the beginning of the application process. Yearly reports are required to be submitted to the USDA to document the energy output of the renewable energy system and savings to the applicant.

Required Documents & Actions
The REAP grant requires a substantial amount of supporting documentation. Prosperity will act as the grant writer and will compile all of the required documentation as well as complete all the required forms and technical review.

The following items are required to be sent to Prosperity for the USDA REAP Grant Application:

- DUNS # (obtained through fedgov.dnb.com)
- CCR # (obtained through sam.gov)
- FED ID #
- Electronic copy of signature(s)
- Applicant Name
- Contact Name/Title
- Physical and Mailing Address
- Phone Number
- Email address
- Articles of Incorporation
- NAICS Code
- Feasibility Study if project costs exceed $200,000 (can be obtained by Prosperity)
- IRS Tax Forms (1120, 1065, Schedule F, Schedule C or 1040) and/or Financial Statements
- Business License
- Operation Description
- Evidence of Site control (deed or lease)
- Matching funds commitment (letter for bank loan or investor funds)
- Evidence of number of employees (W-2s)
- Letter from Environmental Agency supporting the energy project (will be obtained by Prosperity)

Contact Information
Please do not hesitate to contact Prosperity with further questions or concerns. To obtain a copy of the grant application for review, please email your request and a copy will be provided to you.

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