

**REAP started in 2002 as part of the Federal Farm Bill. The purpose of REAP is to help agricultural producers and rural small businesses access renewable energy and energy efficient technology funding.**

[Rural Energy For America Program \(REAP\) | Rural Development \(usda.gov\)](#)

The U.S. Department of Agriculture (USDA) Office of Rural Development administers this grant and loan program.

The REAP program has been so popular that the funding budget for the grants has not been able to meet the demand. But, the good news is that the Inflation Reduction Act solved this problem.

**The Inflation Reduction Act:**

- Quadrupled REAP funding over the next ten years.
- Lifted the maximum grant size from 25% to 50% of total costs (up to \$1 million) for certain projects, including all REAP-eligible solar projects.
- Led to an increase in annual application windows from 2 to 4.



Ag Solar Solutions, A Lattice Energy Solutions Company has been serving agricultural operations, farms, and rural businesses on how to apply for the program for a decade. We have put together this guide to help operators and rural business owners like you successfully apply for a REAP grant to bring robust funding into your solar and renewable energy project.

**Deadlines**

REAP applicants may apply at any time. There are four application windows per year. Applications will be scored relative to others submitted during the same application window following the deadlines below. For each deadline, applications must be received no later than 4:30 pm local time.

Application window opens	Application window closes
January 1	March 31
April 1	June 30*
July 1	September 30
October 1	December 31

\*20% of annual REAP funding is set aside for grant requests of \$20,000 or less. To compete for this set aside, you can apply during any of the above windows except for the window ending June 30.

### **USDA REAP Grant Procedures and Payment**

The REAP grant application must be submitted prior to beginning construction on the project **and** by the grant deadlines. 50% REAP Grant deadlines are now quarterly beginning June 30, 2023, and ending Sept. 30, 2024.

Ag Solar Solutions, A Lattice Energy Solutions Company will write the grant application for:

Location: \_\_\_\_\_

If approved, \_\_\_\_\_ will receive the grant. The grant application will be graded and ranked by the USDA. After the application deadline, the USDA awards grants based on the applicant's grade (see pg. 2). The highest graded application is awarded first, then the awards go down the line until either there are no more applications or the REAP grant funds are depleted. If a grant is not awarded, then the application will roll over to the next deadline; assuming the project has not started.

Once the application is accepted by the USDA, the applicant can move forward with the project prior to the project being awarded. Note: If the project has moved forward and the grant application is not awarded, the applicant cannot reapply for the grant. Many agriculture providers wait until the grant award is approved prior to moving forward with the project. If the project is not awarded, then the grant application can be resubmitted. The timeline generally follows this process. a) The grant application is submitted and accepted by the USDA by the next qualifying deadline. b) The applicant will be notified during the next qualifying period whether or not the grant is approved. Note that the applicant will not receive the 50% REAP grant award until the project is completed, paid for, and commissioned/operational for at least 30 days.

Generally, once the applicant is notified of the grant approval, Lattice Energy Solutions will receive the equipment draw in the amount of \$\_\_\_\_\_. Once the equipment draw is executed, you can expect the project to be completed, approved, and operational within six (6) months. The final billing payment will be forwarded after the system is completed and operational. **(Note: The system must be commissioned and operational for at least 30 days before the USDA will issue the 50% REAP grant award).** The grant funds will be awarded to the applicant rather than Lattice Energy Solutions.

Part of the grant application process is a signed bank letter with a bank letterhead verifying sufficient funds in the applicant's financial account or a supporting loan for \$\_\_\_\_\_ has been either approved or conditionally approved by your bank. If the loan is for less than the system cost, a supporting statement that the applicant has sufficient capital to make up the difference will be required.

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Maximum points	Short description
10 points	The project will have a positive effect on resource conservation, public health, and the environment
15 points	Applicant has not received a REAP grant or loan previously
15 points	Quantity of energy: <ul style="list-style-type: none"> <li>• If the percentage of energy replaced is greater than 50% of annual average consumption, 15 points</li> <li>• If greater than 25%, but equal to or less than 50%, 10 points</li> <li>• If equal to or less than 25%, 5 points</li> </ul>
10 points	Grant dollar requested per quantity of energy: <ul style="list-style-type: none"> <li>• If the energy replaced per grant dollar requested is 50,000 Btus (14,564 kWh) or more, 10 points</li> <li>• If the energy replaced is less than 50,000 Btus (14,564 kWh) per grant dollar requested, take the amount of Btus replaced per grant dollar requested, divide by 50,000 (or 14,564), and then multiply that figure by 10 points</li> </ul>
15 points	Simple energy savings payback in years: <ul style="list-style-type: none"> <li>• If less than 10 years, 15 points</li> <li>• If greater than 10 years, but less than 15 years, 10 points</li> <li>• If greater than 15 years, 5 points</li> </ul>
10 points	Commitment of funds: <ul style="list-style-type: none"> <li>• If the percentage of funds committed is 100% of the project cost, 15 points</li> <li>• If the percentage of funds committed is less than 100% of the project cost, but more than 50%, follow this formula: <math>((\text{Percentage of written commitments} - 50 \text{ percent}) / (50 \text{ percent})) \times 15 \text{ points}</math>, where points awarded are rounded to the nearest hundredth of a point.</li> <li>• If the percentage of funds committed is less than 50%, no points</li> </ul>
15 points	The project will be located in a disadvantaged or distressed community, as determined by <a href="#">USDA's Distressed and Disadvantaged Communities map</a> .
10 points	Presidential or Department of Agriculture Priority Points: These points are discretionary. They may be awarded to projects owned by veterans or socially-disadvantaged applicants as well as projects in disaster areas, in high poverty U.S. Census blocks, in areas experiencing population decline or employment loss, or that add geographic diversity.
100 total	