



**La Cámara de Comercio de Puerto Rico y  
sus Comités de Legislación,  
y Energía Agua presentan**

## **CONVERSATORIO**

**El Futuro de la Energía en  
Puerto Rico: Cambio en Estrategia**

**Josué E. Rivera**

State Director  
Rural Development  
U.S. Department of Agriculture

# **Rural Energy for America Program (REAP)**

**Renewable Energy Systems &  
Energy Efficiency Improvements Program**

# 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



- **For-profit small business** - as defined by the Small Business Administration (SBA)
- **Rural area – All Puerto Rico except 9 Municipalities**
- **Rural requirement doesn't apply to Ag Producers**

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

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.



## Eligible Project Costs

- **Equipment:**
  - Purchase & installation
  - New or refurbished
- **Post-application construction & facility improvements**
- **Retrofitting**
- **Professional service fees**
- **Permits & license fees**
- **Working capital, land acquisition (Guarantee loan ONLY with restrictions)**





## 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	<b>\$2,500</b> Total eligible project costs $\geq$ \$10,000	Minimum Grant Request	<b>\$1,500</b> Total eligible project costs $\geq$ \$6,000
Maximum Grant Request	<b>\$500,000</b> Total eligible project costs $\geq$ \$2 million	Maximum Grant Request	<b>\$250,000</b> Total eligible project costs $\geq$ \$1 million

## REAP Guaranteed Loan Assistance 75% TPC

Minimum Loan Amount	<b>\$5,000</b> Total eligible project costs $\geq$ \$6,667
Maximum Loan Amount	<b>\$25 million</b> Total eligible project costs $\geq$ \$33.4 million
Details	<ul style="list-style-type: none"><li>• USDA guarantees a commercial loan; applicant must have a willing lender.</li><li>• Terms are negotiated between the lender and borrower.</li><li>• Fees, appraisals, equity &amp; collateral requirements apply.</li></ul>
Guarantee Fee	<ul style="list-style-type: none"><li>• 1% initial fee (one time only)</li><li>• .25% annual renewal fee of guaranteed portion according to principal balance</li></ul>

## REAP Application Window Closing Deadlines

<b>March 31, 2021</b>	<ul style="list-style-type: none"><li>➤ Set Aside Fund Competition-Grant Request \$20,000 or less</li><li>➤ Grant Request &gt; \$20,000</li><li>➤ Combination Grant/Loan Request</li></ul>
<b>November 2, 2020</b>	<ul style="list-style-type: none"><li>➤ Grant Request \$20,000 or less not competing for set aside</li><li>➤ Grant Request &lt; \$20,000</li><li>➤ Combination Grant/Loan Request</li></ul>
Continuous Application Cycle	<ul style="list-style-type: none"><li>➤ Guaranteed Loans</li></ul> <p>*Loan must score a minimum of 50 to compete monthly</p> <p>*First monthly competition held once 8 applications on file</p>

## Renewable Energy

Master Products	Toa Baja, PR
Grant 22%: \$409,000	651.575 kW
Total Project Cost: \$1,868,375	1,945 Q cells 335



# Renewable Energy



## Granja Avícola Pujols, San Sebastian

Photovoltaic System 55 KW

Total Project Cost: \$230,000

Grant 25%: \$57,500 Loan: \$115,000

USDA Rural Development - the leading advocate for rural America at the federal level.

# Additional Funding & Technical Assistance

- State Agencies & Programs
- Incentives From Local Utilities
- Commercial Lenders



# Electric Infrastructure Loan & Loan Guarantee Program

# Electric Infrastructure Loan & Loan Guarantee Program

- The electric program makes loans and loan guarantees to nonprofit and cooperative associations, public bodies, and other utilities.
- The loans and loan guarantees finance:
  - ✓ the construction of electric distribution, transmission, and generation facilities,
  - ✓ including system improvements to improve electric service in rural areas,
  - ✓ as well as demand side management, smart grid, energy efficiency and conservation programs, and
  - ✓ on-grid and off-grid renewable energy systems.
- The applicant should be an electric distribution, generation, and transmission providers serving qualified rural areas.



# OneRD Guarantee Loan Initiative

USDA has removed unnecessary regulations to increase private investment in rural businesses and rural economic development projects and to improve customer service within four flagship loan guarantee programs.

The Agency implemented a standard set of requirements, processes and forms for four Rural Development programs including the:

- [Water and Waste Disposal Guaranteed Loan Program](#)
- [Community Facilities Guaranteed Loan Program,](#)
- [Business and Industry Loan Guarantee Program, and the](#)
- [Rural Energy for America Guaranteed Loan Program.](#)



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# Gracias

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