



Rural Utilities Service

***WATER AND
ENVIRONMENTAL
PROGRAMS***

***ANNUAL ACTIVITY REPORT
FISCAL YEAR 2002***

From the Desk of Administrator Hilda Gay Legg . . .



Water and waste disposal services, electricity, and telephone, have been taken for granted in American cities since at least the 1920's. But if you lived in a rural area only 60 years ago, chances are you went without these necessities of modern life.

Modern utilities came to rural America through some of the most successful government initiatives in American history, carried out through the United States Department of Agriculture (USDA) working with small towns, rural cooperatives, nonprofit associations, and for-profit utilities. Today, USDA Rural Utilities Service (RUS) carries on this tradition helping rural America expand and keep their infrastructure up to date, helping establish new and vital utility services. The public-private partnership, which is forged between RUS and the utility industry, results in billions of dollars in rural infrastructure development and creates thousands of jobs for the American economy.

Rural America is an integral part of this nation's economic fabric and President Bush is committed to programs that create jobs and spur investment and economic growth. The water and waste disposal projects we fund will provide critical infrastructure that will help residents and businesses in rural communities, as well as create jobs and thus more investment in these areas.

The RUS dream is the challenge that is before us today. It is not just about getting clean water, but it is about getting affordable, clean water into rural areas and communities. And we cannot lose sight of the fact that it is about the teamwork that it takes to support rural America. We can't lose sight of the fact that the families at the end of the line are our customers. They have needs. What are those needs? How can we dream the dream, create the vision, and then use the strength of teamwork to meet those needs, and overcome the challenges they present?

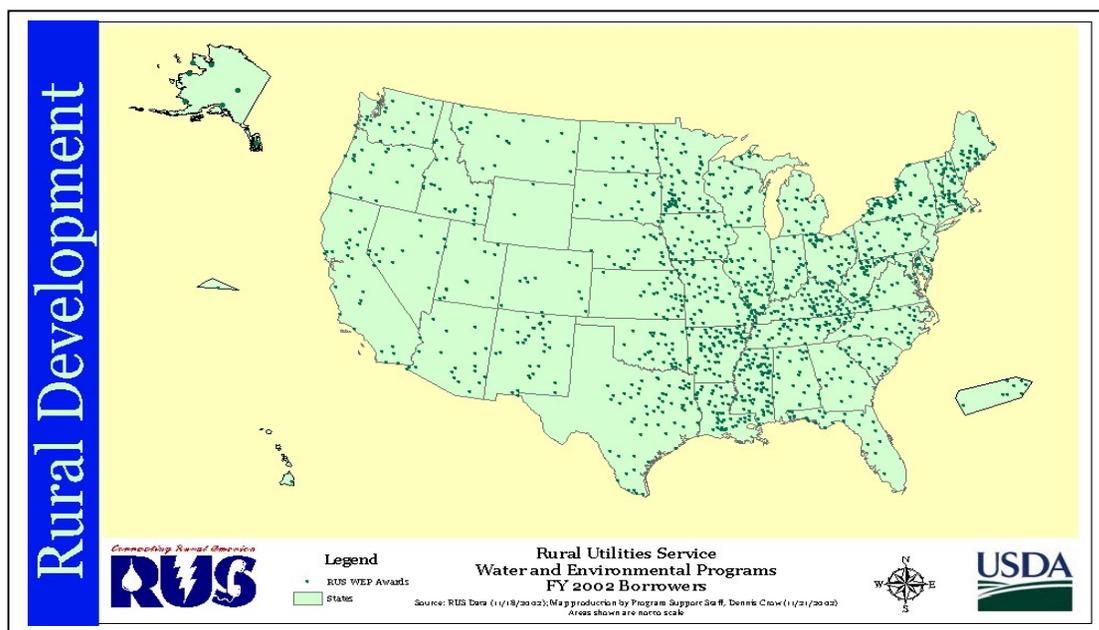
We have a great staff and a group of programs that run across the rural development spectrum. But those programs must work to benefit the lives of individuals. Henry Ford once said, "Coming together is a beginning. Staying together is progress. But working together is success." In that vein, together there is no problem we cannot solve, no task we cannot accomplish, and no need we cannot meet.

