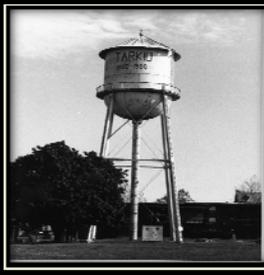




WATER AND ENVIRONMENTAL PROGRAMS

**Annual Activity
Report
Fiscal Year 2012**





FROM THE DESK OF THE ADMINISTRATOR

Water and wastewater facilities are vital to the health, safety and economic success of rural communities. During fiscal year (FY) 2012, the Department of Agriculture's Rural Development infrastructure investment has improved rural economies through delivery of vital utility services, creating jobs and building stronger communities that are better able to grow and attract new business.

Yet, too many rural communities still lack adequate water and wastewater systems. Even as we witness a growing demand for infrastructure services nationwide, we understand the challenges of providing assistance to rural areas without access to essential water and wastewater services. Innovative program delivery through increased focus on priorities, better use of technology and the promotion of system partnerships to leverage economies of scale are among the methods Rural Utilities Service (RUS), a Rural Development agency, has employed to continue to improve the quality of life for those who live and work in rural areas.

During FY 2012, RUS invested over \$1.4 billion in 845 water and wastewater projects in rural areas nationwide. Not only is reliable access to clean water necessary for rural communities to grow and prosper, but the design and construction of rural utility systems brings jobs and economic growth.

Continuing the commitment made in 2011 to focus on funding the smallest, most economically challenged communities, Rural Development invested \$221 million in persistent poverty counties in 21 states during FY 2012 to improve health, safety and economic viability in these areas. Over \$38.5 million funded technical assistance and training activities. This investment in water and wastewater expertise provides rural communities with the skills and knowledge for sustainable systems.

As we approach the deadline for completion of projects awarded funds under the American Recovery and Reinvestment Act of 2009, rural residents are already receiving the benefits of new or improved water and waste systems. In addition to cleaner water and improved service, these projects will play a role in providing long-term benefits in rural areas.

Rural Development's Water and Environmental Program (WEP) is the only federal program exclusively dedicated to serving the needs of small rural areas. The absence of clean water is not just an obstacle to growth and economic development, but a threat to the very survival of rural communities. By addressing these challenges, rural water systems play a key role in growth and prosperity of their communities.

In the year ahead we will continue our efforts to create sustainable communities through sustainable infrastructure and best practices. We will also work to better target our technical assistance and investments to reach traditionally underserved and economically challenged rural areas. We will continue to build-out and fund new and improved infrastructure that will facilitate business and manufacturing opportunities in rural areas. And we will work with our partners to assist rural systems in their efforts to reduce costs, efficiently use energy and water and maintain sustainability well into the future. The connection between Rural Development and rural communities is strong because of the mutual dedication and focus toward improving the quality of life in rural America. We look forward to working with those who live and work in these rural communities for years to come.

John Padalino

Acting Administrator

USDA, Rural Development, Rural Utilities Service

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Water and Environmental Programs

Through Rural Development (RD) Water and Environmental Programs (WEP), rural communities obtain the technical assistance and financing necessary to develop drinking water and waste disposal systems. Safe drinking water and sanitary waste disposal systems are vital not only to public health, but also to the economic vitality of rural America. Rural Development is a leader in helping rural America improve the quality of life and increase the economic opportunities for rural people.

WEP provides funding for the construction of water and waste facilities in rural communities and is proud to be the only Federal program exclusively focused on rural water and waste infrastructure needs of rural communities with populations of 10,000 or less. WEP is administered through National Office staff in Washington, DC, and a network of field staff. The network of 47 Rural Development State offices, supported by area and local offices, delivers the programs in the states and U.S. territories. The staff works closely with program participants, their project engineers, and state regulatory agencies to ensure that projects are reasonable, affordable, and based on commonly accepted engineering practices.

Project funding is provided through the Water and Waste Disposal (WWD) Loan and Grant Program. This program is a needs-based program, where loan and grant are combined based on a strict underwriting process to keep rates reasonable for rural residents. In order to receive funding from WEP, applicants must demonstrate their need for Federal assistance by showing that they cannot obtain credit from commercial lenders or investors, and that they have urgent needs for water or wastewater improvements.

The WWD Loan and Grant Program has been recognized by OMB as one of the most effective lending programs in the Federal Government. The program has a strong underwriting process and a delinquency rate below 1 percent. The majority of funding (approximately 70 percent) is issued as direct loans and is repaid with interest.

If funding cannot be obtained through the WWD Loan and Grant Program, WEP staff will assist communities in exploring project funding options and technical assistance through other programs. WEP also provides funding to organizations that provide technical assistance and training to rural communities in relation to their water and waste activities.



Tyrone Wastewater Project groundbreaking, New Mexico: Terry Brunner, USDA State Director; Tyrone Property Owners Assoc. Board of Directors – Earth Day 2012



City of Hiawatha, Kansas: L.D. Kent Evans, KS Community Programs Director; Mayor Crosby Gernon, Mayor of City of Hiawatha; City of Hiawatha employees; USD #415 Hiawatha HS Horticulture students; USD #415 District Staff – Earth Day 2012

FY 2012 Funding and Accomplishments

Area	Program	Funds	No. of Projects
Regular Program	Direct	\$1,305,733,076	662
	Guaranteed	\$8,293,784	6
	Subtotal	1,314,026,860	668
Technical Assistance	Circuit Rider	\$16,091,912	1
	SWM	\$3,400,000	34
	TAT	\$19,073,734	16
	Subtotal	38,565,646	51
Special Initiatives	Alaska	\$28,054,558	4
	Alaska – PPG	\$1,301,250	3
	Colonias	\$24,927,620	16
	Hawaiian Homelands	\$0	0
	Native American	\$15,863,293	15
	PPG	\$305,075	16
	SEARCH	\$633,707	26
	Revolving Fund	\$497,000	1
	Water Well	\$788,340	5
	Subtotal	72,370,843	86
Emergency	ECWAG	\$3,137,000	12
	Subtotal	3,137,000	12
Other Agencies	ARC	\$14,076,500	28
	Subtotal	14,076,500	28
TOTALS		\$1,442,176,849	845

