



Power and Communications Contractors Association
Position Paper: Rural Utilities Service
November 2015

The Power & Communication Contractors Association (PCCA) represents contractors, manufacturers, and suppliers that build and repair America's power and communications infrastructure, including electric transmission and distribution lines and substations and telephone, fiber optic, and cable television systems. PCCA members also engage in directional drilling, local area and premises wiring, water and sewer utilities, and gas and oil pipelines. PCCA supports robust federal funding for the U.S. Department of Agriculture's Rural Utilities Service (RUS) as Congress works to ensure sound electric power infrastructure and expand broadband networks in underserved areas of the country.

The RUS works to improve critical infrastructure and enhance economic opportunity through financing for electric power, communications, and other services in rural communities with populations of 20,000 or fewer. PCCA members work on projects that improve the quality of life for rural America through infrastructure improvements funded by RUS dollars, underscoring real-life benefits that come with the program. RUS loans are repaid to the U.S. Treasury with interest and have an extraordinary track record of repayment, which contributes to deficit reduction.

Electric Program

The RUS Electric Program provides billions of dollars of loans and loan guarantees for new investments in rural electric transmission, distribution, and generation facilities, resulting in thousands of miles of electric line, increased use of smart grid technologies, and renewable energy projects. The program also provides funding to support demand-side management, energy efficiency and conservation programs, and on- and off-grid renewable energy systems. Loans are made to cooperatives, corporations, states, territories, subdivisions, municipalities, utility districts, and non-profit organizations.

As Congress continues to develop comprehensive energy legislation that ensures a 21st Century energy infrastructure, many are focusing on ways to reduce delays associated with the permitting process for electric infrastructure projects. While PCCA supports efforts to streamline all energy infrastructure projects, lawmakers should also provide increased funding for electric projects through RUS resources that come with a long history of successful financing of rural infrastructure projects.

Telecommunications Program

RUS also provides capital for the deployment of broadband infrastructure. Serving as a key tool to providing affordable, reliable, and advanced broadband services comparable to service available throughout the rest of the United States, RUS grants and loans are used for the construction, maintenance, improvement, and expansion of broadband systems in rural areas.

Access to broadband has become essential for the social and economic benefits it provides to American residents, businesses, governments, and communities. As Congress strives to expand accessibility of broadband systems in underserved areas, lawmakers should not neglect federal programs with a proven track record of success. RUS has been the source of critical financing for rural communication systems for decades and should not be targeted for cuts in the budget and appropriations process. Increasing the federal commitment to rural infrastructure through RUS resources should be a top priority toward meeting these policy goals.