



News Release

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Biden-Harris Administration Makes Historic, \$11 Billion Investment to Advance Clean Energy Across Rural America Through Two New Programs

Funding made possible by the Inflation Reduction Act will support new jobs and healthier communities through clean, affordable energy

MONTPELIER, VT, May 16, 2023 – The Biden-Harris Administration today announced the availability of nearly **\$11 billion in grants and loans** for rural energy and utility providers across the country to bring affordable, reliable clean energy to their communities. It is the largest investment in rural electrification since President Franklin D. Roosevelt signed the Rural Electrification Act into law in 1936. Funding is available through two programs under President Biden’s Inflation Reduction Act:

Empowering Rural America (New ERA) program

\$9.7 billion to eligible rural electric cooperatives for deploying renewable energy systems, zero-emission and carbon capture systems. Rural electric cooperatives, including current and previous USDA borrowers, are eligible for funding. Letters of Interest must be submitted between July 31 and August 31, 2023.

Powering Affordable Clean Energy (PACE) program

\$1 billion in partially forgivable loans to renewable-energy developers and electric service providers, including municipals, cooperatives, and investor-owned utilities to help finance large-scale renewable energy projects. Maximum loan is \$100 million, and loans may be forgiven by 40% of the loan amount. USDA accepting Letters of Interest between June 30, 2023 and September 29, 2023.

“The Biden-Harris Administration’s commitment to cleaner energy provides rural communities with an affordable and reliable power grid, while supporting thousands of new jobs and helping lower energy costs in the future,” **Agriculture Secretary Tom Vilsack** said. “These investments will also combat climate change and significantly reduce air and water pollution that put children’s health at risk. The U.S. Department of Agriculture stands ready to partner with municipalities, tribal entities, entrepreneurs, rural electric cooperatives and other utilities to see this transformative investment come to life and create new economic growth and healthier communities.”

“This is a pivotal moment in the rollout of the Inflation Reduction Act, because Rural Development will now support the creation of renewable infrastructure for electric

generation for utility-scale clean energy projects,” said **Sarah Waring, Vermont and New Hampshire State Director for USDA Rural Development**. “The Biden-Harris Administration is committed to establishing and expanding clean-energy in our rural communities, and this is an opportunity to build out an infrastructure that diversifies and de-carbonizes our energy mix for our region, while advancing climate resilience and building local jobs. ”

This announcement is part of President Biden’s Investing in America agenda to grow the American economy from the bottom up and the middle out by rebuilding our nation’s infrastructure, driving more than \$435 billion in private-sector manufacturing investments, creating good-paying jobs, and building a clean-energy economy to tackle the climate crisis and make our communities more resilient.

Background: Inflation Reduction Act

The Biden-Harris Administration championed the Inflation Reduction Act to help provide new funding and unprecedented incentives to expand clean energy, transform rural power production, create jobs and spur economic growth.

The Inflation Reduction Act provides several funding opportunities to USDA Rural Development to help eligible organizations invest in renewable energy infrastructure and zero-emission systems and make energy-efficiency improvements that will significantly reduce greenhouse gas emissions.

For example, the Inflation Reduction Act provides up to \$2 billion for the [Rural Energy for America Program](#) (REAP), with \$303 million set aside for underutilized technologies and technical assistance. USDA anticipates funds will support renewable energy and energy-efficiency projects for more than 41,500 farms and small businesses.

The Inflation Reduction Act also provides up to \$500 million in grants for [infrastructure improvements to blend, store or distribute biofuels](#) to give consumers more fueling options. This includes installing, retrofitting or upgrading dispensers for ethanol at retail fueling stations, as well as home heating oil distribution centers.

For more information on the Inflation Reduction Act, visit:

<https://www.rd.usda.gov/inflation-reduction-act>.

USDA touches the lives of all Americans each day in so many positive ways. Under the Biden-Harris Administration, USDA is transforming America’s food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate-smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit www.usda.gov.

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