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Washington—Rural Utilities Service

Capital Markets

REDLG Program Provides Expanded Access To Capital for Okanogan Electric Cooperative

Outline of Need

Ensuring that rural small businesses have access to capital is one of the most effective ways to help them make and create. But sometimes having access to capital can be a challenge. Okanogan County Electric Cooperative serves the Methow Valley towns of Winthrop, Mazama, Twisp and surrounding areas. The cooperative's mission is to provide reliable energy and services at the lowest long-term cost and to enhance the quality of life in Okanogan County. One way they are able to do this is by maintaining a revolving loan fund to assist with economic development and community projects.



Aero Methow Rescue Service received funding from Okanogan County Electric Cooperative as an ultimate recipient to help cover the cost of a new administration building.

Fast Facts

Program: Rural Economic Development Loan/Grant Program

Investment: \$200,000 Grant

Congressional District: WA-05

Employment: Agriculture and forestry are the major economic generators for the county and are the foundation for the region, which employs approximately 5,756 people.

Government, retail trade, services, and manufacturing are a few of the major employers within the county.

Demographics

- Okanogan County Electric Cooperative serves the Methow Valley towns of Winthrop, Mazama, Twisp and surrounding areas.
- The County covers 5,281 square miles, making it the largest county in Washington State.
- The county has a population of 38,400 people. Okanogan (2,415) is the second largest city in the county, and the county seat.
- The communities of Twisp (1,000), and Winthrop (375). Are within OCEC's service Area.,
- The county has an unincorporated population of 21, 764, while the incorporated population is 15,136, with a density of 7 persons per square mile.

How Rural Development Helped:

In June 2010, USDA Rural Development awarded Okanogan County Electric Cooperative with a \$200,000 Rural Economic Development Grant. The Rural Economic Development Loan & Grant program provides funding to rural projects through local utility organizations. Under the loan program, USDA provides zero interest loans to local utilities which they, in turn, pass through to local businesses (ultimate recipients) for projects that will create and retain employment in rural areas.

The ultimate recipients repay the lending utility directly. The utility is responsible for repayment to the Agency. Under the grant program, USDA provides grant funds to local utility organizations which use the funding to establish revolving loan funds. Loans are made from the revolving loan fund to projects that will create or retain rural jobs. When the revolving loan fund is terminated, the grant is repaid to the Agency.

The Result:

In this case, the ultimate recipient was Methow Valley Home Health, d.b.a., Aero Methow Rescue Service, located on Highway 20, in the small Okanogan County community of Twisp. The grant funds will assist in the construction of a new administration building that has been needed for some time. Aero Methow also has received the following R.D. assistance in the past. In 1998, they received a \$200,000 loan from OCEC for the purchase of three pieces of emergency equipment and in 2002, they received a Community Facilities Loan from Rural Development for a building to house the emergency equipment.