

Rural & Agricultural Energy Audit Program



Frequently Asked Questions

How much funding is available for the audit program?

The Oregon Department of Energy has \$100,000 available through a U.S. Department of Agriculture Renewable Energy Development Assistance grant to fund energy audits or assessments for Oregon farms and ranches and rural small businesses.

Who is eligible for an energy audit or assessment?

Oregon Agricultural Producers and Rural Small Businesses.

Note: Definitions for the purposes of ODOE's REDA-funded program, such as which businesses and projects eligible to receive funds under the REDA energy audit program, are contained in federal USDA regulations. For convenience, this FAQ summarizes eligibility criteria. For full details about program eligibility, please see "[§4280.103 Definitions](#)" or contact ODOE.

Agricultural Producer. An individual or entity directly engaged in the production of agricultural products, which include: crops (including farming); livestock (including ranching); forestry products; hydroponics; nursery stock; or aquaculture. In order to be eligible, 50 percent or more of a business's gross income must be derived from agricultural products.

Rural Small Business. A Small Business that is located in a Rural Area or that can demonstrate the proposed project for which assistance is being applied for under this category is located in a Rural Area.

Rural or Rural Area. Any area of a state not in a city or town that has a population of more than 50,000 inhabitants, according to the most recent decennial Census of the United States, or in the urbanized area contiguous and adjacent to a city or town that has a population of more than 50,000 inhabitants, and any area that has been determined to be "rural in character" by the Under Secretary for Rural Development, or as otherwise identified in this definition.

Small Business. An entity or utility, as applicable, described below that meets Small Business Administration's (SBA) definition of Small Business as found in 13 CFR part 121.301(a) or (b). With the exception of the entities identified in this paragraph, all other non-profit entities are ineligible.

For more detail, please see USDA REDA program definitions online ([§4280.103 Definitions](#)) or at the end of this document. *Please contact us if you need help determining your eligibility.*

Is there an online map to see if my business is in a qualifying rural area?

Yes. See [USDA Rural Business Services](#). Please note all disclaimers including “Viewing eligibility maps on this website does not constitute a final determination by Rural Development. To proceed with viewing the eligibility map, you must accept this disclaimer.”

What is the difference in an energy audit and energy assessment? Does this program provide assistance with both?

Both energy audits and energy assessments can be funded through this program. For purposes of this FAQ, we shorten the text to just refer to *audits*, but responses are applied to both audits and assessments.

Energy Assessment. A type of energy audit focused on a specific energy efficiency measure, process or system, for this program the total measure costs are less than \$200,000.

Energy Audit. A thorough energy audit of a facility, process or system that identifies multiple or a broader range of potential energy saving measures or addressing multiple types of energy using systems. For this program, energy audits have a total measure cost greater than \$200,000 and meet ASHRAE Level 2 audit requirements (for building or plant energy audit).

How much do audits typically cost?

The cost of an *energy assessment* or *energy audit* can range from around \$4,000 to \$20,000 depending on the depth and breadth of the audit or assessment, as well as auditor or assessor travel costs. Often, the savings from energy efficiency measures identified by audits is more than the cost of the audit, and the savings over time can often exceed the total cost of the project.

What percent of the audit cost will be covered by ODOE's program?

The Oregon Department of Energy will fund up to 75 percent of the cost of an audit. The audit recipients are required to fund the remaining 25 percent. They are allowed to meet their 25 percent cost share using other *non-federal* funding sources, such as utility funding, rebates, or incentives, state funding, loans and the participants' own funds.

Who will perform the energy audit?

An independent energy professional. ODOE qualifies and contracts with experienced energy assessors and energy auditors through a state procurement RFP process.

How do I find an energy assessor or energy auditor to perform an energy audit of my facility or business?

ODOE will match energy assessors and energy auditors with eligible businesses to schedule and perform energy assessments and energy audits based on best match of experience and expertise, geographic areas, and availability.

What kind of projects will an energy audit typically recommend?

An energy audit may result in recommended energy projects that improve the efficiency of equipment and processes, such as:

- Adding a variable frequency drive (VFD) to irrigation pumps that saves pumping energy (and water), or to other pumps, fans, or process equipment.
- Replacing your lighting with more efficient LEDs to reduce the energy your building or indoor agriculture operation uses.
- Retrofitting the heating, ventilation, and air conditioning (HVAC) system with more efficient equipment or controls to save energy.
- Replacing equipment with more efficient alternatives such as electric tractors and farm equipment, heat pump water or air heating/cooling, or improvements to heat exchangers.
- Envelope upgrades like added insulation, more efficient windows, etc.
- Waste product capture/re-use like heat re-capture in cooling systems.

Do I need to have a specific energy efficiency project in mind to get an audit?

