



Office of Tribal Relations

Tribal Energy by Design
August 19, 2014
Blackfeet Community College, Browning MT



USDA's Commitment to Indian Country

USDA Secretary Vilsack is committed to a Department of Agriculture (USDA) that faithfully serves Tribal governments and individual American Indians and Alaska Natives.

- **Executive Order 13175 (2000)**
- **Presidential Memorandum on Tribal Consultation (2009)**
- **Secretary Vilsack Releases Final Sacred Sites Report (2012)**
and executes Interdepartmental MOU on Sacred Sites
- **USDA Rural Development and Farm Service Agency/NRCS MOUs with BIA**
- **USDA Departmental Regulation 1350-002 (2013)**
Tribal Consultation, Coordination, and Collaboration
Replacing Departmental Regulation on Consultation (2008)



About the Office of Tribal Relations

OTR is responsible for:

- Government-to-government relations between USDA and tribal governments
- Advising Secretary Vilsack on Tribal issues and concerns
- Serving as a primary Point of Contact on Tribal Consultation
- Facilitating Tribal Access to USDA programs & USDA outreach to Tribes
- The Council on Native American Farming and Ranching
- Representing USDA on Cross-Federal Teams
 - Ex. White House Counsel on Native American Affairs (Energy, Climate, Economic Development); Education, Infrastructure, Youth and Workforce focus from President's trip;

Working Across the Federal Family

- White House Council on Native American Affairs
- Energy
- Finance/Capital
- Climate Change
- Sacred Sites Working Group
- Exports
- Let's Move! in Indian Country
- Education, Infrastructure, Youth and Workforce focus from President's trip

The Agriculture Act of 2014 (the “Farm Bill”)

OTR and FARM BILL IMPLEMENTATION

- Review all regulations coming out of the Farm Bill
- Advise on Consultation
 - Made the Office of Tribal Relations permanent in the Office of the Secretary
 - Includes “and Tribes” in many locations
 - Adds veterans as a focus along with socially disadvantaged



Council for Native American Farmers and Ranchers

Established as part of the [Keepseagle Settlement](#), the USDA's Council for Native American Farming and ranching (CNAFR) was created to advise the Secretary on ways to eliminate barriers to participation for Native American Farmers and Ranchers in USDA programs.

[Council Charter](#)

Council for Native American Farmers and Ranchers

- 15 members
 - 11 representatives of Native American farmers and ranchers
 - 4 USDA officials
 - Administrator for the Farm Service Agency
 - Senior advisor to the Secretary on Tribal Relations
 - Assistant Secretary for Civil Rights
 - Deputy Administrator for Farm Loan Programs

Rural Development Program Areas

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graph LR; A((Program Areas)) --- B([Rural Utilities Service]); A --- C([Rural Housing & Community Facilities]); A --- D([Rural Business Cooperative Service]);
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Electric Programs
Water & Environmental Programs
Telecommunications Programs

Single Family Housing
Multi-Family Housing
Community Facilities

Business & Industry Guaranteed Loans
Rural Business Enterprise Grants
Rural Business Opportunity Grants
Rural Energy for America Program

Rural Development Funding Streams



Rural Energy for America Program

Purpose: The Section 9007 Grant Program provides grants for agricultural producers and rural small businesses to purchase and install renewable energy systems and make energy efficiency improvements.

- [Grants](#) and [Guaranteed Loans](#)
- Grants can be used to pay up to **25%** of total project costs
- **\$500,000** limit for renewable energy systems and **\$250,000** limit for energy efficiency improvements
 - Applications can be submitted at any time
- [Energy Audit](#) and Renewable Energy Development Assistance grants are also available
- **Never too early to contact our staff!**



Rural Energy for America Program

These entities must operate independent of direct Government control except for Tribal business entities formed as **Section 17 Corporations** as determined by the Secretary of the Interior **or other Tribal business entities that have similar structures and relationships with their Tribal governments** as determined by the Agency. The Agency shall determine the small business status of such a Tribal entity without regard to the resources of the Tribal government.