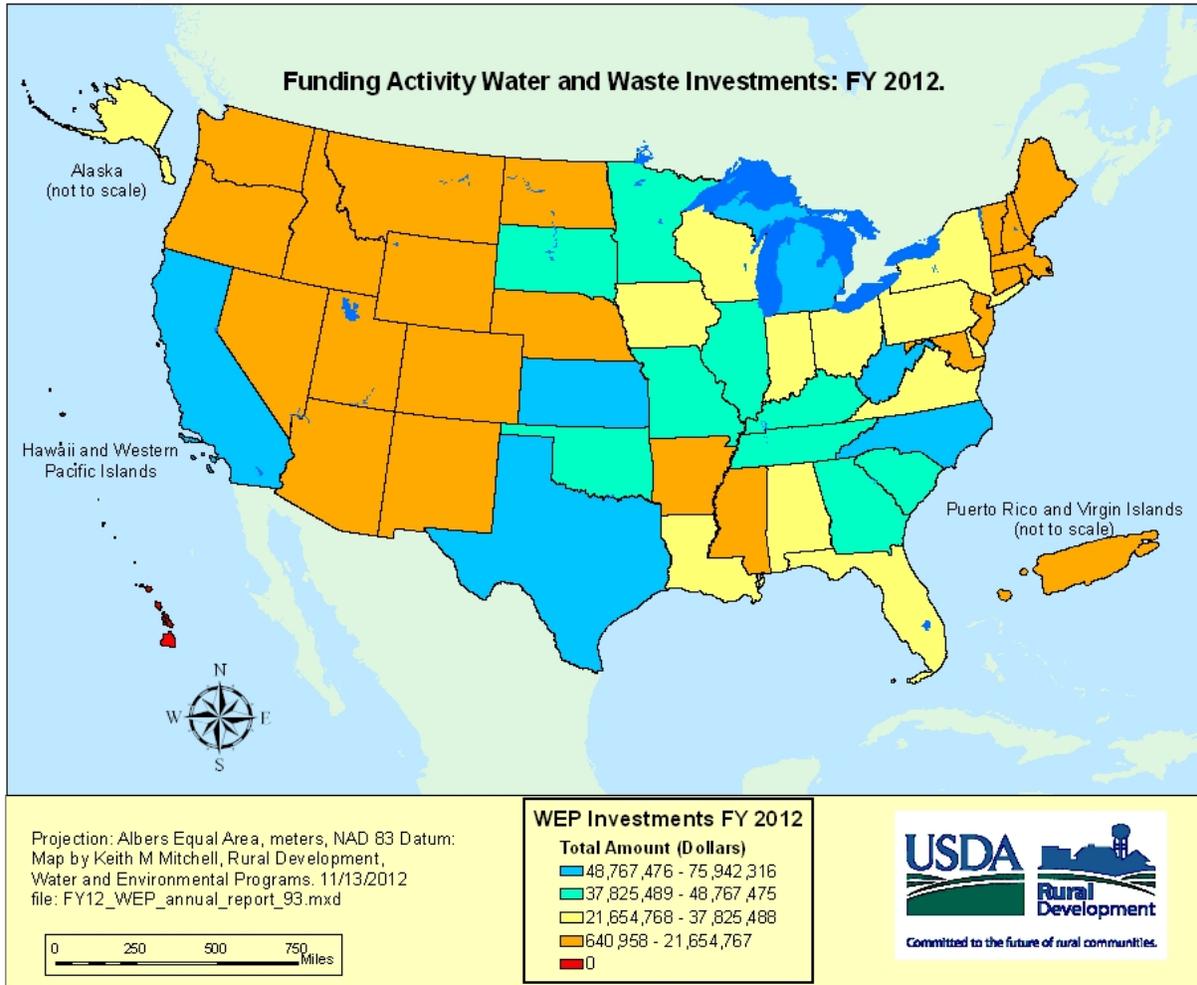
FY 2012 Funding Activity Highlights

In FY 2012 WEP invested \$1.4 billion in direct and guaranteed loans and grants to provide technical assistance and to help rural communities develop 845 water and waste disposal projects that have helped safeguard the health of 2,455,997 rural residents. The majority of funds provided through the direct loan and grant program, 72 percent, were in the form of loans. These investments will provide safe, affordable water, sewer, and waste disposal services to rural communities.

Funding activities included:

- *\$1.3 billion in WWD direct loans and grants made to develop 662 projects, including \$221 million for 109 projects in persistent poverty counties in 21 states*
- *\$72 million assisted 86 projects in disadvantaged communities*
- *\$3.1 million funded 12 projects in communities qualifying for emergency assistance*
- *\$38.5 million funded 51 grants to technical assistance providers*
- *94,286 technical assistance calls were completed by Drinking Water and Wastewater Circuit Riders*
- *\$8.3 million in guaranteed loans*
- *28 projects administered for partner organizations*
- *\$788,340 for Individually-Owned Water Well Systems Grants*
- *\$497,000 for Water and Wastewater Revolving Fund Grants*
- *\$1.6 million for 9 Predevelopment Planning Grants to assist in preparing applications for WEP funds*
- *\$633,707 for 26 Special Evaluation Assistance for Rural Communities and Household program.*
- *92.34% percent of systems were classified as sustainable*
- *Maintained a less than 1 percent delinquency rate on the portfolio of more than 18,000 loans*

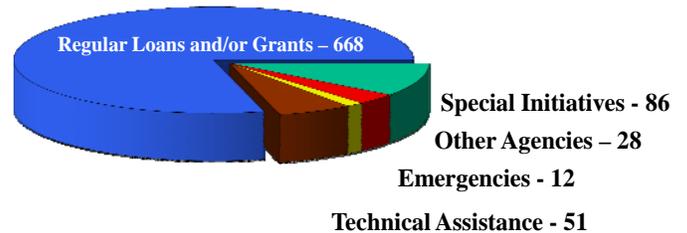
FY 2012 Map of Annual Funding Activity



Overview of Projects Funded in FY 2012

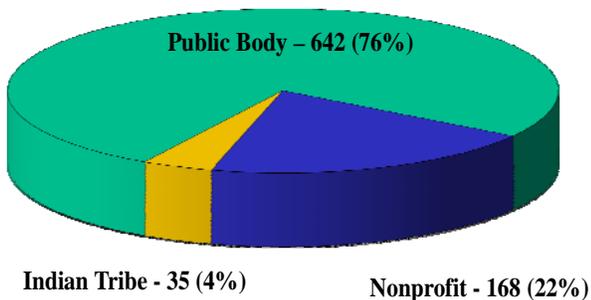
In FY 2012, WEP funded 845 projects for \$1.4 billion. The majority (78 percent) of the projects were funded from the WEP regular loan and grant program. The balance of the projects was funded through several special programs and initiatives. Technical Assistance and Training grants and Solid Waste Management grants were made to 51 grantees. Twelve applicants received funds set aside to assist water systems with emergency conditions. Through agreements with the Appalachian Regional Commission, WEP provided funding for and/or administered 28 projects. And through special initiatives such as Colonias and Native American, 86 projects received set aside funds.

