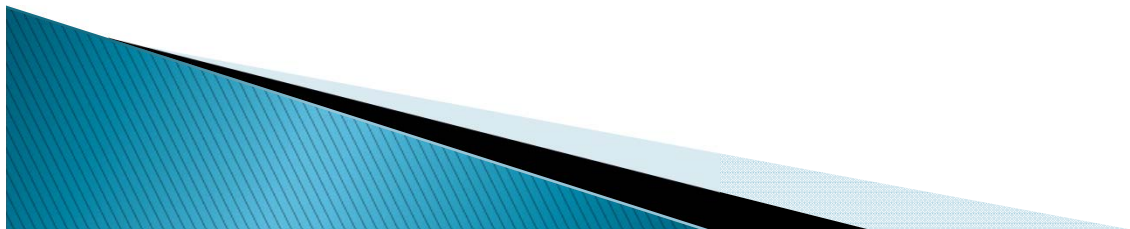




Committed to the future of rural communities.

How New Energy Investment Benefits Rural Communities

Rural Development – Rural Utilities Service
Electric Program
US Department of Agriculture



Possible Energy Efficiency Benefits *for Consumers*

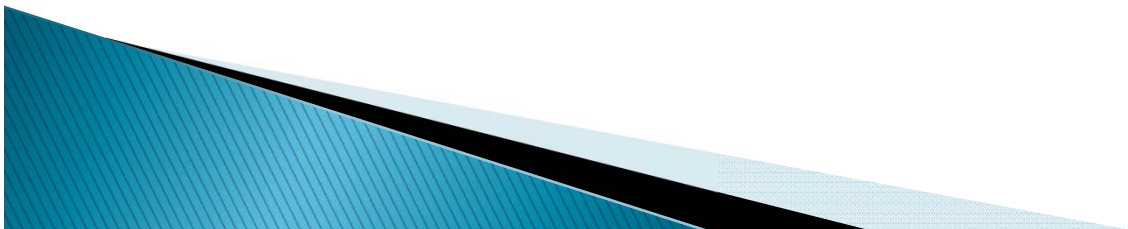
- ▶ Consumers can take advantage of savings on utility bills
- ▶ Rural residents can get jobs in the emerging field of energy efficiency retrofit workers
- ▶ Energy efficiency and conservation can lead to deferred generation and/or the construction of smaller, less expensive generation plants



RUS can Help Support Communities with Efficiency Programs

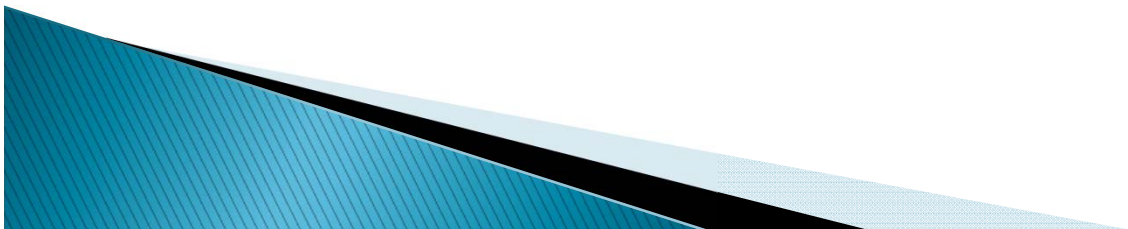
- ▶ Energy Resource Conservation Deferrals
- ▶ Rural Economic Development Loan and Grant (REDLG)
- ▶ Energy Efficiency and Conservation Loan Program *

* *This loan program is not yet implemented.*



Energy Resource Conservation Deferrals

- ▶ To date nearly 350 borrowers have taken advantage of ERC deferrals
- ▶ RUS borrowers have made nearly 76,000 loans to consumers
- ▶ ERC loans account for over \$208M in deferred principal
- ▶ Last month alone there were over \$700K in ERC related deferrals



REDLG for Energy Efficiency

- ▶ REDLG Loans carry 0% interest rate, 10 year terms and amounts up to \$1,000,000
- ▶ Central Electric Power Cooperative, Inc.: \$740,000 loan to finance residential energy efficiency improvements through on-bill financing.
- ▶ Brunswick Electric Membership Cooperative (EMC), located in North Carolina was also awarded \$740,000 to finance energy efficiency loans through on-bill financing.

Energy Efficiency and Conservation Loans at RUS

- ▶ The regulation will allow new financing opportunities for RUS borrowers to provide energy efficiency and weatherization activities to businesses and homeowners in rural America
- ▶ The program is to be funded out of existing authority and appropriations

APPROXIMATE FFB QUARTERLY RATES (2/20/13)*

3-mo	6-mo	1-yr	2-yr	3-yr	5-yr	7-yr	10-yr	20-yr	30-yr
0.12	0.14	0.18	0.30	0.46	0.89	1.37	1.93	2.59	2.73

* *These rates fluctuate over time and can not be guaranteed in the future*



Next Steps

- ▶ The comment period for the regulation ended September 26, 2012
- ▶ The regulation has been revised and will go through additional clearance through the Office of Management & Budget
- ▶ We expect to issue the first EE loans around the 2nd Quarter of 2013