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Water and Environmental Programs

Through Rural Utilities Service's (RUS) Water and Environmental Programs (WEP), rural communities obtain the technical assistance and financing necessary to develop drinking water and waste disposal systems. Safe drinking water and sanitary waste disposal systems are vital not only to public health, but also to the economic vitality of rural America. WEP is a leader in helping rural America improve the quality of life and increase the economic opportunities for rural people.



The Water and Waste Disposal (WWD) Program is administered through a WEP National office staff in Washington, DC, and a network of field staff. The network of 47 Rural Development State offices, supported by area and local offices, delivers the WWD Program in the states and U.S. territories. WEP staff provides technical assistance such as reviewing projects for engineering, environmental, and financial feasibility. The staff works closely with program participants, their project engineers, and state regulatory agencies to ensure that projects are reasonable, affordable, and based on commonly accepted engineering practices. WEP staff also helps communities explore project funding options and technical assistance through the WWD Program.

Fiscal year (FY) 2002 was the year of the Farm Bill. In addition to several new authorities, WEP also received additional mandatory funding to reduce the backlog of applications. Using these additional resources, WEP was better able to meet the heavy demand for rural water and sewer infrastructure.

FY 2002 Funding and Accomplishments

Area	Program	Funds	No. of Projects
Special Initiatives	Alaska	\$23,664,957	23
	Colonias	\$19,001,787	34
	Native American	\$16,000,000	32
	EZ/EC/REAP	\$32,385,950	19
	Subtotal	\$91,052,694	108
Other Agencies	ARC	\$14,267,939	46
	EDA	\$5,614,000	5
	Subtotal	\$19,881,939	51
Emergency	ECWAG	\$2,955,000	8
	Subtotal	\$2,955,000	8
Technical Assistance	SWM	\$3,686,974	43
	TAT	\$17,433,124	11
	Circuit Rider	\$11,916,667	1
	Subtotal	\$33,036,765	55
Regular Program	Direct	\$1,969,143,956	1,307
	Guaranteed	\$2,267,700	6
	Subtotal	\$1,971,411,656	1,313
Total		\$2,118,338,054	1,535

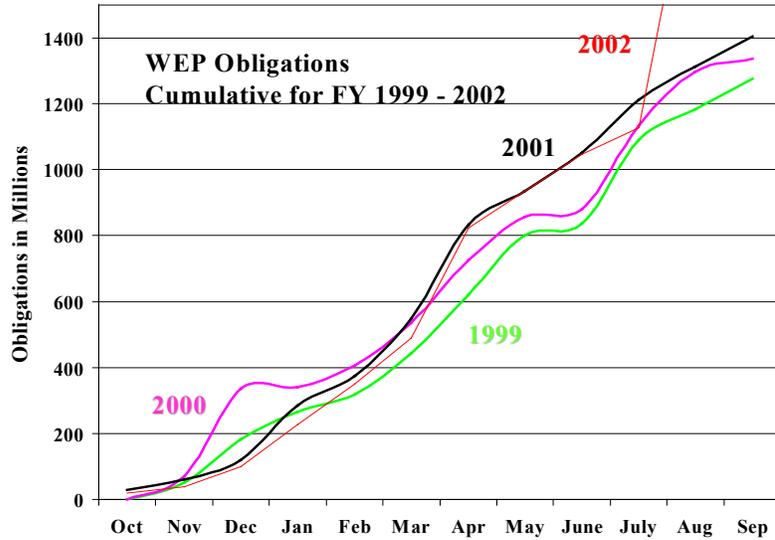
FY 2002 Funding Activity Highlights

In FY 2002 WEP invested \$2.1 billion in direct and guaranteed loans and grants to help rural communities develop 1,535 water and waste disposal facilities. Funding activities included:

