



NEWS RELEASE

United States Department of Agriculture • Rural Development
1550 Earl Core Road, Suite 101 • Morgantown, WV 26505

Phone: 304.284.4860 OR 1.800.295.8228 • Fax: 304.284.4893 • TDD: 304.284.4836 • Web: <http://www.rurdev.usda.gov/wv>

Gail Bennett, Public Affairs Specialist – (304) 366-2921, ext. 214
Contact: Office of Communications (202) 720-4623

Agriculture Secretary Vilsack Announces Funding To Improve Rural Electric Service

Northern Virginia Cooperative to Build a Wood Biomass Generation Facility

WASHINGTON, October 13, 2011—Agriculture Secretary Tom Vilsack today announced funding for rural electric cooperative utilities to improve distribution systems and smart grid technologies in 27 states, as part of the Obama Administration's continued focus on investments in infrastructure that create rural jobs. The announcement was made on the Secretary's behalf by Agriculture Under Secretary for Rural Development Dallas Tonsager during a speech to the National Rural Electric Association regional meeting in Denver, where he also stressed the importance of the American Jobs Act to spur job creation throughout the country.

"This investment in the electric grid will help address the growing need for electric service nationwide and spur job creation by building out rural infrastructure," Vilsack said. "Smart grid technology can help better manage power use, provide rate stability for businesses and create the climate for job growth in rural America."

Over \$2.1 billion in loans are provided by USDA's Rural Utilities Service, a Rural Development Agency, to help rural electric utilities build and upgrade rural America's electric infrastructure. These projects will fund over \$40 million in smart grid technologies and will build or improve nearly 6,000 miles of line. Funding for distribution cooperatives, which provide power to consumers, will benefit over 38,000 rural businesses and residents.

Included in the funding we are announcing today are three loans for Colorado projects that will help keep electricity reliable and affordable for rural communities. Gunnison County Electric Association will receive over \$7 million to build or improve nearly 60 miles of line; over \$1 million of those funds will go to smart grid technology. A loan of over \$35 million to Highline Electric Association will build or improve over 280 miles of line and includes over \$2 million for smart grid technology. Tri-State Generation and Transmission Association, Inc, owned by 44 distribution cooperatives and provides power to 1.5 million customers across 200,000 square miles in four states, will build or improve over 150 miles of transmission line, upgrade substations and invest over \$9 million in smart grid technology with a total of \$132 million in loan funds.

In West Virginia, a loan of \$3 million to Harrison Rural Electrification Association, Inc. (HREA) will be used to build 39 miles of new distribution line, make improvements to 18 miles of existing distribution line, and make other system improvements. The loan amount

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includes \$137,600 in smart grid projects, which helps utilities better manage electricity needs and improve operational efficiencies. These investments also help rural utilities improve their delivery and storage of renewable energy to generate electricity.

In Virginia, a loan of \$90 million to Northern Virginia Electric Cooperative will be used to build a 49.9 MW woody biomass generation facility. The project is projected to cover approximately 6 percent of the cooperative's future power needs for the years 2014 through 2030. In Georgia, a loan of almost \$30 million to Amicalola Electric Membership Corporation will be used to build or improve over 250 miles of transmission line. The loan amount includes \$9,402,000 in smart grid projects.

Funding is contingent upon the recipient meeting the terms of the loan agreement. For a complete list of projects funded, [please click here](#).

Today's announcement is part of a series of rural infrastructure investments expected by Secretary Vilsack during the next two weeks. This effort supports the goal of the American Jobs Act, which makes critical infrastructure improvements to put people back to work immediately.

On September 8, President Obama presented the [American Jobs Act](#) in an address to Congress. The purpose of the American Jobs Act is simple: put more people back to work and put more money in the pockets of working Americans. The American Jobs Act is specific. It will put people back to work right now, and it will not add to the deficit. Through a combination of direct spending, such as infrastructure investments, and tax relief, such as an extension of the payroll tax cuts, it will lead to new American jobs.

Since taking office, President Obama's Administration has taken significant steps to improve the lives of rural Americans and has provided broad support for rural communities. The Obama Administration has set goals of modernizing infrastructure by providing broadband access to 10 million Americans, expanding educational opportunities for students in rural areas, and providing affordable health care. In the long term, these unparalleled rural investments will help ensure that America's rural communities are repopulating, self-sustaining and thriving economically.

USDA, through its Rural Development mission area, administers and manages housing, business and community infrastructure and facility programs through a national network of state and local offices. Rural Development has an existing portfolio of more than \$155 billion in loans and loan guarantees. These programs are designed to improve the economic stability of rural communities, businesses, residents, farmers and ranchers and improve the quality of life in rural America.

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