No, but it can help to have an idea for areas where you may be able to save energy and reduce your operating expenses. ODOE will work with you regardless of where you are in the process. The audit interest form and process are designed to gather and organize the information necessary to move to the next step in the process. Please note that similar to any significant business project, pre-work and organization may help in getting an audit and executing an energy efficiency project on a shorter timeframe.

Do I need to have energy project funding lined up before getting an audit?

No; however, you are required to fund 25 percent of the cost of the audit.

If you plan to apply for a USDA REAP grant to fund your project after your audit is completed, the greater percentage of total funding you've secured for your project, the higher your grant application score will be.

What happens after the energy audit? Does it qualify me for additional funding?

ODOE's program will fund an energy audit or assessment that meets industry standards for energy audits and energy assessments. The audit or assessment will also be designed to meet the USDA's audit requirements for a follow-on REAP grant or loan guarantee.

Are there any deadlines to apply for an energy assessment or energy audit?

ODOE will fund energy assessments and energy audits between July 1, 2021 to June 30, 2023 or until the funding runs out, whichever comes first. This window may be expanded if ODOE is awarded additional grant funding in the future.

How do I get more information?

You can [sign up to receive email updates](#) and access more information on ODOE's [Rural & Agricultural Energy Audit Program](#) page.

Is ODOE working with anybody who can help answer my questions about how to save energy, apply for grants and find additional funding, and help find contractors with necessary experience expertise to install energy efficiency projects in my part of the state?

Yes – more information will be posted to ODOE's [Rural & Agricultural Energy Audit Program](#) page. [Federal, local, and utility funding, such as the USDA's REAP grant](#), may be available to rural farms and small businesses for making energy improvements, and an energy audit is often a required step.

How do I apply for an energy audit or assessment?

ODOE will post an Energy Audit Interest form online soon. Keep an eye on the [program webpage](#).

What laws authorize and govern this program?

Basic Program – [7 CFR 4280, Subpart B](#). This program is authorized by Title IX of the [Agricultural Act of 2018](#), (2018 Farm Bill)

Does the grant funding support costs for energy efficiency construction or other costs related to applying for grants and other funding?

Energy audit funds are to be used for energy audits only, and may not be used to pay for construction-related activities or to pay for costs incurred to prepare applications. However, there are multiple other [sources of project funding](#) as well as technical assistance that may include help with preparing applications. Often, the savings from energy efficiency measures identified by audits is more than the cost of the audit, and the savings over time can often exceed the total cost of the project.

Does ODOE do anything else related to rural communities or agriculture?

Consistent with our [2021-2024 Strategic Plan](#) focus area to expand and improve stakeholder engagement, we hope this program is a first step in developing a stronger statewide network of partner organizations to support Oregon agricultural producers and rural businesses in becoming more energy efficient. ODOE also wants to encourage the development of energy audit resources (as well as technical assistance, financing, project development, and availability of energy contractors) in areas of the state that currently have few energy auditors who can produce an audit that meets USDA REAP standards.

More Definitions for Program from §4280.103 Definitions

Energy Assessment. An Agency-approved report assessing energy use, cost, and efficiency by analyzing energy bills and surveying the target building and/or equipment sufficiently to provide an Agency-approved Energy Assessment.

(1) If the project's Total Project Cost is greater than \$80,000, the Energy Assessment must be conducted by either an Energy Auditor or an Energy Assessor or an individual supervised by either an Energy Assessor or Energy Auditor. The final Energy Assessment must be validated and signed by the Energy Assessor or Energy Auditor who conducted the Energy Assessment or by the supervising Energy Assessor or Energy Auditor of the individual who conducted the assessment, as applicable.

(2) If the project's Total Project Cost is \$80,000 or less, the Energy Assessment may be conducted in accordance with paragraph (1) of this definition or by an individual or entity that has at least 3 years of experience and completed at least five energy assessments or energy audits on similar type projects.

Energy Assessor. A Qualified Consultant who has at least 3 years of experience and completed at least five energy assessments or energy audits on similar type projects and who adheres to generally recognized engineering principles and practices.

Energy Audit. A comprehensive report that meets an Agency-approved standard prepared by an Energy Auditor or an individual supervised by an Energy Auditor that documents current energy usage; recommended potential improvements, typically called energy conservation measures, and their costs; energy savings from these improvements; dollars saved per year; and Simple Payback. The methodology of the Energy Audit must meet professional and industry standards. The final Energy Audit must be validated and signed off by the Energy Auditor who conducted the audit or by the supervising Energy Auditor of the individual who conducted the audit, as applicable.

Energy Auditor. A Qualified Consultant that meets one of the following criteria:

(1) A Certified Energy Auditor certified by the Association of Energy Engineers;

(2) A Certified Energy Manager certified by the Association of Energy Engineers;

(3) A Licensed Professional Engineer in the State in which the audit is conducted with at least 1-year experience and who has completed at least two similar type energy audits; or

(4) An individual with a 4-year engineering or architectural degree with at least 3 years of experience and who has completed at least five similar type energy audits.