- Tribal electric utilities are eligible
- [REAP Interim Final Rule \(4/14/11\)](#)





United States Department of Agriculture















Rural Development



Rural Energy for America Program REAP



Improve Profits for Your Rural Small Business, Farm or Ranch with REAP

Eligible Technologies			
Energy Efficiency		Renewable Energy	
	Lighting		Solar
	Heating		Wind
	Cooling		Small Hydroelectric
	Ventilation		Anaerobic Digesters
	Fans		Biomass
	Automated Controls		Geothermal
	Insulation		Wave/Ocean Power

The technology must be commercially available. Research and development projects do not qualify.

Energy Efficiency

Chicken Farm



- Radiant heat
- Fans & vents
- Computerized controls



Improved egg production



Veterinary Hospital



Rooftop solar panels
30-40% lower operating costs

Renewable Energy



Laundromat & Dry Cleaner



Energy efficient equipment

52% energy savings

Energy Efficiency



Renewable Energy



**Small Energy Company
& Dairy Farmers**



1 MW Anaerobic digester
Powers 700 homes/year



Energy Efficiency



Nursery



- Energy efficient glass roof
- Radiant heat
- Fans & vents
- Computerized controls



40% reduction in energy costs

Renewable Energy



Rural Auto Repair Shop



11 kW micro-hydropower turbine
51% reduction in energy costs

Energy Efficiency



Rural Manufacturer



Efficient lighting system

50% savings on lighting bill

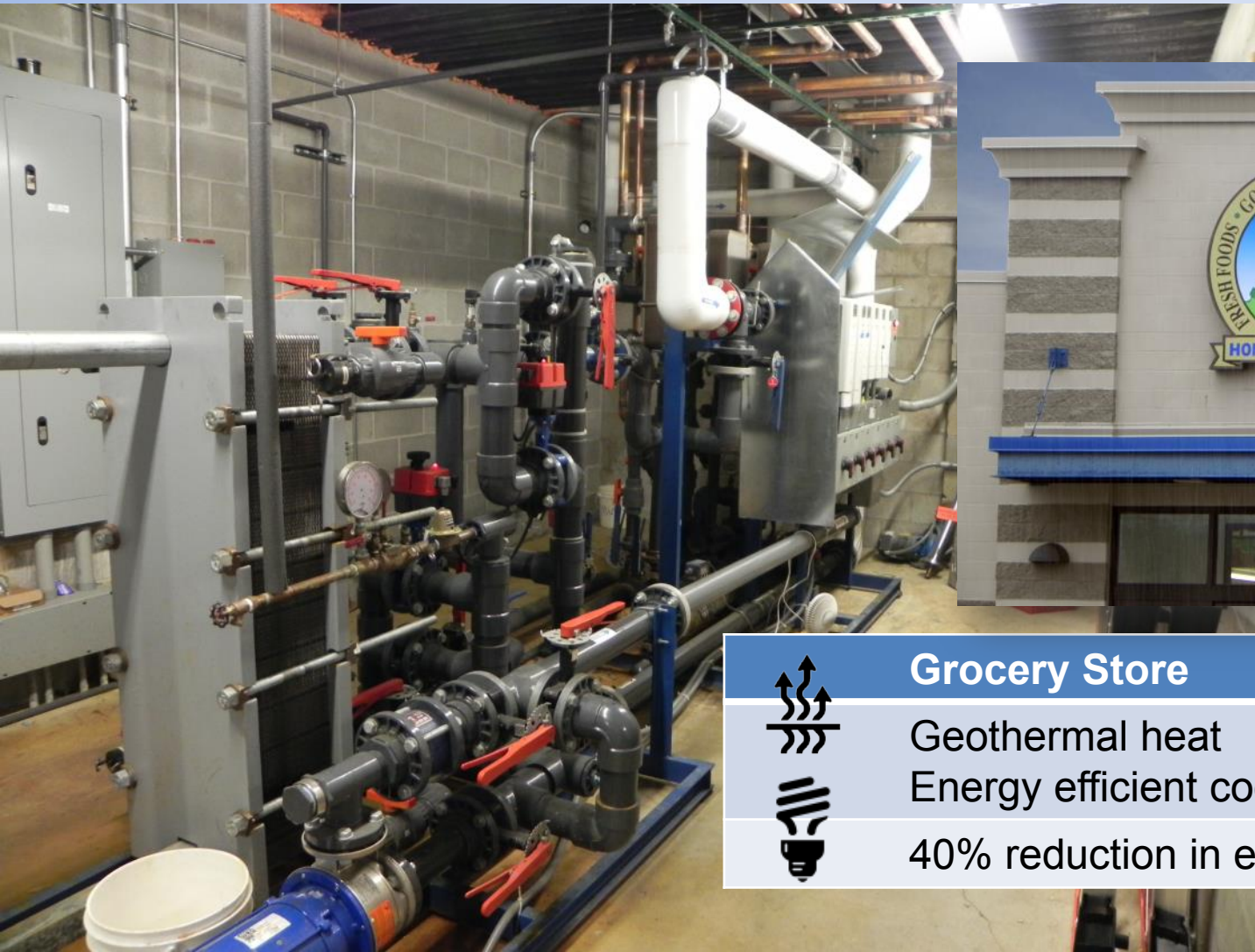
Grocery Store



Energy efficient cooler doors

\$500 per month savings

Renewable Energy



Grocery Store

Geothermal heat

Energy efficient coolers & lighting

40% reduction in energy costs

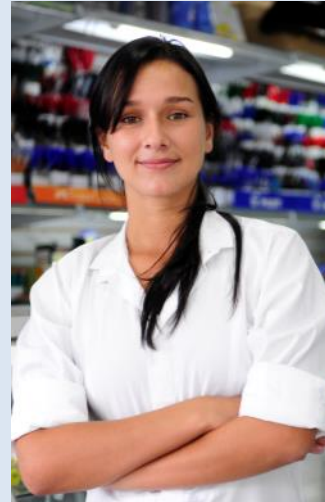
Eligible Applicants

Agricultural Producer



- **Individual or entity that receives 51 percent or more of their gross income from agricultural production** – crops, livestock, aquaculture, forestry operations, nurseries, dairies

