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USDA Awards \$8 Million to Help Reduce High Energy Costs in Remote Rural Areas

WASHINGTON, Sept. 16, 2015 - Agriculture Secretary Tom Vilsack today awarded nine grants to help reduce energy costs for residents in remote rural areas where the cost of producing electricity is extremely high.

"The High Energy Cost Grant Program is one more approach USDA is taking to deliver cleaner, more cost-effective energy sources across the country," Vilsack said. "Energy conservation programs like this help improve the environment by reducing carbon emissions and the use of fossil fuels. In addition, when businesses and families spend less on fuel and electricity, they have more money to invest in local businesses. The grants we are announcing today will help create jobs and benefit entire rural communities."

USDA is providing \$7.9 million through the [High Energy Cost Grant](#) program, which is administered by USDA's Rural Utilities Service.

High Energy Cost Grants may be used to improve energy generation, transmission or distribution facilities in communities where the average residential cost for home energy exceeds 275 percent of the national average. Grants are available to businesses, non-profit groups, states, local governments and federally recognized Indian tribes.

Funding for each grant is contingent upon the recipient meeting the conditions of the grant agreement. The grantees are:

Alaska

- Alaska Native Tribal Health Consortium - \$426,916 to retrofit sanitation systems and train operators in the eight communities of Napaskiak, Nunapitchuk, Chefornak, Nightmute, Tuntutuliak, Newtok, Teller and Tununak. These communities have no road access, high energy costs and struggling economies. The project will increase energy efficiency by upgrading interior and exterior lighting; installing new controls for heating systems and laundry services, new controls for water storage and pumping; and making weatherization improvements.
- Puvurna Power Company - \$857,920 to integrate a 200 kilowatt lithium ion-based battery energy storage system into the wind-diesel power system in Kongiganak, Alaska. This project will lower fuel consumption by up to 20,000 gallons per year and save the community about \$92,000 annually.
- Ipnatchiaq Electric Utility - \$175,071 to 1) bring electricians to Deering for five weeks; 2) replace three deteriorated poles; 3) replace insulator caps; 4) repair the distribution system and 5) train staff at the utility to operate and maintain the system. The Ipnatchiaq Electric Utility is in Deering, Alaska, on the Kotzebue Sound at the mouth of the Immachuk River, 57 miles southwest of Kotzebue. The 122 residents are predominantly Alaska Native (Inupiat Eskimo).

Arizona

- Hualapai Tribe - \$1,881,130 to build an electrical transmission line from Grand Canyon West to a substation operated by UniSource Energy Services. The project will reduce the cost of electricity from 46 cents per kilowatt hour to 8 cents per kilowatt hour. Lowering energy costs will make housing more affordable for workers who commute to Grand Canyon West.

Hawaii

- Switching Gears, LLC - \$500,000 to install three 110 kilowatt wind turbines in the North Kohala District on the big island of Hawaii. The turbines will lower the overall cost for electricity in this community.
- Heritage Ranch, Inc. - \$896,450 to provide equipment and technical assistance for a solar energy network that will serve 255 native Hawaiian in Milolii, in a remote southwest corner of the big island of Hawaii. The community is one of a few traditional fishing villages in Hawaii. It has no utility-provided electricity and no potable water. Residents pay high rates to have fuel and water delivered. This project will provide solar power for electricity, refrigeration and cooking, and a solar distillation kit to procure safe drinking water.

Northern Mariana Islands

- Commonwealth Utilities Corporation - \$382,000 to improve the power distribution grid by replacing 63 pole-mounted electric transformers. The project also will create a more efficient power grid.
- Pacific Wind and Solar, LLC - \$1,359,489 to install a 3.0 kW kilowatt solar panel array at the homes of households assisted by the Northern Marianas Housing Corporation on Saipan. Each home will have twelve, 250W commercial-grade solar panels.

South Dakota

- Sacred Power LLC - \$1,406,975 to install wind turbines that will provide energy at homes in the St. Francis community within the Rosebud Sioux. Each household system will include a 1.8 kilowatt Pika T701 wind turbine, and one Pika X3001 inverter to condition the power for the grid.

Since the start of the Obama Administration, USDA has provided 52 grants totaling \$64 million benefitting communities burdened by high fuel costs in 12 states, two U.S. territories and two areas of the Western Pacific.

President Obama's plan for rural America has brought about historic investment and resulted in stronger rural communities. Under the President's leadership, these investments in housing, community facilities, businesses and infrastructure have empowered rural America to continue leading the way - strengthening America's economy, small towns and rural communities.

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