

DELEG Offering Low-Interest Loans to Family Farms to Implement Farm Energy Audit Recommendations

February 2011 – The Michigan Department of Energy, Labor & Economic Growth Bureau of Energy Systems is offering farmers low-interest loans up to \$150,000 to fund energy efficiency and renewable energy projects recommended through the Michigan Farm Energy Audit Program.

“Unfortunately, many traditional agricultural lenders are not familiar with clean energy technologies, which make capital hard to come by for Michigan farmers. This program was developed to address this critical shortage of funding and make it available to Michigan farmers interested in implementing these energy efficient and renewable energy projects,” said DELEG Acting Director Andrew S. Levin.

A Farm Energy Audit is a required prerequisite for the energy loan. The audit/assessment will recommend specific measures for implementation. It is up to the owner to select the recommended projects that will be implemented.

AgriEnergy related project examples could include:

- energy efficient motors for irrigation systems, grain drying, commodity refrigeration and other agricultural operations
- bio-digesters
- wind turbines
- biomass/biofuel
- geothermal
- hydro-electric
- solar
- line upgrades from single to three phase

The loans can only be used to cover materials, supplies and equipment costs. Interest on approved loans is fixed at 4 percent for a maximum of 6 years.

Applicants can apply now through April 1, 2011. Applications and loan specifications are available at: <http://www.michigan.gov/dleg/0,1607,7-154-25676-217576--00.html>. Applications for funding will be reviewed by an advisory committee, and awarded based on project merit and applicant creditworthiness.

The loans are made possible thanks to Public Act 242 of 2009, which established the Energy Efficiency and Renewable Energy Revolving Loan Fund (Energy Revolving Loan Fund) Program to provide low-interest loans to public or private entities for energy efficiency and renewable energy projects. The funds are administered by the DELEG Bureau of Energy Systems.

The grant, awarded by the DELEG Bureau of Energy Systems, is funded by the American Recovery and Reinvestment Act of 2009 (Recovery Act). The Recovery Act funds projects that will create and retain jobs, save energy, and reduce greenhouse gas emissions.

For questions about funding availability and application requirements, contact: Terri Novak at (517) 241-8526 or email: novakt@michigan.gov Questions about the Michigan

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