

The Rural Grocery Energy Efficiency Grant program is designed to lower energy use and energy costs for rural Iowa grocers.

Food security is a critical issue in rural Iowa, and rural grocery stores play a key role in addressing it. These businesses serve as local anchor institutions, contributing to rural prosperity by supporting community vitality, providing employment opportunities, offering healthy and fresh foods and keeping wealth within the community. Conversely, the loss of a rural grocery store can have a negative impact on the community and food security.

The program is supported with federal Energy Efficiency and Conservation Block Grant funding and administered by the Iowa Energy Office, a division of the Iowa Economic Development Authority (IEDA).

APPLICATION PROCESS

The program uses a two-step application process. The first step is a pre-application, open to all eligible rural Iowa grocers, which will identify approximately six to eight grocery stores to receive a complimentary energy audit provided by IEDA. The pre-application is available under Resources at iowaeda.com/community/energy/grants-funding/eecbg-program. Eligible submissions will be reviewed on a first-come, first-served basis.

Following completion of the energy audit, grocery stores may be invited to submit a short funding application through IowaGrants.gov based on audit results, including estimated energy use savings, energy cost savings and energy use intensity. Applicants selected to apply for project funding must apply via IowaGrants.gov, an online application portal. Applications will not be accepted in any other format. Late, incomplete or ineligible applications will not be accepted. An estimated six to eight grocery stores are anticipated to be awarded Energy Efficiency and Conservation Block Grant funding to implement energy-related measures identified in the energy audit.

NOTE: Not all applicants may receive an energy audit. Receipt of an energy audit does not guarantee receipt of funding to implement energy savings measures.

TIMELINE

February 23, 2026 | Pre-Application Submittal Window Opens

Application available through program website, iowaeda.com/community/energy/grants-funding/eecbg-program. Eligible applications reviewed on a first-come, first-served basis.

March 2026 | Audits Conducted

Grocery stores selected for an energy audit will receive their audit by March 31, 2026.

April 2026 | Full Application Available

Application available at IowaGrants.gov for select grocery stores based on energy audit results.

April 30, 2026 | Full Application Deadline

Deadline to submit a full application is 4 p.m. CT.

May 7, 2026 | Award Decision Notification

Applicants notified of award decisions.

May – October 31 2026 | Funding Period

All project activities and incurred expenses must occur within the eligible contracted funding period from the date of the award letter to October 31, 2026. Funding is awarded on a reimbursement basis after expenses have been incurred for approved project activities.

FUNDING

Grant Request Amount

IEDA anticipates applicants may request a maximum of \$20,000 to \$25,000 for eligible one-time project expenses that are incurred and expended within the eligible funding period. Applicants selected to submit a full application for funding will be advised of the maximum amount that can be requested.

Match Requirement

Applicants are required to demonstrate investment in projects by providing a minimum of 10% cash match. For example, an applicant that requests \$25,000 in grant funds must have at least \$2,500 in cash match. The cash match must be secured, dedicated to eligible expenses, a legitimate part of the proposed project and expended within the eligible funding period. The 10% match may be raised through a combination of public and private sources but may not include in-kind donations of goods or services, unsecured funding or loans.

- Cash match constitutes actual cash contributed to direct project expenses by the applicant or other funding sources.
- State government funding already being used as match for another program, including other funds from IEDA, cannot be used to meet the match requirement.

Funding Period

All project activities and incurred expenses must occur within the eligible contracted funding period, which runs from the award letter date through October 31. Funding is awarded to grant recipients on a reimbursement basis after expenses have been incurred for approved project activities within the eligible funding period. Expenses that are incurred before or after the eligible funding period are not eligible for reimbursement.

Federal Requirements

Funding for this program comes from the federal Energy Efficiency and Conservation Block Grant program administered by the U.S. Department of Energy. Therefore, all contractors working on a Rural Grocery Energy Efficiency Grant project will be required to adhere to federal Davis-Bacon and Related Acts, including payment of prevailing wages and submitting certified payrolls on a weekly basis.

Disbursement of Funds

Disbursements will be made on a reimbursement basis. Each disbursement request must total at least \$500 and must be submitted through IowaGrants.gov. To receive funds, the applicant must be in good standing with the Iowa Department of Revenue.

