

Who's Giving Out Money?

A guide to snagging energy grants

by JENNIFER DUFFIELD WHITE

Saving money on your energy costs is a no-brainer. Everyone wants to do it.

Some solutions are easy—such as growing certain crops cooler or patching up a few neglected holes in your greenhouse. But many of your big money savers carry a heavy initial investment: environmental controls, new boilers, heat through alternative energy, energy curtains, and so on.

The energy savings will eventually pay for the investment. But what if someone was willing to help you pay for it now? Or loan you the money at a lower rate? Or give you a tax break?

In 2005, Walters Gardens in Zeeland, Michigan, received \$10,311 in grant money from the USDA 9006 Renewable Energy Grants to help with the cost of energy curtains. In 2006, they were awarded a grant of \$87,750 to aid in the installation of a biomass fuel burner at their perennial production facility. This grant was given by the Michigan Department of Agriculture's Agricultural Innovation Grants.

Another Michigan Grower, Dickerson's Greenhouse recently received a USDA Energy Efficiency/Renewable Energy Program grant that totaled \$110,249. The money assisted Dickerson's in installing six Pelco

Biomass Solid
Fuel-Fired Water
Boilers that burn corn.

Here's a guide to getting started on the energy grant process.

Before you start

Consider all your options. In fact, Al Zylstra of Trueleaf Technologies, Petaluma, California, recommends getting an energy audit if your heating fuel costs you more than 5% of your gross revenues. The audit can help you identify how appropriate your fuel and electrical consumption are in regards to your size and revenues. (Look to *GrowerTalks* in the next couple of months for more information on where you can get the most bang for your buck in energy efficiency improvements.)

When to apply?

As soon as you make the decision to invest in energy saving equipment, start looking at funding sources says Al. "The grant or loan process must be started early in the cycle." He adds, "Approval qualifications for many programs require an approval or at least preliminary notification prior to the purchase or even ordering of equipment."

Work with your equipment supplier to get the specifications and data needed for the application. Waiting too long could mean delay-

ing the project by a year or forgoing the funding. Also, note that many applications have spring deadlines; don't put it off to the last minute during your busy season.

Where do I get the money?

There are many sources for grants and preferential loans, but much of it will depend on your location. In addition to state programs, many of the federal grants get administered through state agencies. Furthermore, some of the electrical usage incentives are county or city based.

Always check with your local utility company and your state department of energy. A good grant writer may uncover sources, as well.

And don't forget your equipment suppliers. They can be a fantastic resource for finding funding sources. Al notes that Trueleaf even has a resource they can tap into that will help identify programs for a specific area.

Federal Programs

The following are federally funded programs. However, be aware that most of these federal programs are still administered at the state level.

USDA Renewable Energy and Energy Efficiency Program

This is one of the primary sources for energy-related projects. It ▶

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Grant Writing

101

Tips for turning ideas into funding

Whether you're seeking grants for alternative energy, new technology, or niche marketing, there are a variety of options available. However, navigating the range of programs, deadlines, red tape, rules and regulations is a daunting task. In fact, the difficulty of writing a winning grant proposal can be the biggest barrier to funding.

Additionally, once you select your target grant and begin writing, your own passions may sabotage your efforts. Funders seek objectivity and normally select proposals that serve the greater good instead of small, special interests. You may need to wordsmith your proposal with the assistance of someone familiar with the policies and responsibilities of the funding foundation or agency. "Words have different meanings to different people," offers Jane McIntosh, Missouri Department of Agriculture Grants Manager. "It is critical to write a proposal in an inclusive manner which follows funding guidelines."

The first step is to objectively examine your idea and determine if it has the qualities necessary to attract funders. First and foremost, your idea should meet the overall mission of the funder. This information may not be found in the grant overview; be sure to read back-

ground on the foundation or agency in its publications or Web sites. Also, you should have at least two and preferably all three of these:

- **Uniqueness.** Funders review countless proposals. Will your idea stand out? That said it's also important for your original idea to stem from previous concepts so that funders see your knowledge of the subject and believe your solution is reasonable.

- **Solution oriented and opportune.** Timely approaches that provide solutions to compelling topics of the moment are always attractive.

- **Effectiveness.** Will your concept impact others either directly (e.g., hiring or teaching individuals) or indirectly (e.g., outreach and education programs)? Will it leave a lasting impact?