- ❖ \$1.9 billion in WWD direct loans and grants made to develop 1,307 facilities
- ❖ \$91 million assisted 108 projects in disadvantaged communities
- ❖ \$3 million funded 8 projects in communities qualifying for emergency assistance
- ❖ \$33 million funded 55 grants to technical assistance providers
- ❖ 45,000 technical assistance calls were completed by Circuit Riders
- ❖ \$32.3 million funded 19 projects in EZ/EC/REAP areas
- ❖ \$1.2 million in Colonias Grants made to 434 individuals and families for home improvements
- ❖ 93 percent of direct loans approved at below-market interest rates
- ❖ \$23 million for Native American projects leveraged with \$7 million in funds from other sources
- ❖ 51 projects administered for partner organizations
- ❖ 74 percent of WEP applicants are public bodies
- ❖ 73 percent grant is average for Native American projects

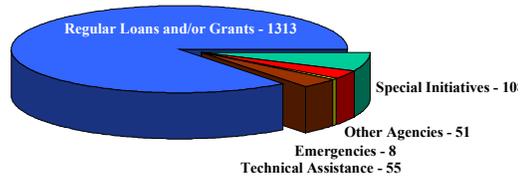
Overview of Projects Funded in FY 2002

WEP processes loans and grants on an ongoing basis throughout the fiscal year. As shown in the chart, the obligation of funds remains fairly constant during the year. This makes maximum use of limited staff resources and assures the delivery of the WEP allocation of funds.



In FY 2002, WEP funded 1,535 projects for \$2.1 billion. The majority (86 percent) of the projects was funded from the WEP regular loan and grant program. The balance of the projects was funded through several special programs and initiatives.

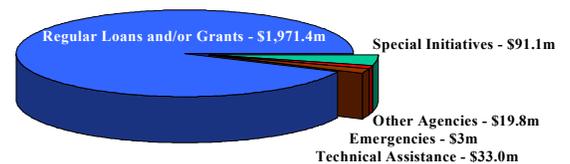
WEP FY 2002 Projects



Total Projects = 1,535

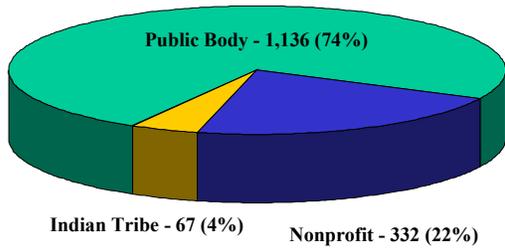
Technical Assistance and Training grants and Solid Waste Management grants were made to 55 grantees. Eight applicants received funds set aside to assist water systems with emergency conditions. Through agreements with the Appalachian Regional Commission and the Economic Development Administration, WEP provided funding for and/or administered 51 projects. And through special initiatives such as Alaska Native Villages, Colonias, Native American, and Empowerment Zones, 108 projects received set aside funds.

WEP FY 2002 Funds



Total Funds = \$2,118.3m

WEP Projects - FY 2002 by Type

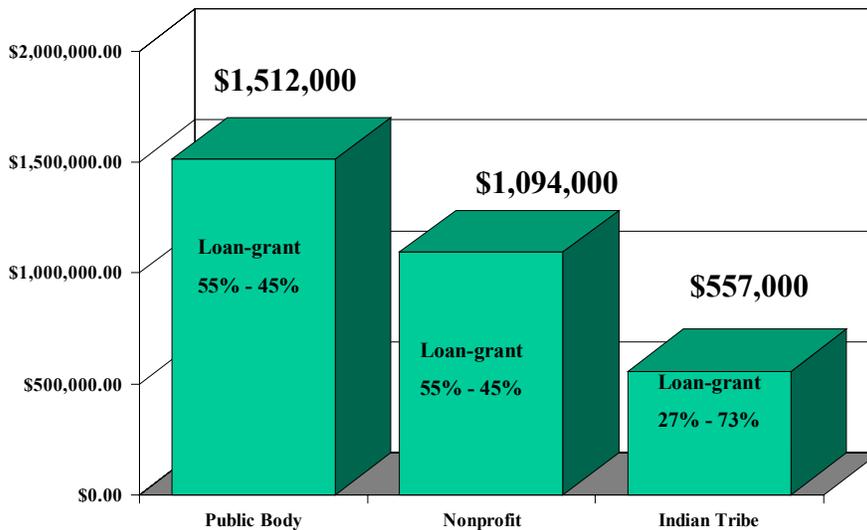


The three categories of eligible applicants are public body, Indian tribe and nonprofit organization. Public bodies made up the largest portions of FY 2002 borrowers at 74 percent. Nonprofit organizations accounted for 22 percent of the borrowers and the balance of 4 percent was Indian tribes.

