

USDA/Rural Development

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NEWS RELEASE

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USDA RURAL DEVELOPMENT ANNOUNCES OVER \$21 MILLION TO SUPPORT RURAL RENEWABLE ENERGY AND ENERGY EFFICIENCY EFFORTS

TEMPLE, Texas, August 25, 2003---The U.S. Department of Agriculture announced the selection of 113 applications for renewable energy systems and energy efficiency improvement grants in 24 states totaling \$21,207,233.

The grant program is part of the Bush Administration's overall effort to increase America's energy independence through the development of renewable energy resources as well as improving efficiency of existing systems.

"America's rural businesses, farmers and ranchers are key to the development of renewable energy for our country," Under Secretary for Rural Development Thomas C. Dorr said during a press conference here with Senator Charles Grassley. "The capital investments being made through these grants will support the conversion of our natural resources and residuals of farming operations into new sources of energy and help meet the energy goals outlined by President Bush in 2001."

The 2002 Farm Bill authorized the Renewable Energy Systems and Energy Efficiency Improvements program. Applicants for the funding include agricultural producers or rural small businesses, U.S. citizens or legal residents and have demonstrated financial need. Rural Development grant funds can be used to pay up to 25 percent of the eligible project costs. Eligible projects include those that derive energy from a wind, solar, biomass, or geothermal source, or hydrogen derived from biomass or water using wind, solar, or geothermal energy sources. Awards were made on a competitive basis for the purchase of renewable energy systems and to make energy improvements.

Funding to assist with the development of renewable energy systems included: 35 applications totaling \$7.4 million to support wind power, 30 applications totaling \$7 million for anaerobic digesters, 6 applications totaling \$1.1 million solar and 16 applications totaling \$3.9 million for ethanol plants/anaerobic digesters, direct combustion and fuel pellet systems. Awards were made on a competitive basis for the purchase of renewable energy systems and to make energy improvements.

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The following is a complete list of approved project dollars by state:

California - \$691,830	Hawaii - \$60,966	Idaho - \$1,010,000
Illinois - \$2,186,596	Iowa - \$1,258,440	Kansas - \$29,075
Massachusetts - \$970,000	Michigan - \$434,500	Minnesota - \$4,678,632
Mississippi - \$231,503	Missouri - \$124,499	Montana \$37,000
Nebraska - \$177,654	New York - \$2,878,027	North Carolina - \$130,000
North Dakota - \$10,410	Ohio - \$2,043,612	South Carolina - \$15,000
South Dakota - \$62,500	Texas - \$999,350	Vermont - \$79,001
Virginia - \$500,000	Washington - \$883,028	Wisconsin - \$1,715,610

A list of selected applicants can be found at the USDA Rural Development web site at: www.rurdev.usda.gov.

In Texas, 2 projects were funding under the Renewable Energy Grant Program. Keast, DeJong, Zaitz Farms out of Hartley County, Texas was awarded \$499,350 in grant funds to run a solar-powered water pumping system for farm irrigation. High Plains Wind Power, LP out of Carson County, Texas was awarded \$500,000 in grant funds to construct wind turbines. "Sources and availability of energy are essential for rural communities to establish sustainable growth in infrastructure, jobs, and housing" said Bryan Daniel, State Director for Texas USDA Rural Development. "We are very pleased that these projects have received this funding" said Daniel.

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 www.rurdev.usda.gov.

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