WEP FY 2012 Projects



Total Projects = 845

WEP Projects - FY 2012 by Recipient Type



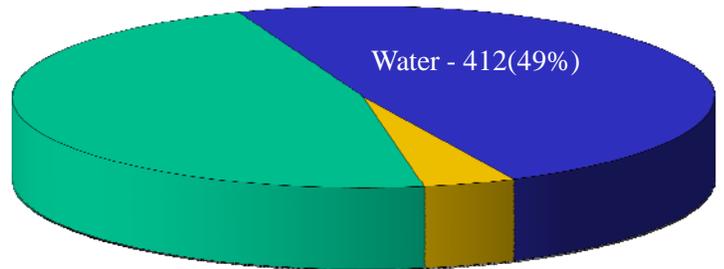
The three categories of eligible applicants are public bodies, Indian tribes and nonprofit organizations. Public bodies made up the largest portions of FY 2012 borrowers at 76 percent. Nonprofit organizations accounted for 20 percent of the borrowers and the balance of 4 percent was from Indian tribes.

Public body projects tend to be about 50 percent larger than nonprofit projects. Two possible reasons are the increased demand for fire protection in public body water systems and more wastewater systems for public bodies. These wastewater systems are usually more costly than drinking water systems on a per user basis.

Water and sewer projects make up the bulk of WEP infrastructure funding. The ratio of water to sewer projects has remained fairly constant over the past few years.

The 412 water projects represented 49 percent of the projects funded while the 397 wastewater systems accounted for 47 percent. The balance of the projects made improvements to both water and sewer systems.

WEP Projects - FY 2012 by Type

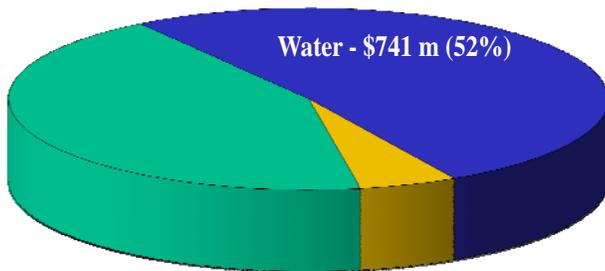


Wastewater - 397 (47%)

Combined - 36 (4%)

Total - 845

WEP Projects - FY 2012 by Funds



Wastewater - \$624 m (43%)

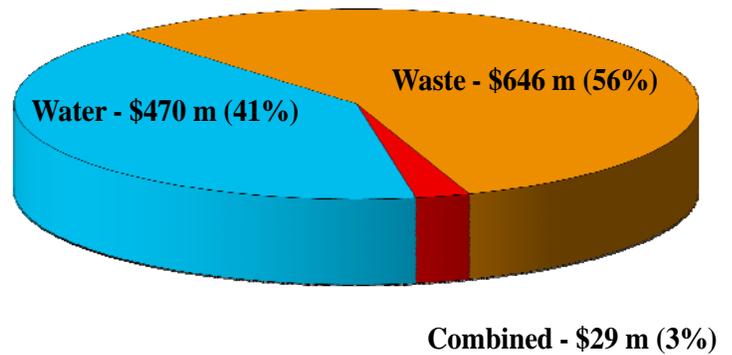
Combined - \$76 m (5%)

Total - \$1.4 billion

We also see the same trend when looking at the \$1.4 billion funding for water and sewer systems. Water projects used \$741 million or 52 percent of WEP funds. Wastewater used \$624 million or 43 percent of WEP funds. The balance of \$76 million or 5 percent was for projects that combined water and sewer systems.

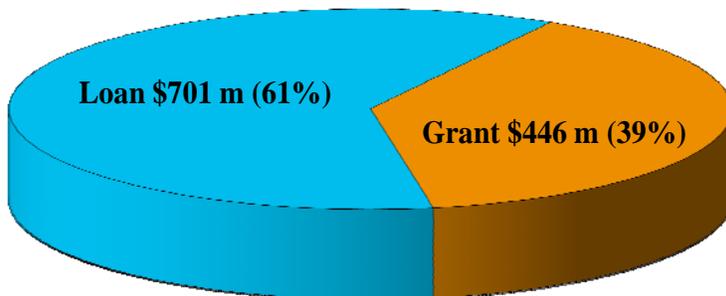
The next series of charts describe the WEP backlog as of September 30, 2012. At the end of FY 2012 there were 350 complete applications representing \$1.2 billion. Demand for USDA financing continues to grow. In addition to the completed applications on hand, the Agency has \$2.5 billion in preliminary applications filed by communities seeking funding. Waste projects make up the majority of the demand.

**WEP Backlog - FY 2012
Amount of Completed Applications
on Hand by Type**



Total - \$1.2 billion as of September 30, 2012

**WEP Backlog - FY 2012
Amount of Completed Applications
on Hand by Funds**



Backlog data from our management information systems indicates a continuing need for water and waste disposal infrastructure in rural areas. Again, it is very close to a 60/40 split with wastewater projects.

Total - \$1.2 billion as of September 30, 2012

Success Stories

Town of Otter Creek, Florida \$30,000 SEARCH Grant

There are more than 160,000 public water systems providing water to almost all Americans at some time in their lives. And millions of Americans receive high quality drinking water every day from their public water systems. But access to quality drinking water cannot be taken for granted. Like many small towns in rural America, the Town of Otter Creek in Levy County, Florida, strives to provide its residents with safe, high quality water.

Unfortunately, for this community of 121 people, poor quality drinking water is a reality. With high levels of trihalomethanes and iron in the water supply, town officials faced a potential health hazard and a lack of financial resources to address the problem. The Town was issued a Consent Order by the Florida Department of Environmental Protection to find a solution for the water quality issue. Given the town's median household income of \$18,000, which is only 45% of the statewide non-metropolitan median household income, and limited town resources, town officials sought assistance to develop a plan toward remedying the situation.