Public body projects tend to be about 28 percent larger than nonprofit. Two possible reasons are the increased demand for fire protection in public body water systems and more wastewater systems for public bodies. These wastewater systems usually are more costly than drinking water systems on a per user basis.

Indian tribe projects were significantly smaller than public body or nonprofit, and they also used a much higher percentage of grant funds than other projects – 73 percent compared to 45 percent. This is most likely due to tribal projects being sparsely settled with very low incomes.

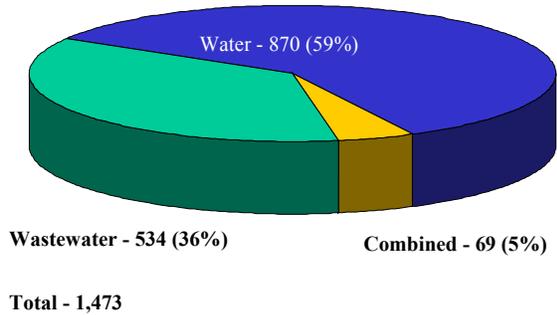
WEP Average Project Data



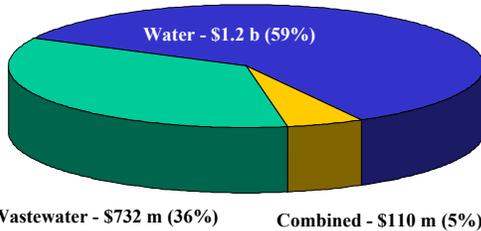
Water and sewer projects make up the bulk of WEP infrastructure funding. The ratio of water to sewer projects has remained fairly constant over the past few years along a 60/40 split.

The 870 water projects represented 59 percent while the 534 wastewater systems accounted for 36 percent. The balance of the projects made improvements to both water and sewer systems.

**WEP Projects - FY 2002
by Type**



**WEP Projects - FY 2002
by Funds**



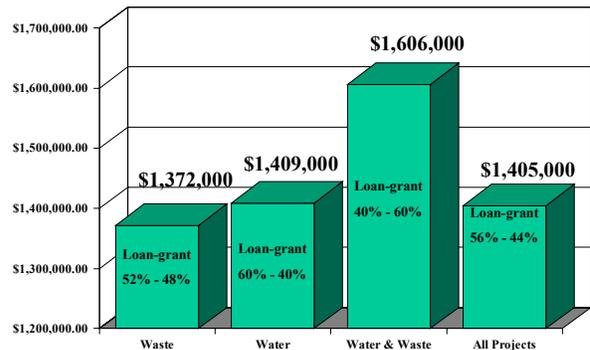
We also see the same general 60/40 split when looking at the funds for water and sewer systems. Water projects used \$1.2 billion or 59 percent of WEP funds. Wastewater used \$732 million or 36 percent of WEP funds.

Total - \$2.1 billion

Water projects averaged higher than waste projects but used a smaller percentage of grant funds.

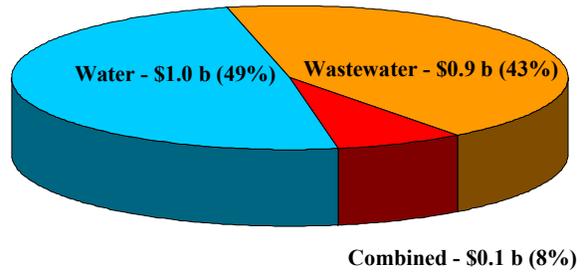
For all projects the average WEP funds were \$1.4 million with the loan/grant split at 56/44 percent.

