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News Release

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USDA Announces Loans to Improve Rural Electric Infrastructure and Upgrade Energy Efficiency

Approximately 39,000 Tennessee and Kentucky Residential and Commercial Customers will Benefit

NASHVILLE, Tenn., May 30, 2019 – Acting Assistant to the Secretary for Rural Development Joel Baxley today announced that <u>USDA is providing \$858 million in loans to upgrade rural electric systems in 17 states</u>. The funding includes \$64 million to finance smart grid technologies that improve system operations and monitor grid security. Tennessee Rural Development State Director Jim Tracy is pleased to announce along with Kentucky State Director Hilda Legg, that one of these projects will serve residents in Tennessee and Kentucky.

"Improvements to our electrical infrastructure are necessary to meet the needs of our rural residential and commercial customers," Tracy said. "Investments such as these will essentially improve the quality of life in our rural areas."

USDA is investing in 17 projects through the <u>Electric Loan Program</u> in Arkansas, Arizona, Georgia, Kentucky, Michigan, Minnesota, Mississippi, Missouri, North Carolina, North Dakota, South Carolina, South Dakota, Texas, Utah, Virginia and West Virginia. This funding will help build and improve 3,741 miles of line to improve electric reliability and resilience in rural areas. In Tennessee:

 The Gibson Electric Membership Corporation received a loan for \$50 million to build and improve 272 miles of line and invest \$16.5 million in smart grid technologies to improve system efficiencies and resiliency. Gibson EMC serves approximately 39,000 residential and commercial customers over 3,500 miles of line in Tennessee and Kentucky.

In April 2017, President Donald J. Trump established the Interagency Task Force on Agriculture and Rural Prosperity to identify legislative, regulatory and policy changes that could promote agriculture and prosperity in rural communities. In January 2018, Secretary Perdue presented the Task Force's findings to President Trump. These findings included 31 recommendations to align the federal government with state, local and tribal governments to take

advantage of opportunities that exist in rural America. Increasing investments in rural infrastructure is a key recommendation of the task force.

To view the report in its entirety, please view the <u>Report to the President of the United States</u> <u>from the Task Force on Agriculture and Rural Prosperity</u> (PDF, 5.4 MB). In addition, to view the categories of the recommendations, please view the <u>Rural Prosperity infographic</u> (PDF, 190 KB).

USDA Rural Development provides loans and grants to help expand economic opportunities and create jobs in rural areas. This assistance supports infrastructure improvements; business development; housing; community facilities such as schools, public safety and health care; and high-speed internet access in rural areas. For more information, visit www.rd.usda.gov/tn.

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