

# U.S. Dept. of Agriculture: Trump administration invests \$33 million in rural electric infrastructure in Wisconsin

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**STEVENS POINT, Wis., Oct., 22, 2020** – U.S. Department of Agriculture (USDA) Wisconsin Rural Development State Director Frank Frassetto announced that USDA [is investing an additional \\$3.1 billion to build or improve rural electric infrastructure in 25 states](#) and he highlighted a record level of funding for Fiscal Year (FY) 2020 to upgrade infrastructure.

“Rural electric cooperatives and utilities are increasing their internal communications capabilities to improve the reliability and efficiency of the electric grid. This added communications capacity helps cooperatives and their partners expand broadband coverage as they leverage these USDA smart grid investments,” Frassetto said. “Under the leadership of President Trump and Agriculture Secretary Perdue, we have been working tirelessly to be a strong partner to rural Wisconsin in building stronger and healthier communities, because we know when rural America thrives, all of America thrives.”

In Wisconsin:

- **Butter Solar** will use a \$23 million loan to partially finance the development of a 22.9-megawatt solar project at seven facilities in Wisconsin, two in Minnesota and one in Iowa. The facilities range from 0.6 to 5 megawatts. In Wisconsin, the solar facilities are located in Arcadia, Argyle, Cashton, Cumberland, Elroy, Fennimore and New Lisbon. The power produced from Butter Solar will be sold under a power purchase agreement to the Upper

Midwest Municipal Energy Group (UMMEG). UMMEG is a municipal electric company serving 16 municipal utilities in the three states, all of which are wholesale customers of Dairyland Power Cooperative Inc, a current USDA borrower. Thirteen of UMMEG's members are participating in the project to buy the power from Butter Solar.

- **St. Croix Electric Coop** in Hammond will use a \$10 million loan to connect 952 consumers and build 33 miles of line. This loan includes \$721,000 in smart grid technologies. St. Croix serves an average of 11,000 members over 1,804 miles of line in four counties in western Wisconsin.

### **Background:**

USDA is investing in 53 projects through the [Electric Loan Program](#) in 25 states, including Wisconsin. Today's announcement is part of a record level of USDA electric infrastructure investments in one fiscal year. The department invested \$6.3 billion in the [Electric Loan Program](#) in FY 2020, up from \$5.8 billion in 2019 – also a record. USDA made loans to 119 utilities in 34 states across the country during FY 2020, which ended on September 30. Those figures build upon the \$3.7 billion invested in 2018.

Helping improve rural electric infrastructure is a significant part of the Trump administration's "all-of-the-above" energy strategy. USDA's Electric Program helps finance wind, solar and natural gas plants, as well as improvements to produce clean energy from coal-fired plants. Local utilities also use the loans to invest in infrastructure to deliver affordable power to thousands of residential, commercial and agricultural consumers.

Twenty-one of the loans that USDA awarded in FY 2020, representing almost 10 percent of total loan volume by dollar, will help expand smart grid technologies. Smart grid can be a catalyst for broadband and other telecommunications services in unserved and underserved rural areas. These loans will finance nearly 23,000 new line-miles of smart grid fiber when buildout is complete.

In addition, this year, USDA has made it easier for rural electric utilities and cooperatives to use Electric Program loans for vegetation management programs to prevent and control wildfires.

During FY 2020, USDA also approved nearly \$104 million in loans for 11 energy

efficiency programs under the [Rural Energy Savings Program](#) and \$11.7 million in [High Energy Cost Grants](#) to rural communities and villages in Alaska to lower the cost of energy consumption and upgrade aging generation systems.

Some Electric Program loans are specifically targeted to support the administration's actions to spur economic development in areas where poverty rates have been stubbornly high for decades.

USDA Rural Development provides loans and grants to help expand economic opportunities and create jobs 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 areas. For more information, visit [www.rd.usda.gov/wi](http://www.rd.usda.gov/wi), call us at 715-345-7600 or email [wi-rd-stateoffice@usda.gov](mailto:wi-rd-stateoffice@usda.gov).

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