Rural Small Business



- **Privately owned for-profit small business** - as defined by the Small Business Administration (SBA)
- **Rural area or non-metro community of $\leq 50,000$**



Eligible Project Costs

- **Equipment:**
 - Purchase & installation
 - New, refurbished, or remanufactured equipment
- **Post-application construction & facility improvements**
- **Professional service fees**
- **Energy audits & assessments**
- **Feasibility studies & technical reports**
- **Business plans**
- **Permits & license fees**
- **Retrofitting**
- **Working capital, land acquisition (Guarantee ONLY)**





Ineligible Project Costs

- **Residential energy projects**
- **Equipment:**
 - Farm tillage equipment
 - Used equipment
 - Vehicles
- **Pre-application construction & facility improvements**
- **Application preparation or grant writer fees**
- **Line of credit**
- **Lease payments**
- **Payment to the applicant/business owner, beneficiary, or relative**

REAP Grant Assistance

Up to 25%
of Eligible Project Costs

 Renewable Energy Systems		 Energy Efficiency Improvements	
Minimum Grant Request	\$2,500 Total eligible project costs \geq \$10,000	Minimum Grant Request	\$1,500 Total eligible project costs \geq \$6,000
Maximum Grant Request	\$500,000 Total eligible project costs \geq \$2 million	Maximum Grant Request	\$250,000 Total eligible project costs \geq \$1 million

REAP Guaranteed Loan Assistance

Up to 75%
of Eligible Project Costs

Minimum Loan Amount	\$5,000 Total eligible project costs \geq \$6,667
Maximum Loan Amount	\$25 million Total eligible project costs \geq \$33.4 million
Details	<ul style="list-style-type: none">• USDA guarantees a commercial loan; applicant must have a willing lender.• Terms are negotiated between the lender and borrower.• Fees, appraisals, equity & collateral requirements apply.

