



Article 381

January 18, 2015

## Federal Program Offsets Cost of Solar Power for Belen Pecan Farm

*By Terry Brunner, New Mexico State Director, USDA Rural Development*

Mike and Kathy Mechenbier used to wait until night, when electricity was cheaper, to irrigate their pecan farm near Belen. Now the couple lets the sun create no-cost power to run the pecan farm's irrigation pumps during the day.

With help from a \$107,100 grant from the U.S. Department of Agriculture's Rural Energy for America Program, or REAP, the couple installed a 564-panel solar array at the Burriss Pecan Farm, which is owned by their Four Daughters Land and Cattle Company.



Because they will receive production credits from Public Service Company of New Mexico (PNM) for any surplus energy generated by their 147-kilowatt system, the Mechenbiers hope to break even on the \$428,402 investment within about four years and to save at least \$25,000 each year moving forward.

The pecan farm is a big part of the company's 142,000-acre rural business, which began in 1986 as a cattle ranch named for the couple's four daughters. And New Mexico pecans are important to the nation's nut industry, with New Mexico routinely in the top tier of pecan-producing states. In 2012, New Mexico came in second only to Georgia, producing 65 million pounds of pecans, according to the National Agricultural Statistics Service of the USDA.

### Commitment to Rural Communities

Through REAP, USDA's Rural Development agency awards eligible rural enterprises grants to cover as much as 25 percent of the cost of installing an alternative energy system or upgrading heating or air-conditioning systems and lighting to more energy-efficient versions. Eligible alternative energy projects can produce heat, electricity or fuel from wind, solar, biomass, geothermal, hydropower or hydrogen-based sources.

Grant awards are limited to \$500,000 for renewable-energy systems and \$250,000 for other types of energy-efficiency improvements. The program also guarantees loans of up to \$25 million that the business secures to cover the remaining 75 percent of the total project cost.

The federal program is designed to assist rural enterprises whose owners can demonstrate a need for financial help with the energy projects. Other eligibility standards apply as well. For example, the business must generate at least half of its gross income from agricultural operations that are conducted on property the applicant owns. And the property must be in a community of less than 50,000 people — a standard that's easy for many New Mexico businesses to meet.

USDA has invested \$122 million in rural New Mexico projects like the one at Burris Pecan Farm during the 2013-2014 fiscal year. That total includes investments in 17 rural businesses, loans and grants to help 577 families purchase or repair their homes and money to support efficient water support, treatment and storage facilities and wastewater treatment systems.

Rural business owners or agricultural producers can call any local USDA Rural Development field office or the state office in Albuquerque (505-761-4953) for more information about the program or to see if they qualify. Or they can visit USDA Rural Development's website at <http://www.rurdev.usda.gov>.

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