



To our Strategic Partners and Policy Leaders,

In partnership with the U.S. Department of Agriculture's (USDA) Rural Utilities Service, East Kentucky Power Cooperative, Inc. (EKPC) plans to employ available federal grants and subsidized loans to implement solar energy and transmission projects that support bringing renewable energy affordably to the grid for Kentucky.

These funds are being made available to EKPC through the USDA's Empowering Rural America Program (New ERA). New ERA program funding is available to member-owned rural electric cooperatives, which have been the backbone of America's rural power delivery for nearly a century. This \$9.7 billion program, which USDA will use to finance loans and grants, is part of the Inflation Reduction Act and represents the largest investment in rural electrification in decades.

As a condition the New ERA program, EKPC is developing a community benefit plan (CBP), the purpose of which is to outline how the New ERA projects will benefit residents and communities in proximity to the projects, gather and attempt to address the concerns of host communities, and work to enhance community support for the projects.

The renewable generation projects identified within the plan are also eligible for investment tax credits (ITC) through the Investment Reduction Act (IRA) passed by Congress in 2022. The investment tax credits provide a direct pay to not-for profit cooperative utilities like EKPC to build renewable energy assets. Previously, this benefit had only been authorized for for-profit, investor-owned utilities.

The New ERA and ITC federal funding opportunities make the proposed slate of renewable and transmission projects economically viable to add to EKPC's generation fleet. Without both of these federal funding mechanisms, it is quite unlikely that the renewable energy projects would continue to be economically viable and, therefore, likely would not be constructed.

Thank you for your interest in our CBP. Upon review, if you wish to provide comments on the plan, the benefits being extended to our owner-members, or projects contained within the New ERA proposal, please visit our website at:

<https://www.ekpc.coop/new-era-projects>

Thank you again for your time and efforts. We look forward to engaging with you in this process.

Sincerely,

*Joe Settles*

Joe Settles  
Manager, Member Services