

Renewable Energy Generation

Cost-conscious and conservation-minded farmers and ranchers have become increasingly aware of the impact that energy has on their ability to sustain their operations. The rising cost of electricity alone can determine whether some farmers are able to stay in business, especially dairy farmers and operations that rely on



pumping irrigation water. While gaining efficiency and practicing conservation can create significant savings, farmers and ranchers can add energy generation to their operations. For many farmers and ranchers, solar, wind, biogas (methane generation), and, in some instances, geothermal or hydropower energy, can be generated and used on the farm to conserve energy and increase energy independence. Currently, only 2 percent of the total energy consumption in the United States comes from clean, renewable

resources, but the potential power output of renewable energy resources is great.

CSP Payment: In order to encourage increased energy production from renewable sources, USDA, through the CSP, will provide payments to qualified agricultural producers for the first 100 kilowatt hour and each subsequent kilowatt hour equivalent of electricity they generate. The energy generated must be documented by metering or other approved protocol.

Documentation Required: Energy generation/savings must be verified by a State Public Utilities Commission, local electric utility (when connected to the grid), or other suitable verification protocol.