The USDA Rural Development (RD) Special Evaluation Assistance for Rural Communities and Households (SEARCH) grant program, authorized in the 2008 Farm Bill to provide grants for predevelopment, planning design assistance and technical assistance to financially distressed communities with 2,500 or fewer residents, was the kick-start that Otter Creek so desperately needed. In fact, the \$30,000 SEARCH Grant awarded by USDA RD to the Town of Otter Creek was the first such grant awarded in the nation. The SEARCH grant, which will be leveraged with \$10,000 from the Town of Otter Creek, will provide the necessary financial resources for the town to obtain a Preliminary Engineering Report and Environmental Report and to determine the most feasible path for the Town to pursue in solving its water quality problems to ensure that residents are receiving safe, high quality drinking water.



Town of Otter Creek, FL
Water Plant

Community of Lower Kalskag, Alaska \$6,879,155 Rural Alaskan Village Grant

The thought of having to haul a honey bucket, in winter temperatures that drop to -55 °F, is an unpleasant scenario. For some residents in the community of Lower Kalskag, and other rural Alaskan communities, this is a reality. The community of Lower Kalskag, Alaska is remotely located 350 miles west of Anchorage in a persistent poverty area. This small community has a population of around 280, and roughly fifty percent of its homes still lack adequate sanitation systems. The lack of adequate sanitation services is a dire health and safety issue faced daily by residents of this small, remote community. In those households, the individual residents must haul their waste from their homes in honey buckets (five gallon buckets), regardless of the temperature outside.

The community of Lower Kalskag provides a glimpse of the progress and success of the Memorandum of Understanding (MOU) that was executed by USDA-Rural Development (RD) and its partners one June 15, 2011. Those partners, including the Alaska Native Tribal Health Consortium (ANTHC), State of Alaska's Village Safe Water Program, and Indian Health Service, are essential in helping to provide rural Alaskan communities with safe and healthy sanitation systems. Under the MOU, a phased approach is being utilized to successfully get projects moving through to the construction phase.

It is through that phased approach the community of Lower Kalskag has received service from USDA-RD's Rural Alaska Village Grant program (RAVG). In Federal Fiscal Year 2010, the community of Lower Kalskag received a grant from the RAVG program in the amount of \$869,193 to design proposed utility improvements. The design was finalized in early 2012 and allowed the ANTHC, on behalf of Lower Kalskag, to apply for a construction grant. In Fiscal Year 2012, RD awarded a construction grant in the amount of \$6,879,155 to construct wastewater improvements that will serve 34 homes. Due to the phased approach, construction is anticipated to be underway by the summer of 2013.

The effort to retire the use honey buckets in this community, and other rural Alaskan communities, is no small feat. It is an effort among the partners of the RAVG program and the community of Lower Kalskag. The result of those efforts and the grants provided by the USDA-RD's RAVG program will help improve the health safety of community members for generations to come.



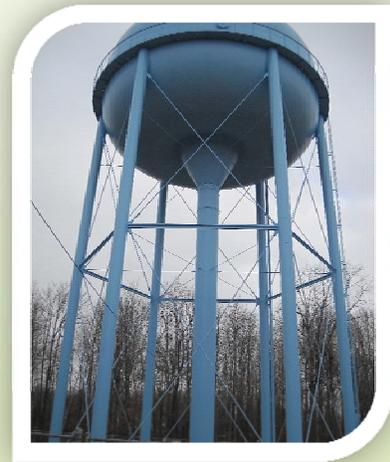
Alaska - Honey Bucket Container

City of Columbiana, Ohio
Direct Loan \$10,204,000
Direct Grant \$4,090,000

The City of Columbiana has a Water Treatment Plant with parts nearly 100 years old. Although the mechanical systems have been maintained, the structure of the facility is failing with roof leaks over electrical panels, one outside wall starting to bow and concrete stress fractures that affect many of the tanks. Based on a field inspection, there is approximately five years of useful life remaining. Due to the age of the motors and pumps, there are no longer manufacturers that make replacement parts so each flange or valve must be custom designed and fitted. In some instances the City has used fire trucks to fill the water towers when repairs cannot be made within a 24 hour period. The current well field is spread out with wells one, two, and three several miles from the Plant. Due to the numerous physical problems, the entire facility could be labeled a health and safety hazard.

Rural Development funds will be used for the development of a new well field and the construction of a new Water Treatment Plant. These system improvements will replace those that are undersized and outdated. The new systems will provide water to the 5,635 residents in Columbiana.

USDA Rural Development funds were leveraged with a grant from the Ohio Public Works Commission and the City of Columbiana's contribution.



City of Columbiana
Site of new Water Treatment Plant (pictured left)
Water Tower (pictured right)

Otis Mutual Domestic Water Consumers & Sewage Works Association, New Mexico
Direct Loan \$397,000
Colonias Grant \$1,029,000

Otis Mutual Domestic Water Consumers & Sewage Works Association (MDWC&SWA) is a non-profit corporation organized under the New Mexico Sanitary Projects Act. They provide water service to the unincorporated community known as Otis, Due to inadequate infrastructure, substandard housing, and other objective criteria; Otis was declared a Colonia by Eddy County.

Otis Water Cooperative was formed in 1965 to provide potable water to an initial 50 Association members. The Co-op was reorganized as a Mutual Domestic Water Consumers and Sewage Works Association (MDWC&SWA) in 2006. The Association owns seven water supply wells with four of those being operational. Well #1 has been abandoned due to poor water quality. Wells were drilled in 1957 - 2006. They have 3 storage tanks, chlorination system and distribution system.

The proposed project consists of improvements to transfer Well #7 to Municipal use, purchase a new 100 HP 600 GPM submersible pump, install new 10" water main to existing main storage tank, connect Well #6 to distribution main and install a new 500,000 gallon welded steel tank, booster pump with building and related appurtenances. The improvements will be used in conjunction with the existing system.

The improvements will help address issues due to the age of the system. Currently, the water system has 1,623 service connections. Although the Association owns and uses four good producing wells, recent droughts have exposed their connection to rain fall and vulnerability to drought conditions. Three of the wells are nested close together and the Association would like to develop two more wells near the fourth well which is located east of the nested wells. This will provide the utility with the security of drawing water from two separate water bearing zones. USDA Rural Development funds were leveraged with a State Legislative Grant of \$55,230.