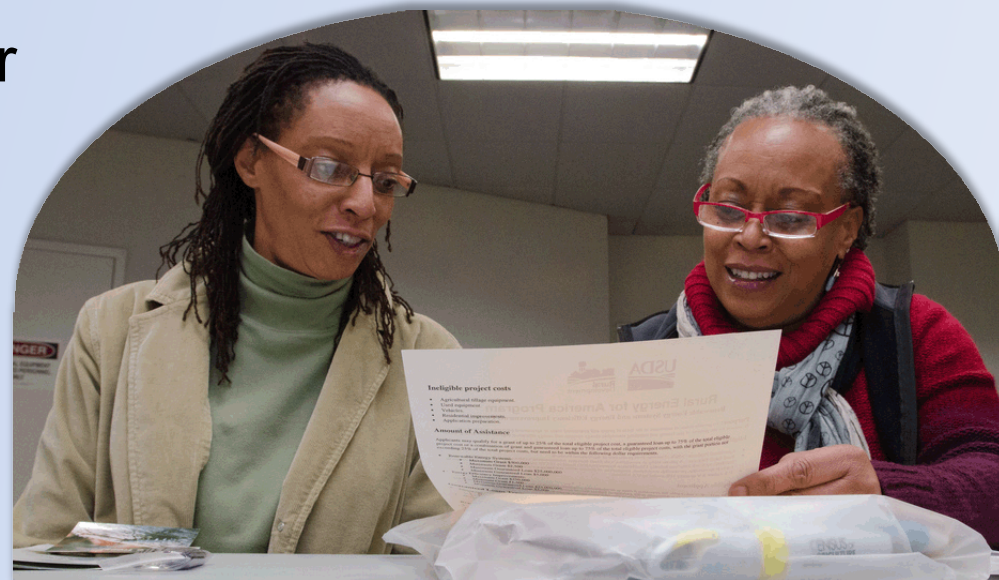
REAP Energy Audit & Renewable Energy Development Assistance Grants (EA/REDA)

<p>Eligible Applicants</p>	<p>Public bodies, institutions of higher learning, and publicly owned utilities, councils and electric cooperatives</p>
<p>Purpose</p>	<p>To provide energy efficiency and renewable energy technical assistance to REAP-eligible businesses, farmers and ranchers</p>
<p>Details</p>	<ul style="list-style-type: none"> • Up to \$100,000 • Applicants compete nationally based on merit



How to Apply

- Contact the USDA Rural Development Energy Coordinator in your state for application materials and resources:
http://www.rurdev.usda.gov/BCP_Energy_CoordinatorList.html
- Submit applications any time of year.
- Applications compete for funding based score.
- Funding selections are made at least once per year.



Fiscal Year 2014 Funding

- Grant applications are due **July 7, 2014.**
 - \$12.38 million
- G-loan applications due by **July 31, 2014.**
 - \$57.8 million

Fiscal Year 2015 Funding will be available

2014 Farm Bill Funding

Renewable Energy Systems and Energy Efficiency Improvements

- Notice to publish with Final Rule later in calendar year 2014
- Two windows for grant applications:
 - 90 days after publishing
 - April 30, 2015
- Guaranteed Loans:
 - Continuous applications cycle, evaluated monthly



United States Department of Agriculture

Rural Development

Rural Energy for America Program (REAP)

www.rurdev.usda.gov/BCP_Reap.html

Rural Business Enterprise Grants

“RBEG” Grants to finance & facilitate development of small & emerging private business enterprises.

- Rural Areas = 50,000 or less
- Tribes are eligible applicants
 - Grants don't go directly to for-profit businesses!
- **FY 2012 = \$3,230,955** (legislative mandate for Tribes)
 - \$21.5 Million = regular program (Tribes are eligible)

www.rurdev.usda.gov/BCP_rbeg.html



Rural Business Opportunity Grants

“RBOG” Grants for:

- economic planning in rural communities,
- technical assistance for rural businesses, or
- training for rural entrepreneurs or economic development officials.