WEP Average Project Data



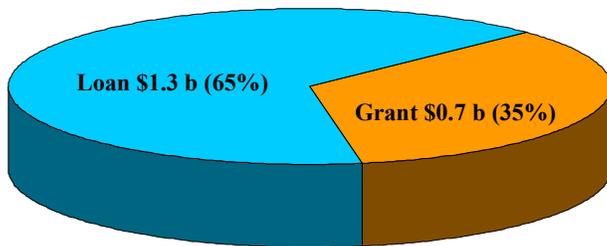
The next series of charts describe the WEP backlog as of September 30, 2002. At the end of FY 2002 there were over 800 applications for \$2.1 billion. The additional Farm Bill funds made a significant impact on the WEP backlog, reducing the backlog from \$2.7 billion (as of May 13, 2002) to its September 30th level. The additional activity generated by the Farm Bill funded projects also increased the interest in infrastructure needs and resulted in more applications.

**WEP Backlog - FY 2002
Amount of Applications on Hand
by Type**



Total - \$2.1 billion as of September 30, 2002

**WEP Backlog - FY 2002
Amount of Applications on Hand
by Funds**



Total - \$2.1 billion as of September 30, 2002

Backlog data from our management information systems indicates a continuing need for water and waste disposal infrastructure in rural areas. Water projects make up the majority of the demand, in both numbers and dollars. Again, there is very close to a 60/40 split with wastewater projects.

Guaranteed Loans

RUS works with local lenders to guarantee loans to build or improve water and waste disposal facilities in rural areas and in cities and towns with a population of 10,000 or less. Loan guarantees are often the solution when a lender is interested in financing a project but feels that a reduction in the risk is necessary. The loan guarantee is 90 percent of the total loan amount.

Interest rates are negotiated between the lender and the borrower. They may be either fixed or variable rates, but must be in line with those rates customarily charged to borrowers in similar circumstances in the ordinary course of business.

Eligible lenders include:

- ◆ Commercial Banks
- ◆ Thrift Institutions
- ◆ Mortgage Companies
- ◆ National Rural Utilities Cooperative Finance Corporation
- ◆ Co-Bank
- ◆ Farm Credit System banks

The lender is charged a one-time guarantee fee of 1 percent of the guaranteed loan amount. This fee may be passed on to the borrower. The lender may sell the guaranteed loans on the secondary market, but must retain a minimum of 5 percent of the unguaranteed portion of the total loan.

In FY 2002, six guaranteed loans were made for a total of \$2,267,700.

Direct Loans and Grants

Eligible applicants are public entities, such as municipalities, counties, special-purpose districts, Indian tribes, and corporations operated on a not-for-profit basis. Eligible projects are to develop drinking water and waste disposal systems, including solid waste disposal, and for storm drainage. The most common uses are to restore deteriorating water supplies or to improve, enlarge, or modify inadequate water or waste facilities. Funds are directed to rural areas and cities and towns with a population of 10,000 or less. Applicants must be unable to obtain sufficient credit from commercial sources at reasonable rates and terms.

Loans may be made at one of three interest rates -- the poverty rate, intermediate rate, and market rate -- the latter two rates are subject to adjustment each quarter. The rate applied to the loan depends on the need to meet applicable health or sanitary standards and the median household income (MHI) of the service area. Once the loan rate is established, it remains fixed for the life of the loan.

Priority is given to public entities, in areas with less than 5,500 people, to restore a deteriorating water supply, or to improve, enlarge, or modify a water facility or an inadequate waste facility. Also, preference is given to requests that involve the merging of small facilities and those serving low-income communities.

- Priority Applications**
- Public body or Indian Tribe**
 - Small systems**
 - Low income**
 - Correct a health issue**
 - Merge small facilities**
 - Funds from other sources**
 - Agency targeted area**

Grants are made in combination with direct loans or with funding from other sources. Grants may be up to 75 percent of eligible project costs but are limited to the amount necessary to enable the residents to be charged reasonable user rates. In addition, the MHI of the service area

must be below the State non-metropolitan MHI level to receive any grant, and generally below the National poverty level or 80 percent of the State figure to be eligible for the maximum grant level.