Otis MDWC&SWA, NM

Loan Portfolio

The total portfolio of Water and Environmental Programs as of September 30, 2012, included 8,186 borrowers, 17,760 loans, and \$11,962,947,549 in unpaid principal.

WEP PORTFOLIO AS OF SEPTEMBER 2012

Type of Borrower	Borrowers	Loans	Unpaid Principal
Water	5,659	11,812	\$7,468,236,000
Sanitary Sewer	3,464	5,574	\$4,284,406,000
Solid Waste	112	132	\$105,446,000
Storm Drainage	32	36	\$14,387,000
RC&D	0	0	\$0
Watershed and Flood Prevention	79	137	\$16,285,000
Guaranteed	54	69	\$74,187,549
TOTALS	*8,186	17,760	\$11,962,947,549

* The numbers in the borrower column do not total as a borrower may have loans in multiple categories.

Portfolio Performance

The WEP portfolio remains strong, maintaining a delinquency rate well below one percent. WEP's servicing activities provide a path forward for borrowers who may find themselves in difficult financial situations, leaving write-offs of loans as a last resort. The WEP portfolio Loans written off since the inception of the program are approximately one tenth of 1 percent. Since the first loan made in 1940, 69 loans have been written-off at a \$30,128,314 loss to the government. It should be noted that there were no loans written-off during FY 2012 thus the loss to the government since inception of the program remained at the same level as FY 2011. This figure is extremely small in comparison to the total principal loaned since inception of the program of \$31 billion.

Borrower's Payments

During FY 2012, Pre-Authorized Debit (PAD) proved to be one of the most effective direct payment processes for WEP borrowers. The system allows loan payments to be electronically withdrawn from borrowers' bank accounts on the day the payment is due. PAD has reduced the time required to process payments and has allowed for more timely application of payments to the borrowers' accounts. It has significantly helped reduce the number of delinquent loans. It has also saved our borrowers time and money in

processing payments. By the end of FY 2012, approximately 81.5 percent of the borrowers were utilizing PAD.

Repayment of Loans

In FY 2012 WEP collected over \$1.1 billion in principal and interest payments. Approximately \$409 million of the funds collected was received from interest payments.

WEP Collections in FY 2012	
	Principal and Interest
Loan Payments	\$648,248,293
Loans Fully Paid	\$481,399,782
Total	\$1,129,648,075

Customer Assistance – A Local Service Approach

Advice and assistance is provided to the applicants and borrowers throughout the loan making, construction, and system management and maintenance processes. For many rural systems, the projects financed through WEP may be the first experience board members or town councils have with financing and managing a public utility. Assistance to Rural Development customers is enhanced through the work of circuit riders and other technical assistance providers funded through the program.

Technical Assistance Programs

The Technical Assistance and Training Grant Programs provide grant funds to private, non-profit organizations to offer technical assistance to rural utility systems with populations of 10,000 or less. This technical assistance consists of identifying and evaluating solutions to water problems of associations in rural areas relating to source, storage, treatment, and/or distribution of drinking water; identifying and evaluating solutions to waste problems of associations in rural areas relating to collection, treatment, and/or disposal; providing technical assistance/training to association personnel that will improve the management, operation, and maintenance of water and waste facilities; providing assistance in restoring water and waste services after a natural or man-made caused disaster; and assisting in the preparation of water and/or waste disposal loan and/or grant applications.

The Circuit Rider Contract provides on-site technical assistance to RD eligible systems in the following areas: operation and maintenance, treatment, compliance, construction, financial sustainability management, vulnerability assessments and emergency response plans, and general management and board training. The contract also provides that in the event of a natural disaster or an emergency, the circuit riders from non-affected states may be detailed to the affected area(s) in order to re-establish utility services as quickly as possible. Circuit riders work alongside the rural system officials and operators to assist them in solving their own problems.

The Solid Waste Management Grant Program provides grant funds to private, non-profit organizations and public bodies to offer technical assistance and/or training to rural small communities (10,000 or less in population) to reduce the solid waste stream through reduction, recycling, and reuse. The program also provides training to enhance operator skills in maintaining and operating active landfills and provides technical assistance and/or training for operators of landfills which are closed or will be closed in the near future with the development and/or implementation of closure plans, future land use plans, safety and maintenance planning, and closure scheduling within permit requirements. Grant funds may also be used to evaluate current landfill conditions to determine the threats to water resources. The technical assistance provided by these grant funds are targeted towards the smaller rural communities with populations under 2,500 and lower income rural communities with Median Household Incomes (MHI) under 80 percent of the State Non-Metropolitan Household Income (SNMHI).

Graduation

Borrowers are required to refinance (graduate) to other credit when they can obtain the needed funds from commercial sources at reasonable rates and terms. Borrowers are reviewed every other year after the initial loan is six-years old to determine whether they can refinance with commercial credit sources. Those borrowers determined able to refinance are asked to work with other credit sources in acquiring loans at reasonable rates and terms to pay off their debt to the government. Generally, borrowers are required to refinance only when they can maintain reasonable user rates. In FY 2012, WEP far exceeded the graduation goal of 5% by actually graduating 13.76% of the eligible borrowers.

Long-term Goals

In addition to the annual goals set for the program, WEP is actively working toward two long term goals, exposure and sustainability. In FY 2012, WEP set a goal to have 1,394,000 people receive new and improved water and wastewater services. This goal was exceeded by exposing 2,455,997 customers to new and improved water and wastewater services through our program borrowers. The program has also worked toward the goal of having 90 percent of all water and wastewater systems in rural communities financially sustainable by 2012 based on several key financial ratios. As of September 30, 2012, WEP achieved 92 percent sustainability. WEP continues to work toward exceeding this goal by providing additional financial analysis training to staff for use in analyzing existing borrowers to determine their system's sustainability.

