



NEWS RELEASE

United States Department of Agriculture • Rural Development
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USDA ANNOUNCES \$385 MILLION IN RURAL ELECTRIC LOAN GUARANTEES *4,300 Miles of New Electric Lines in 16 States to Benefit 62,980 Future Customers*

WASHINGTON, March 18, 2004—Agriculture Secretary Ann M. Veneman announced approval of 28 rural electric guaranteed loans totaling nearly \$385.6 million to expand rural electric infrastructure in 16 states.

“Expansion of rural infrastructure is a first step in opening the door for expanded rural economic development and improved quality of life for rural residents,” said Veneman. “These projects will serve 62,980 future customers, build 4,300 miles of new line and fund general system-wide modernization.”

Through USDA Rural Development’s utilities program, loans and loan guarantees are made to finance the construction or replacement of electric transmission and generation facilities. In fiscal year 2003, the Bush Administration invested over \$6.3 billion in grants, loans and loan guarantees to support the development and/or improvements to rural electric, telephone and water/wastewater infrastructure that will help to create or save an estimated 150,000 jobs.

The loans announced include 25 distribution projects and 3 transmission and generation ventures. The generation and transmission loans will finance construction of new substations, provide for transmission line and substation changes, build 14.8 miles of 69kV transmission line, and make other needed modernization changes. The construction aspect of these loans will create or save an estimated 8,900 jobs while opening the door for economic development in hundreds of rural communities. The private capital leveraged by these loans is expected to nearly double the number of jobs to be saved or created.

Midwest Electric Cooperative in Grant, Neb. is the recipient of a loan totaling \$6,223,000. The funds will be used to serve 520 new consumers, construct 31 miles of new distribution line and make other system improvements. A complete list of the loan recipients can be viewed at USDA Rural Development’s website at: www.rurdev.usda.gov.

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. As a venture capital entity, Rural Development provides equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA's web site at <http://www.rurdev.usda.gov>.