

## **REAP Overview as of 3/16/2026**

*We are awaiting the release of a Notice of Funding Opportunity (NOFO) by the USDA RD National Office.*

***Info below may change once this NOFO is released.***

### **Overview:**

- Rural Energy for America Program (REAP) Grants are federal grants distributed from the USDA Rural Development (RD).
- REAP grants are reimbursement grants. The applicant entity must initially pay for 100% of the project out of its business bank account.
- Currently, we expect REAP grants to reimburse no more than 25% of the total eligible project cost. This funding comes from the Farm Bill. Previously, there was an opportunity to receive up to 50% reimbursement, which was available through the Inflation Reduction Act (IRA). However, this funding is currently frozen.
- REAP grants are taxable.
- REAP grant funding cannot be stacked with other federal funding.
  - Examples of federal funds: Grants, incentives, or rebates from NRCS, FSA, USDA, etc.).
- Non-federal fund stacking is acceptable (and encouraged) for REAP projects!
  - Examples of non-federal fund stacking: Utility incentives and rebates, Energy Trust of Oregon incentives, Oregon Department of Energy offers, tax credits, etc.
- Residential energy use (long-term stays, personal use, usage other than the applicant entity, etc.) is not eligible for REAP. Residential energy use on the same meter as a REAP project can sometimes be prorated, so the reimbursement would not cover non-business usage.
- REAP grants are competitive and are scored by the USDA RD. The scoring criteria will change for the upcoming round; we do not know what this will look like yet.
- Potential REAP grant application examples: installing a solar array to power business operations, irrigation upgrades, HVAC upgrades, lighting upgrades, insulation/roof upgrades, micro-hydro installation, etc.

### **Timeline:**

- We typically tell potential applicants to expect 12-18 months from the date of starting an application to when they can actually begin to break ground on the project. REAP grant

projects cannot begin until the USDA reviews, scores, and selects applications for funding.

- Any money spent on the project before the applicant entity receives a Complete Application Letter email from the USDA (typically 6-12 months after they submit their application) is not eligible for reimbursement. The Complete Application letter means the applicant can begin the project if they would like. Unfortunately, it is still possible at this point for USDA not to fund the project.
- Ideally, after the Complete Application Letter the applicant entity will receive an Award Letter of Conditions email. This means the application has been accepted to continue in the award process. The Letter of Conditions describes the forms that you need to sign and the conditions that you need to meet to be compliant with REAP regulations.
- REAP grant applications typically take at least one month to compile with our technical assistance. The time to compile a REAP grant depends on the complexity of the project as well as the applicant's response time/availability.

#### **Process:**

- Wy'East has a general "Applicant To-Do List". This list is a great start to beginning a REAP grant application. Utility bills, business documents, and other general business information are required for the grant application.
- There is also a "Contractor To-Do List" that we send to the contractors for the project. The applicant chooses their contractor.
- Wy'East staff will typically have a video call with the applicant to get a better idea of the business and project. Most communications from then on are typically via email.

#### **Eligibility:**

The applicant entity must either be an agricultural producer or a rural small business. Either way, the entity must be registered on [SAM.gov](https://sam.gov).

**Agricultural Producer:** The entity must be engaged in the production of agricultural products with at least 50% of its gross income coming from agricultural operations.

- If an agricultural producer does not meet the 50% requirement, they may be eligible as a rural small business.
- An agricultural producer can be a non-profit, and/or can be in a non-rural area.

**Rural Small Business,** the entity must be one of the following:

- Private for-profit entity
- A cooperative
- An electric utility that provides service to rural consumers and operates independently of direct government control.

- A Tribal corporation or other Tribal business entities that are chartered under Section 17 of the Indian Reorganization Act (25 USC 477) or have similar structures and relationships with their tribal entity without regard to the resources of the Tribal government.

The entity must be in an eligible rural area. Eligible rural areas are determined by USDA, Wy'East can check rural eligibility with the business address.

The entity must meet the small business size standards. Size standards vary by industry—industry is determined by NAICS code. This is a self-identified industry code that USDA uses to determine small business status. If your business already has an NAICS code, it may be found in the “Core Data” section of the SAM.gov registration, or on business tax returns under "Business Activity Code" or "Principal Business Activity Code"

### **Newest Updates and Guidelines:**

*As of 9/9/2025 this is what we have been told by the USDA RD Oregon State Office:*

*“REAP projects are ineligible for REAP Guaranteed Loans, and **disincentivized** for REAP grants via forthcoming priority points if they include any of the following:*

- *Ground mount solar PV systems larger than 50kW*
- *Ground mount solar PV systems that cannot document historical energy use*
- *Ground mount solar PV systems proposing to be installed on certified cropland as defined by the Farm Service Agency in Handbook 10-CM (rev. 2) exhibit, or*
- *Solar PV systems consisting of any component made in a country named as a foreign adversary as defined in 15 CFR 791.4” - USDA RD Oregon State Office”*

The scoresheet and priority points will be changing. The USDA does not know what “disincentivizing” will look like.

### **How Do I Proceed with an Application?:**

Reach out to Jackie Solomon at Wy'East RC&D. Wy'East provides no-cost technical assistance to assist in compiling REAP applications for Oregon applicants, and we can answer any questions anyone may have about REAP grants, the application process, their specific project(s), or other potential funding options we could recommend if REAP is not a good fit.

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