WWD Regular Loan and Grant Program

State	FY 2011		FY 2012	
	Loan	Grant	Loan	Grant
ALABAMA	\$27,059,007	\$13,346,200	\$19,277,630	\$15,033,248
ALASKA	\$1,716,000	\$2,766,000	\$0	\$2,616,843
ARIZONA	\$6,721,388	\$5,780,188	\$5,647,048	\$5,591,775
ARKANSAS	\$47,899,000	\$5,219,800	\$9,009,000	\$5,922,800
CALIFORNIA	\$29,113,000	\$13,028,176	\$56,754,000	\$8,210,896
COLORADO	\$9,951,300	\$3,901,000	\$9,053,000	\$4,033,910
CONNECTICUT	\$7,867,000	\$2,883,600	\$8,023,000	\$2,601,250
DELAWARE	\$7,127,000	\$2,246,000	\$24,042,000	\$3,187,959
FLORIDA	\$21,996,000	\$11,200,000	\$20,211,600	\$9,270,170
GEORGIA	\$20,565,600	\$15,029,740	\$26,860,980	\$13,659,325
HAWAII	\$2,188,000	\$0	\$0	\$0
IDAHO	\$8,962,000	\$3,810,775	\$15,753,000	\$3,900,801
ILLINOIS	\$32,516,000	\$9,215,450	\$31,790,000	\$10,956,950
INDIANA	\$26,103,400	\$8,896,000	\$23,146,000	\$9,693,000
IOWA	\$14,970,300	\$9,257,000	\$13,287,860	\$10,867,923
KANSAS	\$12,262,500	\$3,394,203	\$42,580,570	\$12,921,600
KENTUCKY	\$41,844,000	\$13,729,000	\$31,849,000	\$12,983,200
LOUISIANA	\$21,285,000	\$9,250,448	\$17,448,200	\$7,222,000
MAINE	\$9,284,500	\$5,290,000	\$8,059,000	\$4,667,000
MARYLAND	\$14,269,000	\$4,580,663	\$9,021,000	\$3,535,800
MASSACHUSETTS	\$8,772,000	\$2,720,090	\$9,275,000	\$2,421,640
MICHIGAN	\$55,035,000	\$10,073,000	\$65,230,000	\$9,224,000
MINNESOTA	\$22,966,000	\$8,178,000	\$23,096,000	\$13,582,000
MISSISSIPPI	\$31,950,079	\$18,438,653	\$11,837,300	\$5,529,830
MISSOURI	\$28,362,900	\$9,317,020	\$34,625,600	\$9,014,840
MONTANA	\$7,537,000	\$5,678,670	\$9,107,000	\$6,405,000
NEBRASKA	\$11,500,000	\$5,280,000	\$11,275,000	\$3,280,000
NEVADA	\$8,329,681	\$2,882,527	\$747,000	\$0
NEW HAMPSHIRE	\$4,558,000	\$3,142,000	\$6,616,000	\$5,477,000
NEW JERSEY	\$11,355,000	\$5,925,100	\$12,952,800	\$3,371,000
NEW MEXICO	\$9,154,119	\$3,532,000	\$4,843,000	\$2,897,920
NEW YORK	\$23,789,000	\$16,638,200	\$26,979,000	\$9,228,000
NORTH CAROLINA	\$36,671,492	\$14,066,000	\$40,091,000	\$11,560,923
NORTH DAKOTA	\$2,750,300	\$3,195,000	\$12,759,749	\$5,693,500
OHIO	\$25,705,000	\$11,015,000	\$25,875,000	\$9,680,616
OKLAHOMA	\$33,334,450	\$5,717,046	\$15,556,180	\$5,587,300
OREGON	\$8,018,242	\$2,024,140	\$2,797,300	\$2,004,320
PENNSYLVANIA	\$44,824,300	\$10,290,100	\$25,304,300	\$10,680,000
PUERTO RICO	\$9,292,000	\$3,305,000	\$8,747,325	\$3,491,687
RHODE ISLAND	\$2,131,000	\$1,739,000	\$940,000	\$1,263,750
SOUTH CAROLINA	\$32,423,600	\$12,138,000	\$33,248,292	\$12,425,500
SOUTH DAKOTA	\$20,632,000	\$19,251,227	\$11,868,500	\$24,310,000
TENNESSEE	\$34,678,000	\$12,859,600	\$34,890,000	\$10,051,475
TEXAS	\$44,382,000	\$14,366,300	\$34,814,400	\$13,244,946
UTAH	\$2,282,000	\$2,525,800	\$3,562,000	\$5,875,909
VERMONT	\$8,945,000	\$3,677,000	\$3,563,000	\$2,606,738
VIRGIN ISLANDS	\$0	\$0	\$0	\$0
VIRGINIA	\$42,989,900	\$10,762,500	\$28,200,600	\$8,001,000
WASHINGTON	\$17,480,500	\$5,160,000	\$9,660,400	\$888,000
W. PACIFIC AREAS	\$0	\$0	\$0	\$0
WEST VIRGINIA	\$15,943,400	\$4,839,000	\$41,624,500	\$9,829,370
WISCONSIN	\$30,378,600	\$6,568,530	\$21,868,850	\$6,821,420
WYOMING	\$871,500	\$151,000	\$407,000	\$233,958
TOTALS	\$1,000,742,058	\$378,279,746	\$944,174,984	\$361,558,092

Guaranteed Water & Waste Loans

State	2011	2012
KANSAS	\$0	\$2,000,000
MISSOURI	\$0	\$1,400,000
MONTANA	\$423,200	\$0
NORTH CAROLINA	\$4,500,000	\$1,983,000
OHIO	\$11,000,000	\$0
TEXAS	\$0	\$2,910,784
WASHINGTON	\$16,000,000	\$0
TOTALS	\$31,923,200	\$8,293,784

Native American Grants

State	2011	2012
ARIZONA	\$1,000,000	\$1,000,000
CALIFORNIA	\$999,550	\$0
IDAHO	\$65,000	\$1,014,000
MICHIGAN	\$1,166,000	\$1,415,000
MINNESOTA	\$1,700,000	\$2,462,000
MONTANA	\$0	\$850,000
NEW MEXICO	\$6,000,000	\$0
NORTH DAKOTA	\$1,000,000	\$3,000,000
SOUTH DAKOTA	\$3,952,773	\$6,122,293
WYOMING	\$999,000	\$0
TOTALS	\$16,882,323	\$15,863,293

Colonias Grants

State	2011	2012
ARIZONA	\$6,354,660	\$6,059,584
CALIFORNIA	\$3,162,603	\$2,413,000
NEW MEXICO	\$8,300,000	\$8,000,230
TEXAS	\$13,909,800	\$8,454,806
TOTALS	\$31,727,063	\$24,927,620

