



# NEWS from U.S. Senator Bob Dole

(R.—Kans.).

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FOR IMMEDIATE RELEASE  
OCTOBER 9, 1973

## RURAL ELECTRIFICATION ACT LOAN PROVISIONS

WASHINGTON, D.C. -- Senator Bob Dole learned today from a White House source that the Administration will soon announce regulations implementing the guarantee loan provisions of the Rural Electrification Act signed by the President on May 11, 1973.

"Under the program," Dole said, "REAs in Kansas will be able to obtain over \$300 million in loans <sup>in the next few years</sup> for new electric generating and transmission facilities."

Dole explained that the federal government will guarantee up to a billion dollars annually in such loans to REAs throughout the nation from commercial financial institutions at current market rates of interest.

"Kansas Electric Cooperatives, Inc., is working with other power companies in Kansas to assist in the construction of new electric generating plants," Dole said, "and these power sources will serve as a much needed reserve for urban areas, as well as providing service to rural communities through the local REAs."

"This is a new concept in REA financing," Dole commented. "Since the funds will come from commercial sources they will not require any expenditure from the federal budget."

Kansas REAs through Kansas Electric Cooperative, Inc., plan to utilize these guaranteed loans to participate in joint ownership of generation plants in Kansas with the Kansas Power and Light Company.