Other Programs

Through the **Emergency Community Water Assistance Grant (ECWAG) Program**, WEP assisted the residents of rural areas that have experienced a significant decline in quantity or quality of their drinking water.

ECWAG grants were made to public bodies, private nonprofit corporations, and Indian tribes serving rural areas and cities or towns with a population not in excess of 10,000 and a median household income of 100 percent of a State's non-metropolitan median household income. Grants may be made for 100 percent of project costs. The maximum grant is \$500,000 when a significant decline in quantity or quality of water occurred within 2 years, or \$75,000 to make emergency repairs and replacement of existing facilities.

Technical Assistance and Training (TAT) Grants are used to identify and evaluate solutions to water and waste disposal problems in rural areas, assist applicants in preparing applications for water and waste grants, and improve the operation and maintenance of existing water and waste disposal facilities in rural areas.

Projects funded through the **Solid Waste Management (SWM) Grant Program** reduce or eliminate pollution of water resources and improve planning and management of solid waste disposal facilities in rural areas.

RUS loans and grants for water systems represent a large national investment in water and waste disposal infrastructure.

This investment is protected through a unique program of on-site technical assistance. WEP's **Circuit Rider Technical Assistance Program** has helped thousands of rural communities with their water systems. The Circuit Riders, provided through a contract with the National Rural Water Association, completed over 45,000 technical assistance calls in rural communities during RUS fiscal year 2002.

Circuit riders work alongside the rural system officials and operators to show them how to solve their own problems. They typically have many years of experience in the actual operation and/or management of a public water supply system and have an understanding of rural and small water system problems and how they can be resolved. Technical assistance can include on-site advice on water usage problems, establishing sound management and operating procedures, advising new systems on construction, water quality issues, and security. Circuit riders provide a valuable service by assisting small water systems in meeting Federal Safe Drinking Water Act standards.

Because of their local acceptance and usage of the Circuit Riders, rural communities and small municipalities don't have to borrow as much for repairs. Instead, they concentrate on needed expansions and updating their water systems.

The USDA **Empowerment Zones/Enterprise Communities (EZ/EC) and Rural Economic Area**

Partnership (REAP) Program are important steps in rebuilding America's poverty-stricken rural communities. These programs are designed to empower people and communities to improve living conditions in their communities, and create jobs and opportunities all across this Nation by inspiring Americans to work together.

The REAP initiative was established to address critical issues related to constraints in economic activity and growth, low density settlement patterns, stagnant or declining employment, and isolation that have led to disconnection from markets, suppliers, and centers of information and finance.

Fifty-seven rural areas have been designated as EZ/EC and an additional five REAP zones have been selected. These communities meet certain poverty and distress criteria and have prepared creative strategic plans for revitalization. The Federal government will focus special attention on working cooperatively with designated communities to overcome regulatory impediments, to permit flexible use of existing Federal funds, and to assist these communities in meeting essential mandates.

Colonias is a term used to describe subdivisions that exist outside incorporated areas located along the United States-Mexico border. Colonias are generally characterized as small communities with inadequate drinking water, poor sanitary waste disposal facilities, and substandard housing.

Water or waste disposal systems can obtain up to 100 percent grants to construct basic drinking water, sanitary

sewer, solid waste disposal and storm drainage to serve residents of Colonias. Also, the systems can obtain funds to provide grant assistance directly to individuals to install necessary indoor plumbing like bathrooms and pay other costs of connecting to the system.

Since FY 1995 funds have been set aside specifically for eligible projects that benefit members of federally-recognized **Native American** tribes. Applications are processed in accordance with all eligibility and other requirements of 7 C.F.R. 1777, Section 306C WWD Loans and Grants. These funds cannot be used for projects that are eligible for funding under any other RUS set-aside.