When submitting a claim, the following items are required:

A claim including:

A detailed description of the expenditures and the corresponding amounts

Product invoices and proof of payment for any equipment, supplies or materials purchased

Invoices and proof of payment for any subcontractor payments

Identification of cash match contributions

A project status report for the claim period

Any additional documentation requested by IEDA



ELIGIBILITY REQUIREMENTS

Eligible Applicants

An eligible applicant is an independently owned grocery store incorporated in the state of Iowa, or authorized to do business and operating in the state of Iowa. The applicant will be responsible for submitting all required materials during the funding application process and will be the entity legally obligated to the terms of an agreement if awarded funding. Partners and collaborating entities are not subject to the eligibility requirements but may be subject to financial and programmatic review during the selection process.

- Projects/programs must exist in and benefit a community in Iowa with a population of 20,000 or fewer and must not be contiguous (sharing a common border) with a city with a population of 40,000 or greater.
- Any eligible applicant will be allowed to submit one application per funding announcement. An applicant who has applied as the principal entity for an application may also be named as a partner on additional applications submitted but may not be named as a primary entity.
- An eligible applicant must be operating in rural Iowa and must have been in business for a minimum of three years.
- Small, independent chain operators with 10 or fewer locations are eligible to apply.

Eligible Use of Funding

Grant funds may be used to improve grocery store energy conservation and energy efficiency measures identified in the IEDA-provided energy audit. Examples of eligible uses of funding include, but are not limited to:

- More energy-efficient refrigeration and freezer equipment (back of house or display floor)
- Night covers for open refrigerated display cases
- More energy-efficient lighting
- Replacement or improvements that increase the efficiency of heating, ventilation and air conditioning systems
- Energy efficiency improvements to the building envelope (insulation, air sealing, etc.)
- More energy-efficient cooking equipment
- Heat recovery
- Humidity control

INELIGIBLE PROJECT ACTIVITIES AND EXPENSES

Funding is not available for existing projects or programs that do not include significant expansion. The grant program does not support ongoing expenses for existing programs or projects.

Ineligible expenses include, but are not limited to:

- International or domestic travel (outside of Iowa)
- Insurance
- Conference or training expenses for program providers
- Routine, recurring maintenance
- Ongoing utilities
- Budget shortfalls
- Fundraising or benefit event activities
- Lobbying activity



REVIEW PROCESS

Eligible pre-applications will be reviewed on a first-come, first-served basis.

Full applications invited for submission will be reviewed for completeness, eligibility and adherence to published guidelines. New application information or subsequent application clarification information submitted after application submittal may not be considered. Funding recommendations will be submitted to the executive director of IEDA for consideration and approval. The applicant's authorized official will receive award notification. All funding decisions are final.

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Eligibility Review

Applications must demonstrate evidence of the following:

- Applicant is eligible and has completed an IEDA-provided energy audit.
- Funding request meets eligible project and expense requirements.
- Request does not exceed the maximum award amount.
- Request includes proof of a minimum 10% cash match.
- Project duration does not exceed the contract period.
- Application is complete and submitted through IowaGrants.gov.
- Applicant has included a letter of support from the local city or county government.
- Primary applicant is not listed as the primary applicant on any other applications; however, the applicant may be listed as a partner on additional applications.

PRE-APPLICATION PREPARATION

Pre-applications will be accepted beginning at 12 a.m. February 23, 2026; submissions received before that time will not be reviewed. Eligible submissions will be reviewed on a first-come, first-served basis. The pre-application is available as a separate document under Resources at Iowaeda.com/community/energy/grants-funding/eecbg-program. Applicants must submit the completed pre-application form and utility bills from the past 12 months — or equivalent documentation verifying energy use and cost data — in a single email to greenstreets@Iowaeda.com.

ADDITIONAL RESOURCES

Provided below are additional resources to help grocery store owners and operators identify energy efficiency and energy conservation opportunities.

- [Energy Savings Tips for Small Businesses: Grocery Stores](#)
- [Business Energy Advisor | Grocery Stores](#)
- [U.S. Department of Energy Building Technologies Office: Retail Food Sales](#)
- [Food Retail Energy Efficiency Best Practices for 2025](#)
- [Alliant Energy](#)
- [MidAmerican Energy](#)

CONTACT

Potential applicants are encouraged to review all published material and contact Jeff Geerts, 515.348.6211 or jeff.geerts@Iowaeda.com, with questions well in advance of application deadlines.