



NEWS RELEASE

United States Department of Agriculture • Office of Communications • 1400 Independence Avenue, SW
Washington, DC 20250-1300 • Voice: (202) 720-4623 • Email: oc.news@usda.gov • Web: <http://www.usda.gov>

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Alisa Harrison (202) 720-4623

Tim McNeilly (202) 690-0498

USDA ANNOUNCES \$32.8 MILLION IN RURAL ELECTRIC LOAN GUARANTEES

260 Miles of New Electric Lines in Four States to Benefit 5,282 Future Customers

WASHINGTON, Jan. 28, 2004 – Agriculture Secretary Ann M. Veneman today announced the approval of four rural electric guaranteed loans totaling \$32.8 million to expand rural electric infrastructure in the states of New York, Nebraska, Louisiana, and Kentucky.

“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 5,282 future customers, build 260 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 following loans will be made by the Federal Financing Bank and guaranteed by USDA Rural Development:

Kentucky--The Jackson Energy Cooperative Corporation, headquartered in McKee, Kentucky: A loan of \$18,656,000 to serve 2,950 future customers, build 115 miles of new distribution line, and make other system improvements.

Louisiana -- The Valley Electric Membership Corporation, headquartered in Natchitoches, Louisiana: A loan of \$10,203,000 to serve 1,852 future customers, build 91 miles of new distribution line and make other needed system improvements.

Nebraska -- The Butler County Rural Public Power District, headquartered in David City, Nebraska: A loan of \$3,100,000 to serve 360 future customers, build 30 miles of new distribution line, build 15 miles of new transmission line, and make other system improvements.

New York -- The Oneida-Madison Electric Cooperative, headquartered in Bouckville: A loan of \$860,000 to serve 120 future customers, build 6 miles of new distribution line and make other system improvements.

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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>.

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