- Rural Areas = 50,000 or less
- Tribes are eligible applicants
 - Grants don't go directly to businesses!

- **FY 2012 = \$1,141,610** (legislative mandate for Tribes)
 - Regular program – An additional \$1.295 Million (Tribes are eligible)

www.rurdev.usda.gov/BCP_RBOG.html



Business & Industry Loan Guarantees

“B&I” Purpose: To improve, develop or finance business, industry & employment and improve the economic & environmental climate in rural communities.

- Rural = 50,000 or less
- Tribes are eligible applicants
 - Tribally owned businesses are eligible
 - Businesses owned by tribal members are eligible
- Most loan guarantees are \$10 million or less
- 80% Maximum Guarantee (with certain exceptions)
- **FY 12 = \$870.9 million available**

www.rurdev.usda.gov/BCP_gar.html

Rural Economic Development Loans & Grants

“REDLG” Purpose: The REDLG program provides funding to rural projects through local utility organizations.

- Tribes are not directly eligible
 - A utility that is a current (or past) RD Electric or Telecom Program Borrower
 - Not-for-profit utilities that are eligible to receive assistance from the RD Electric or Telecom Programs
- Zero interest loans to local utilities which they, in turn, pass through to local businesses projects that will create & retain employment.
- Grant funds used to establish revolving loan funds.

www.rurdev.usda.gov/BCP_redlg.html

Electric Programs

Electric Loans

- FY12 ~\$7 Billion

High Energy Cost Grant Program

- FY12 ~ \$7 million
- Timing TBD

Contact:

- General Field Representatives
- National Office

Additional information:

www.rurdev.usda.gov/UEP_HomePage.html



High Energy Cost Grant Program

The High Energy Cost Grant Program provides financial assistance for the improvement of energy generation, transmission, and distribution facilities serving eligible rural communities with home energy costs that are over 275% of the national average.

Eligibility

To be eligible to receive a grant under this program:

- Eligible applicants include: Indian tribes, a tribally owned entity or an Alaska Native Corporation
- The proposed project must improve energy generation, transmission, or distribution facilities serving an eligible community
- The administrative costs of the project must not exceed 4 percent

www.rurdev.usda.gov/UEP_Apply_for_Grant.html



Substantially Underserved Trust Areas (SUTA) Provision

- Section 6105 of the 2008 Farm Bill
- Affects RD-RUS Programs Only
- Loans with interest as low as 2 percent and/or with extended repayment terms
- May waive non-duplication restrictions, matching fund requirements, or credit support requirements from any loan or grant program administered by RUS to facilitate construction, acquisition or improvements of infrastructure
- May give highest priority for projects in SUTA
- Only make loans that are financially feasible
- SUTA consideration under Broadband, Electric, Water, Telecom Loan Program and Distance L&T is under evaluation – ASK!



www.rurdev.usda.gov/suta.htm

Tribal Energy by Design
August 19, 2014

Promise Zones



Promise Zone Goals

- Job creation
- Increased economic activity
- Improved educational opportunities
- Leverage private investment
- Reduced violent crime



What Does a Designee Get?

- Designated Federal field staff liaison
- Five full-time VISTA service members
- Priority Points from Federal agencies
- Measurement and evaluation support
- Designation lasts 10 years

VISTAs

- The Corporation for National and Community Service (NCNS) has committed to providing 5 VISTAs in each Promise Zone community
 - VISTAs are full-time paid volunteers who commit to a year of service
 - HUD/USDA will offer ongoing training

Priority Preference

- Department of Housing and Urban Development
- Small Business Administration
- Department of Justice
- Department of Health and Human Services
- Department of Agriculture
- Department of Commerce
- Department of Education
- Corporation for National and Community Service: AmeriCorps VISTA

Update and Next Steps

- HUD & USDA are leading the interagency effort
- Building an infrastructure that will sustain the initiative & ensure community implementation needs are being met
- Working closely with 2013 Designees
- Gearing-up for next round of Promise Zones selections



Talk to OTR

Talk to your Congressional Offices

Talk to your State USDA reps

Questions?

Contact Information

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