Hawaiian Homeland Grants

State	2011	2012
HAWAII	\$1,513,000	\$0
TOTALS	\$1,513,000	\$0

Emergency Program

State	2011	2012
IDAHO	\$631,000	\$479,000
INDIANA	\$0	\$150,000
MINNESOTA	\$0	\$37,000
MISSOURI	\$103,500	\$150,000
NEBRASKA	\$0	\$500,000
NEW YORK	\$0	\$495,000
OKLAHOMA	\$149,450	\$0
TENNESSEE	\$500,000	\$826,000
TEXAS	\$0	\$500,000
TOTALS	\$1,383,950	\$3,137,000

Appalachian Regional Commission Grants

State	2011	2012
GEORGIA	\$300,000	\$600,000
KENTUCKY	\$3,328,513	\$2,909,000
MARYLAND	\$740,000	\$500,000
NEW YORK	\$150,000	\$150,000
NORTH CAROLINA	\$1,174,692	\$1,288,500
OHIO	\$250,000	\$0
PENNSYLVANIA	\$650,000	\$379,000
TENNESSEE	\$2,375,104	\$3,000,000
VIRGINIA	\$500,000	\$1,000,000
WEST VIRGINIA	\$2,500,000	\$4,250,000
TOTALS	\$11,968,309	\$14,076,500

Predevelopment Planning Grants

State	2011	2012
ALASKA	\$0	\$29,450
CALIFORNIA	\$25,000	\$0
CONNECTICUT	\$22,725	\$43,750
DELAWARE	\$0	\$25,000
FLORIDA	\$39,750	\$24,000
IDAHO	\$25,000	\$25,000
ILLINOIS	\$39,500	\$16,500
INDIANA	\$18,000	\$24,375
MARYLAND	\$25,000	\$25,000
MASSACHUSETTS	\$25,000	\$25,000
MINNESOTA	\$15,000	\$0
MISSOURI	\$34,000	\$13,300
MONTANA	\$25,000	\$0
NEBRASKA	\$0	\$20,000
NEVADA	\$24,750	\$0
NEW HAMPSHIRE	\$18,750	\$0
OKLAHOMA	\$5,400	\$0
RHODE ISLAND	\$15,000	\$0
TEXAS	\$25,000	\$0
UTAH	\$20,000	\$15,000
WASHINGTON	\$0	\$18,700
WYOMING	\$15,000	\$0
TOTALS	\$417,875	\$305,075

Special Evaluation Assistance for Rural Communities and Households (SEARCH)

State	2011	2012
COLORADO	\$0	\$30,000
DELAWARE	\$0	\$10,958
FLORIDA	\$0	\$30,000
IDAHO	\$0	\$61,500
ILLINOIS	\$0	\$40,000
INDIANA	\$0	\$30,000
MARYLAND	\$0	\$43,500
MINNESOTA	\$0	\$53,000
MISSOURI	\$0	\$23,100
MONTANA	\$0	\$116,649
NEBRASKA	\$0	\$30,000
NEW HAMPSHIRE	\$0	\$25,000
TEXAS	\$0	\$90,000
WISCONSIN	\$0	\$50,000
TOTALS	\$ 0	\$633,707

The purpose of the SEARCH grant program

Is to provide financial assistance to the neediest, eligible communities, who lack financial resources to pay for feasibility studies, design assistance and technical assistance.

FY 2012 is the first year WEP has obligated SEARCH grants.

Solid Waste Management Grants

State	2011	2012
ALASKA	\$790,700	\$715,080
ARIZONA	\$186,818	\$121,038
ARKANSAS	\$0	\$67,298
CALIFORNIA	\$208,700	\$160,704
FLORIDA	\$25,800	\$0
ILLINOIS	\$0	\$15,094
INDIANA	\$0	\$55,783
KANSAS	\$63,500	\$0
KENTUCKY	\$0	\$95,798
MAINE	\$245,100	\$328,008
MASSACHUSETTS	\$308,300	\$306,068
MICHIGAN	\$89,300	\$73,316
MINNESOTA	\$0	\$95,366
MONTANA	\$88,100	\$75,523
NEVADA	\$191,300	\$0
NEW HAMPSHIRE	\$151,400	\$279,443
NEW YORK	\$296,000	\$0
NORTH CAROLINA	\$96,300	\$109,098
NORTH DAKOTA	\$20,600	\$201,518
OHIO	\$91,900	\$72,884
OKLAHOMA	\$0	\$82,160
PENNSYLVANIA	\$285,300	\$0
PUERTO RICO	\$0	\$95,798
SOUTH CAROLINA	\$97,600	\$0
VERMONT	\$0	\$217,040
VIRGINIA	\$0	\$143,298
WASHINGTON	\$0	\$89,685
WEST VIRGINIA	\$144,600	\$0
TOTALS	\$3,381,318	\$3,400,000

Technical Assistance and Training Grants

State	2011	2012
ALASKA	\$919,100	\$919,200
ARIZONA	\$400,000	\$592,990
ARKANSAS	\$0	\$270,344
CALIFORNIA	\$141,397	\$167,900
IOWA	\$44,400	\$0
KENTUCKY	\$0	\$100,000
MAINE	\$169,000	\$93,400
MARYLAND	\$5,988,000	\$5,750,000
NEVADA	\$100,000	\$207,000
NEW MEXICO	\$798,400	\$0
NEW YORK	\$198,200	\$172,900
OKLAHOMA	\$9,800,000	\$10,000,000
SOUTH CAROLINA	\$215,400	\$0
WEST VIRGINIA	\$780,000	\$800,000
TOTALS	\$19,553,897	\$19,073,734

Grants for Water & Wastewater Revolving Fund

State	2011	2012
ARKANSAS	\$248,000	\$0
CALIFORNIA	\$0	\$497,000
OKLAHOMA	\$248,000	\$0
TOTALS	\$496,000	\$497,000

Individually-Owned Water Well System Grants

State	2011	2012
CALIFORNIA	\$150,000	\$0
GEORGIA	\$100,000	\$100,000
ILLINOIS	\$50,000	\$0
OREGON	\$300,000	\$0
VIRGINIA	\$300,000	\$480,590
WISCONSIN	\$150,000	\$207,750
TOTALS	\$1,050,000	\$788,340