Next, you'll write the **mission statement**, the most important element to your proposal draft. It must be a concise and convincing "sound bite"—just a few sentences—that conveys your message and compels people to read on.

Next is the **preliminary outline**, which details and illustrates your mission statement. Writing this helps you identify strengths and weaknesses of your plan, develop your verbal presentation and serves as the skeleton for writing your final **proposal document**.

The proposal document will average three to five pages, possibly more for a complex project with supporting material. It should give chronological order to your plan of action and organize your concept into topics. Again, clarity and conciseness are critical, and your writing tone must be professional and objective. Be certain to proofread for errors and unintended redundancy. Ask a friend who isn't involved in your project to read your proposal. Rewrite or reorganize sections that aren't clear, and check for style requirements, such as recommended fonts and margins. If you're still unsure, hire a freelance writer or local college English major to write a revised draft.

The importance of your **project budget** to your proposal is second only to your mission statement. In fact, funders sometime read the budget after the mission statement just to see how well you've thought your idea through. Your budget is merely a breakdown of your expenses following the major categories of your proposal. Follow the same order of categories used in your proposal to help the funder correlate expenses with costs. The best format is a simple two-column chart, usually one page in length, that shows expense descriptions on the left with corresponding whole dollar amounts on ▶

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includes both grants and grant/loan combinations for energy efficiency projects (lighting, curtains, etc.) as well as renewable energy projects. (It's supported by the Farm Bill, so be sure to encourage and lobby in support of the Farm Bill!) Deadlines are in the spring (i.e., you probably want to complete your application early, before your greenhouse gets too busy). Web site: www.farmenergy.org.

Tax Credits

Federal tax credits can be earned by many energy efficiency projects. Up to \$1.80 per square foot is possible. Web site: www.energystar.gov. Another great Web site is www.energytaxincentives.org.

Environmental Quality Incentives Programs

The Environmental Quality Incentives Program (EQIP) is a voluntary conservation program for farmers and ranchers that promotes agricultural production and environmental quality. EQIP offers financial and technical help to assist eligible participants install or implement structural and management practices on eligible land. EQIP may cost-share up to 75% of the costs of certain conservation practices. Incentive payments may be provided for up to three years to encourage producers to carry out management practices they may not otherwise use without the incentive. Web site: www.nrcs.usda.gov/programs/eqip/. (From this site, you can also navigate to a U.S. map that links you to application information for each state: [\[grams/eqip/EQIP_signup/2007_EQIP_Signup/index.html\]\(http://grams/eqip/EQIP_signup/2007_EQIP_Signup/index.html\)\).](http://www.nrcs.usda.gov/pro-</p></div><div data-bbox=)

State Level

While several states have energy-related grant funds, Al urges caution, as some programs may be listed on a Web site but may not have actual funding behind them. Research the program fully to be sure it is still funded.

Look to your state department of energy or to your local utilities for information on rebates for alternative energy. You can get rebates for solar power, wind energy, and the like. Also, your state's department of agriculture and your rural development office will be good resources for state programs (plus the administration of federal grants).

DSIRE

Go to www.dsireusa.org for a great resource of state, local, utility and federal incentives. This Web site allows you to click on a state and gives you a list of incentives and grants available in that state. It won't all apply to greenhouse businesses, but it's your best single stop for state-by-state listings.

REC

Renewable Energy Credits (REC) can be earned in states that have adopted the appropriate legislation. These are a marketable financial instrument intended to help finance renewable energy projects. Check with your state department of energy for information on various programs. ■

Grant Writing 101 Continued

the right. Be sure to include expenses for personnel, consultants and professional services, supplies, office space, travel and miscellaneous. You should also show commitments of in-kind services or materials in a separate category. The value column can show "donated" but an estimated dollar value shows thought and translates worth.

To complete your proposal package, you will also need:

Cover page: conveys the first impression of you and your project. Be sure it is addressed to the correct person at the correct address.

Title page: states the project title, your name and the funding source.

Table of contents: list the major sections including budget and letters of recommendation.

Executive summary: one page summary of your project including your mission statement, project objective and goals, your plan and your qualifications.

Proposal: begins with specific statement of need and gives a step-by-step explanation of your plan including strategies and objectives as well as how you will evaluate your progress.

Personnel: if you are applying solo, this will be your resume. If you have several participants, include short bios.

Other funding received or planned: optional, but can build credibility and confidence.

Certifications: if applying as an affiliate of an organization, include an official statement signed by the organization's officers. ■

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