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Biden-Harris Administration Invests \$207 Million in Clean Energy and Domestic Fertilizer Projects to Strengthen American Farms and Businesses as part of Investing in America Agenda

Projects Funded by President Biden's Inflation Reduction Act Will Lower Costs
and Create Revenue for Rural Business Owners and Farms

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WASHINGTON, Jan. 22, 2024 – U.S. Department of Agriculture (USDA) Secretary Tom Vilsack today announced that USDA is investing \$207 million in [renewable energy and domestic fertilizer projects](#) to lower energy bills, generate new income, create jobs, and strengthen competition for U.S. farmers, ranchers and agricultural producers. Many of the projects are being funded by President Biden's Inflation Reduction Act, the nation's largest-ever investment in combating the climate crisis.

Today's announcement was made by Secretary Vilsack at the 105th annual American Farm Bureau Federation convention in Salt Lake City, Utah. This funding advances President Biden's Investing in



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of the clean energy economy, but directly benefitting from it,” Secretary Vilsack said. “The investments announced will expand access to renewable energy infrastructure and increase domestic fertilizer production, all while creating good-paying jobs and saving people money on their energy costs that they can then invest back into their businesses and communities.”

Today, the Department is awarding \$207 million in 42 states for projects through the [Rural Energy for America Program](#) (REAP) and the [Fertilizer Production Expansion Program](#) (FPEP).

Today’s REAP awards total \$157 million for 675 projects in 42 states, including more than \$94 million from President Biden’s Inflation Reduction Act. The REAP program delivers on the President’s Justice40 Initiative, which aims to deliver 40% of the overall benefits of certain federal investments to disadvantaged communities that are marginalized by underinvestment and overburdened by pollution. These investments will cut energy costs for farmers and ag producers that can instead be used to create jobs and new revenue streams for people in their communities. For example:

- In Colorado’s La Plata County, a grant for \$187,000 will install a solar array that, through a power purchase agreement, will benefit a wastewater treatment facility. The facility is expected to save \$58,000 per year, bringing down costs for residents. It will replace 652,923 kilowatt hours or 98 percent of the plant’s energy use per year, which is enough energy to power 60 homes.
- A soybean farm in Pennsylvania will install a 1,248 kilowatt solar photovoltaic system that will save \$262,000 per year. These funds can be reinvested to grow the business or create more jobs for the local community. It will also save the farm 2,814,000 kilowatt hours per year, which is enough energy to power 259 homes.
- Sturgis Meats in Meade, South Dakota will install a refrigeration system that will save \$32,000 in energy costs per year. It will also save the company 255,000 kilowatt hours per year, which is enough energy to power 23 homes.

Projects financed through FPEP will help U.S. farmers increase independent, domestic fertilizer production. Today’s investments include \$50 million in seven projects in seven states. President Biden committed up to \$900 million through the Commodity Credit Corporation for FPEP. Funding supports long-term investments that will strengthen supply chains, create new economic opportunities for American businesses, and support climate-smart innovation. For example:

- ARE Properties LLC in Nebraska will build a fully automated fertilizer facility designed to manufacture custom products based on the results of plant tissue and soil samples. All equipment in the facility runs on natural gas with the long-range strategy to retrofit the facility for alternative energy sources in the future.



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energy per year to be purchased and distributed through Duke Energy Carolinas.

USDA is making the REAP and FPEP awards in Alabama, Alaska, Arizona, Arkansas, California, Colorado, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, Wisconsin and West Virginia.

Since the start of the Biden–Harris Administration, USDA has invested more than \$166 million in 40 projects nationwide to boost domestic fertilizer production through FPEP. USDA has also taken steps to support producers in leveraging these tools through nutrient management assistance and climate–smart management practices. During that same time, USDA has invested more than \$1.6 billion through REAP in 5,457 renewable energy and energy efficiency improvements that will help rural business owners lower energy costs, generate new income, and strengthen their resiliency of operations.

Background

The [Rural Energy for America Program](#) (REAP) provides grants and loans to help ag producers and rural small business owners expand their use of wind, solar and other forms of clean energy and make energy efficiency improvements. These innovations help them increase their income, grow their businesses, address climate change and lower energy costs for American families.

USDA continues to accept REAP applications and will hold funding competitions quarterly through Sept. 30, 2024. The funding includes a dedicated portion for underutilized renewable energy technologies. For additional information on application deadlines and submission details, see [page 19239 of the March 31 Federal Register](#) .

The [Fertilizer Production Expansion Program](#) (FPEP) provides grants to independent business owners to help them modernize equipment, adopt new technologies, build production plants and more. Funding helps boost domestic fertilizer production, strengthen competition and lower costs for U.S. farmers.

The Biden–Harris Administration and USDA created FPEP to combat issues facing American farmers due to rising fertilizer prices, which more than doubled between 2021 and 2022 due to a variety of factors. Factors included the war in Ukraine, a lack of competition in the fertilizer industry, and more.

FPEP is part of a broader effort to help producers boost production and [address global food insecurity](#) . It is also one of many ways the Administration is promoting fair competition,



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and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate-smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit www.usda.gov.

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