All WWD Programs – FY 2012

State	No. of Loans	Loan Amount	No. of Grants	Grant Amount	Total Amount
ALABAMA	16	\$19,277,630	11	\$15,033,248	\$34,310,878
ALASKA	0	\$0	24	\$33,636,381	\$33,636,381
ARIZONA	4	\$5,647,048	9	\$13,365,387	\$19,012,435
ARKANSAS	22	\$9,009,000	16	\$6,260,442	\$15,269,442
CALIFORNIA	18	\$56,754,000	22	\$11,449,500	\$68,203,500
COLORADO	8	\$9,053,000	10	\$4,063,910	\$13,116,910
CONNECTICUT	4	\$8,023,000	6	\$2,645,000	\$10,668,000
DELAWARE	8	\$24,042,000	5	\$3,223,917	\$27,265,917
FLORIDA	8	\$20,211,600	9	\$9,324,170	\$29,535,770
GEORGIA	12	\$26,860,980	11	\$14,359,325	\$41,220,305
HAWAII	0	\$0	0	\$0	\$0
IDAHO	8	\$15,753,000	15	\$5,480,301	\$21,233,301
ILLINOIS	29	\$31,790,000	24	\$11,028,544	\$42,818,544
INDIANA	11	\$23,146,000	10	\$9,953,158	\$33,099,158
IOWA	15	\$13,287,860	17	\$10,867,923	\$24,155,783
KANSAS	30	\$44,580,570	19	\$12,921,600	\$57,502,170
KENTUCKY	24	\$31,849,000	32	\$16,087,998	\$47,936,998
LOUISIANA	9	\$17,448,200	7	\$7,222,000	\$24,670,200
MAINE	10	\$8,059,000	15	\$5,088,408	\$13,147,408
MARYLAND	6	\$9,021,000	12	\$9,854,300	\$18,875,300
MASSACHUSETTS	9	\$9,275,000	11	\$2,752,708	\$12,027,708
MICHIGAN	32	\$65,230,000	17	\$10,712,316	\$75,942,316
MINNESOTA	24	\$23,096,000	29	\$16,229,366	\$39,325,366
MISSISSIPPI	19	\$11,837,300	16	\$5,529,830	\$17,367,130
MISSOURI	27	\$36,025,600	20	\$9,201,240	\$45,226,840
MONTANA	7	\$9,107,000	13	\$7,447,172	\$16,554,172
NEBRASKA	12	\$11,275,000	12	\$3,830,000	\$15,105,000
NEVADA	1	\$747,000	1	\$207,000	\$954,000
NEW HAMPSHIRE	1	\$6,616,000	4	\$5,781,443	\$12,397,443
NEW JERSEY	9	\$12,952,800	6	\$3,371,000	\$16,323,800
NEW MEXICO	10	\$4,843,000	14	\$10,898,150	\$15,741,150
NEW YORK	21	\$26,979,000	24	\$10,045,900	\$37,024,900
NORTH CAROLINA	22	\$42,074,000	21	\$12,958,521	\$55,032,521
NORTH DAKOTA	10	\$12,759,749	9	\$8,895,018	\$21,654,767
OHIO	12	\$25,875,000	10	\$9,753,500	\$35,628,500
OKLAHOMA	8	\$15,556,180	9	\$31,761,372	\$47,317,552
OREGON	2	\$2,797,300	1	\$2,004,320	\$4,801,620
PENNSYLVANIA	12	\$25,304,300	7	\$11,059,000	\$36,363,300
PUERTO RICO	5	\$8,747,325	8	\$3,587,485	\$12,334,810
RHODE ISLAND	5	\$940,000	5	\$1,263,750	\$2,203,750
SOUTH CAROLINA	10	\$33,248,292	7	\$12,425,500	\$45,673,792
SOUTH DAKOTA	12	\$11,868,500	8	\$30,432,293	\$42,300,793
TENNESSEE	25	\$34,890,000	33	\$13,877,475	\$48,767,475
TEXAS	24	\$37,725,184	19	\$22,289,752	\$60,014,936
UTAH	4	\$3,562,000	6	\$5,890,909	\$9,452,909
VERMONT	6	\$3,563,000	9	\$2,823,778	\$6,386,778
VIRGIN ISLANDS	0	\$0	0	\$0	\$0
VIRGINIA	12	\$28,200,600	14	\$9,624,888	\$37,825,488
WASHINGTON	8	\$9,660,400	4	\$996,385	\$10,656,785
WEST VIRGINIA	21	\$41,624,500	19	\$14,879,370	\$56,503,870
WISCONSIN	15	\$21,868,850	18	\$7,079,170	\$28,948,020
W. PACIFIC AREAS	0	\$0	0	\$0	\$0
WYOMING	1	\$407,000	1	\$233,958	\$640,958
TOTALS	628	\$952,468,768	649	\$489,708,081	\$1,442,176,849.00

How to Contact Us

**USDA Rural Utilities Services
Water and Environmental Programs
1400 Independence Avenue, S.W.
Washington, D.C. 20250-1548
Telephone (202) 690-2670, Fax (202) 720-0718**

Visit the WEP website: http://www.rurdev.usda.gov/UWEP_HomePage.html

Visitors will find timely information on:

- ❑ WEP program information and how to apply for assistance
- ❑ Links to processing forms, regulations, State regulatory agencies
- ❑ Technical assistance programs available
- ❑ Training tools and tips on preparing engineering, environmental, and financial feasibility reviews, success stories, etc.
- ❑ Engineering resources for applicants, engineers, consultants, employees
- ❑ Locations of Rural Development State offices and contact information
- ❑ Information on special initiatives and legislative matters
- ❑ Information related to Recovery Act spending can be found at www.recovery.gov
- ❑ Links to technical assistance providers that specialize in drinking water, wastewater, and solid waste management problems for small communities

Acronyms

ARC	<i>Appalachian Regional Commission</i>
ECWAG	<i>Emergency Community Water Assistance Grant</i>
OMB	<i>Office of Management and Budget</i>
PAD	<i>PreAuthorized Debit</i>
PART	<i>Performance Assessment Rating Tool</i>
PPG	<i>Predevelopment Planning Grant</i>
RCAP	<i>Rural Community Assistance Program</i>
REAP	<i>Rural Economic Area Partnership</i>
RUS	<i>Rural Utilities Service</i>
SEARCH	<i>Special Evaluation Assistance for Rural Communities and Households</i>
SWM	<i>Solid Waste Management</i>
TAT	<i>Technical Assistance and Training</i>
WEP	<i>Water and Environmental Program</i>
WWD	<i>Water and Waste Disposal</i>

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