

U.S. Department of Agriculture 1400 Independence Ave, SW Washington, DC 20250 www.usda.gov

News Release

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USDA Invests \$1.4 Billion in Rural Electric Infrastructure Improvements in 21 States

Investments will Benefit 1.5 million Residents and Businesses

WASHINGTON, Nov. 1, 2019 – U.S. Secretary of Agriculture Sonny Perdue today announced that the <u>U.S. Department of Agriculture (USDA) is investing \$1.4 billion in projects in 21 states to build and improve rural electric infrastructure.</u>

"Modern and reliable electric infrastructure has been a cornerstone to rural prosperity since the Rural Electrification Act of 1936," Secretary Perdue said. "This funding we are providing is critical to rural communities and reflects President Trump's commitment to increasing prosperity across all of rural America. When rural America thrives, all of America thrives."

Background:

USDA is providing financing through the <u>Electric Loan Program</u>. It will help build and improve 6,886 miles of line to strengthen reliability in rural areas. The loans include \$255.8 million for investments in smart grid infrastructure that uses digital communications technology to detect and react to local changes in electricity usage.

Among the loans announced today, Georgia's Sawnee Electric Membership Corporation is receiving \$229 million to connect 25,650 customers, and build and improve 1,275 miles of distribution line to enhance system resilience and reliability. Sawnee serves nearly 180,000 customers in seven counties north of Atlanta.

The Haywood Electric Membership Corporation, which serves about 27,000 members in three southern states, is receiving a \$24 million loan to connect 1,800 customers, build and upgrade 58 miles of distribution line, and build four miles of transmission line. The loan includes \$750,000 to finance smart grid technologies. Haywood provides electric service to eight counties in Western North Carolina, and to portions of two counties in northeastern Georgia and South Carolina.

Florida's Peace River Electric Cooperative is receiving a \$25.2 million loan to connect 3,988 customers; build and upgrade 103 miles of line; build and improve substations, switching

stations and metering points; and replace 30 transmission poles. Peace River serves about 43,000 residential and small commercial customers over 3,704 miles of line in central Florida.

USDA announced investments today in Arkansas, Colorado, Florida, Georgia, Indiana, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, New Mexico, North Carolina, Ohio, Oregon, South Carolina, South Dakota, Tennessee, Texas, Vermont and Wisconsin. USDA will make additional funding announcements in coming weeks.

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> from the <u>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.

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