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Biden-Harris Administration Invests \$2.3 Billion in Projects to Expand Affordable, Reliable, Clean Power in Rural Communities Through Investing in America Agenda

USDA Selects First Five Applications to Move Forward in the Awards Process for the Powering Affordable Clean Energy Program

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SAN ANTONIO, March 6, 2024 – As part of President Biden’s Investing in America agenda, U.S. Department of Agriculture (USDA) Secretary Tom Vilsack today announced at the National Rural Electric Cooperative Association’s PowerXchange annual meeting in San Antonio, Texas that USDA is moving forward on clean energy investments in 23 states to reduce pollution and strengthen rural America’s power grid. Today’s announcement includes the first five awards totaling \$139 million under the Powering Affordable Clean Energy (PACE) program. Secretary Vilsack also announced \$2.2 billion in funding awarded to 39 projects to help ensure over 2 million people in rural areas have access to reliable electricity.


“Rural electric cooperatives are the backbone of America’s power delivery, and the Biden-Harris Administration is committed to helping them create a path toward a cleaner, more sustainable



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USDA is financing projects through the [Electric Infrastructure Loan and Loan Guarantee program](#) and selecting the first applications to move forward in the awards process for the [Powering Affordable Clean Energy](#) program.


Together, these projects will reduce electricity costs for hardworking families and small business owners and prevent power outages in the face of extreme weather exacerbated by the climate crisis. The investments will also strengthen the nation's energy independence and good-paying jobs that benefit everyone.

These announcements advance President Biden's [Justice40 Initiative](#) , which set the goal that 40 percent of the overall benefits of Federal climate, clean energy, and other covered investments flow to disadvantaged communities that are marginalized by underinvestment and overburdened by pollution.

Powering Affordable Clean Energy Awards

As part of this announcement, USDA is announcing that five applications totaling \$139 million in requested funds have been selected to move forward in the awards process for the [Powering Affordable Clean Energy](#) (PACE) program funded by President Biden's Inflation Reduction Act. These applications propose to serve disadvantaged and Tribal communities in Arizona, Colorado, Hawaii and Nebraska.

Applicants that have been selected to move forward in the awards process are listed below.

- Trico Electric Cooperative Inc. in Arizona is seeking \$83.5 million to expand its battery energy storage system capacity and provide reliable electricity to the growing number of people living in the surrounding areas of Tucson and the Pascua Yaqui Reservation. This funding will help the cooperative reach its goal to cut its carbon emissions in half by 2032.
- La Plata Electric Association in Colorado is seeking \$13.4 million to save more than half a million dollars in annual energy costs and deliver affordable clean solar energy to its member owners. This includes people living in distressed, disadvantaged and [energy communities](#) . It also includes people living on the Ute Mountain Ute and Southern Ute Tribal reservations.
- Kauai Island Utility Cooperative in Hawaii is seeking \$24.4 million to expand solar energy production and to reduce its reliance on fossil fuels during peak evening hours in Anahola, Koloa and Port Allen. This project will create jobs for people in the community, strengthen the local electric grid, increase resilience in the face of climate change, and further the cooperative's goal of providing 100% renewable energy by 2033.
- The village of Emerson in Nebraska is seeking \$1 million to finance a solar facility to make efficiency improvements to its energy distribution system for the Winnebago Tribe.



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historic legislative package is the nation's largest-ever investment in rural electric energy since the New Deal.

In May 2023, USDA made \$1 billion available through PACE to fund new clean energy projects and energy storage in rural America. The funding being requested today is critical in helping people heat their homes, run their businesses and power their cars, schools, hospitals and more.

USDA expects to continue making PACE awards in the coming months.

Electric Infrastructure Loans

USDA is also [investing \\$2.2 billion to support 39 projects in 21 states](#) through the [Electric Infrastructure Loan and Loan Guarantee Program](#). Funding will help utility providers and electric cooperatives build and improve electric infrastructure, smart-grid technologies and renewable energy systems.

The projects will ensure more than two million people in rural areas have access to reliable electricity, increasing their opportunities for economic growth and enhancing their overall quality of life.

For example:

- In central Florida, Sumter Electric Cooperative Inc. will use \$317 million to build and improve more than 1,000 miles of power lines and connect 32,000 customers to reliable electricity. Nearly \$5 million from this investment will be used to help the cooperative advance its smart grid technologies and install 38.4 miles of fiber line.
- Deep East Texas Electric Cooperative Inc. will use \$58.5 million to build and improve 370 miles of power lines and connect 2,200 customers to reliable electricity in eastern Texas. Nearly \$10 million of this investment will be used to help the cooperative advance its smart grid technologies.

Electric infrastructure projects will benefit rural business owners, families and individuals in Alabama, Arizona, Arkansas, Florida, Georgia, Indiana, Kansas, Kentucky, Louisiana, Minnesota, Missouri, Nebraska, New Mexico, North Carolina, North Dakota, Ohio, South Dakota, South Carolina, Utah, Texas and Wisconsin.

Background

President Biden's Inflation Reduction Act marks the largest single investment in rural electrification since the Rural Electrification Act of 1936.



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greenhouse gas emissions.

[In May 2023, USDA made available nearly \\$11 billion](#) of this funding through the [Empowering Rural America \(New ERA\)](#) and the [Powering Affordable Clean Energy \(PACE\)](#) programs. The first PACE awards have been selected to move forward in the awards process and more will be announced in the coming months.

USDA makes funding available for the [Electric Infrastructure Loan and Loan Guarantee Program](#) through regular appropriations from Congress. It provides funding to utility providers and electric cooperatives to build and improve electric infrastructure, smart-grid technologies and renewable energy systems. Through this program, USDA Rural Development ensures everyone in rural areas has access to electricity to increase economic opportunity and quality of life.

USDA Rural Development provides loans and grants to help expand economic opportunities, create jobs and improve the quality of life for millions of Americans in rural areas. This assistance supports infrastructure improvements; business development; housing; community facilities such as schools, public safety and health care; and high-speed internet access in rural, tribal and high-poverty areas. Visit the [Rural Data Gateway](#) to learn how and where these investments are impacting rural America.

USDA touches the lives of all Americans each day in so many positive ways. Under the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate-smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit www.usda.gov.

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