

REMARKS OF REPRESENTATIVE BOB DOLE

Kansas Electric Cooperative Board Meeting
October 23, 1968

I appreciate this opportunity to meet with the leaders of rural electrification in Kansas. I know that you have a heavy agenda, so I will keep my remarks brief.

First let me say that I have a very sincere interest in rural electrification, and have worked closely with many of you and your representatives in Washington during your efforts to find a solution to the problem of future financing.

While the initial effort did not succeed, I believe it produced many worthwhile results. Many of my colleagues in the Congress have a better understanding of the rural electrification program than they had previously. That is particularly true, I think, of members of the House Agriculture Committee. As you know, in recent years the complexion of that Committee has changed. The constituency of the members of the Committee is no longer as heavily farm and rural as it was. Several of the members have large urban constituencies. And, of course, throughout the Congress the number of Representatives and Senators who have an extensive background in farm and rural problems is decreasing. So there is an important need on your part to familiarize members of the Congress with your program. As I mentioned, the legislative effort for supplemental financing helped in this respect, and should prove beneficial in achieving a long-range solution to supplemental financing.

-2-

I know you are aware of my desire to help you find a workable solution to your problem of future financing. As a member of the House Agriculture Committee, I tried hard to put together a workable plan. As your Senator, if I am privileged to serve you in that capacity, I can assure you that you can continue to count on my support.

It is my understanding that you and the other rural electric leaders of the nation will be considering a final set of recommendations on supplemental financing at your NRECA annual meeting next March. I think it is essential that you develop a method of supplemental financing--one that will eventually lead to financing independent of the government.

With your needs for capital growing at a rapid pace--I understand the rural electric estimate them at about \$10-billion between now and 1980--it is obvious that you will have to have new sources of capital; that the present REA source will not be sufficient. In view of the circumstances and the urgency of other national requirements, it is not likely that either the Budget Bureau or the Congress will be able to go much beyond the present level of loan funds. This has been averaging around \$350-million annually. Even if you could count on this level being maintained, you would have to get \$6-billion to \$7-billion from other sources.

It seems to me that the in-depth study which the NRECA Long-Range Study Committee has been conducting is a very sensible

approach. It has given all of the systems an opportunity to express their opinions and to offer suggestions at the meetings that have been held around the country since last Spring.

So the plan you and the other rural electric leaders adopt at your March meeting, I believe, will presumably have the backing of the vast majority of rural electricians. And I am sure you recognize that the first step in solving the future financing problem is for the rural electricians to agree on a plan that they can all support fully.

While your utility responsibility is primary, you should also be concerned with helping to meet other obvious needs of areas you serve.

The erosion of economic opportunities in many rural sections and the erosion of community institutions, and the subsequent migration of the millions of farmers and rural people to the cities, are having serious consequences for both rural and urban America.

The rural electric systems here in Kansas and in other states can make valuable contributions in revitalizing their service areas.

There has been a great deal of talk about rural development and an assortment of government programs. But it is going to take more than talk and government programs to solve the problems of rural communities. It is going to take local leadership and a deep commitment to rebuild rural America--the same kind of leadership

it took to electrify rural Kansas.

In my opinion, the rural electrification program has been one of the most successful rural development programs of all. And the reason, I think, is that it was left up to the leadership of the local people. This same kind of pattern, it seems to me, can and should be applied to rural community development.

The rural electricians can provide a good deal of the leadership and stimulate others in their communities to get involved. Your systems have an opportunity of even greater service to your communities in the years ahead. It's a challenge that I hope you will respond to for the good of every Kansan.

You can be proud of the contributions your systems have made to the rural areas of this great state. You have been able to bring reasonably-priced, modern electric service to over 100,000 farm and rural families despite the fact that you serve on the average less than 2 customers per mile.

Good electric service is vital to the future of rural Kansas. Usage continues to increase rapidly. REA figures show that your customers have increased their use of power by 267 percent in the last 10 years, from 331 kilowatt-hours a month in 1958, to an average of 884 kilowatt-hours a month this year.

Your record of loan repayments is another indication of the great job you have done. You have repaid \$83-million of a total of \$140-million in loan funds advanced to Kansas electric

-5-

cooperatives. Not one of the systems is in arrears in repayments. And the Kansas systems have paid \$9.5-million ahead of schedule, and \$46-million in interest on their loans. This is an impressive record for which I congratulate you.