The use of RUS loan funds, as well as funds from other sources, in conjunction with the grant funds, is strongly encouraged whenever feasible to maximize the investment in Indian country. Generally, applicants are expected to borrow as much as they can afford to repay, as in the WWD regular loan and grant program.

The Appalachian Regional Development Act authorizes economic development programs and projects to assist the Appalachian Region to meet its special problems. It provides authority for Federal assistance grants to supplement grant assistance under other Federal grant-in-aid programs. Under a Memorandum of Understanding, this program is administered by WEP for water and sewer projects in rural areas. If there are no WEP funds in the project, an administrative fee is charged to the **Appalachian Regional Commission (ARC)** to cover the processing of the grant.

Loan Portfolio

The total portfolio of Water and Environmental Programs as of September 30, 2002, included 8,003 borrowers, 17,224 loans, and \$7,446,122,239 in unpaid principal. Credit advice and assistance is provided

Grants to the NRWA provide wastewater technicians and a board training program. Additional service to applicants and borrowers is provided under a grant to the Rural Community Assistance Program (RCAP) and a grant

WEP PORTFOLIO AS OF SEPTEMBER 2002

Type of Borrower	Borrowers	Loans	Unpaid Principal
Water	5,748	12,120	\$4,933,354,000
Sanitary Sewer	3,055	4,563	\$2,289,514,000
Solid Waste	100	122	\$81,951,000
Storm Drainage	29	33	\$12,551,000
RC&D	33	41	\$1,374,000
Watershed and Flood Prevention	102	171	\$28,559,000
Guaranteed	40	50	\$31,450,239
TOTAL	* 8,003	17,224	\$7,446,122,239

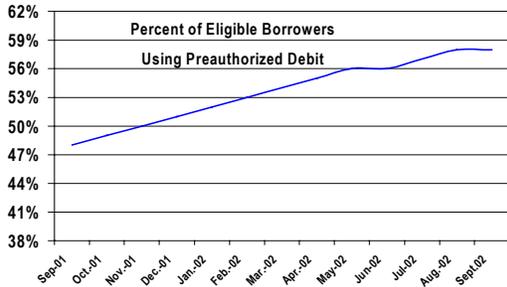
* The numbers in the borrower column do not total as a borrower may have loans in multiple categories.

to the applicants and borrowers throughout the loan making, construction, and system management and maintenance processes. For many rural systems, the projects financed through RUS may be the first experience board members or town councils have with financing and managing a public utility. In recent years, supervised credit assistance has been expanded through the use of service providers. A contract with the National Rural Water Association provides rural water circuit riders and wastewater technicians.

to West Virginia University Research Foundation for the National Drinking Water Clearinghouse.

Loans written off since the inception of the program are approximately 1 tenth of 1 percent. Over the history of the Water Programs, 47 loans have been written off at a loss to the Government in the amount of \$20,242,908. This figure is extremely small in comparison to the total principal loaned since inception of the program of \$19.4 billion.

During fiscal year 2002, Preauthorized Debit (PAD) proved to be one of the most effective direct payment processes for WWD borrowers. The system



allows loan payments to be electronically withdrawn from borrowers' bank accounts on the day the payment is due. PAD has reduced the time required to process payments and allowed for more timely application of payments to the borrowers' accounts. It has helped reduce the number of delinquent loans significantly. It has also saved our borrowers time and money in processing payments. The number of borrowers participating continues to grow, and as of September 2002, the participation rate was over 58 percent.

Borrowers are required to refinance (graduate) to other credit when they can obtain the needed funds from commercial sources at reasonable rates and terms. Borrowers are reviewed every other year after the initial loan is 6 years old to determine whether they can refinance with commercial credit sources. Those borrowers determined able to refinance are asked to work with other credit sources in acquiring loans at

reasonable rates and terms to pay off their debt to the Government. Generally, borrowers are required to refinance only when they can maintain reasonable user rates. In fiscal year 2002, 454 loans graduated.

WEP loans generate a significant amount of income for the Government.

In FY 2002 WEP collected nearly \$689 million in principal and interest payments. This represents over 106 percent of the budget authority appropriated to WEP for funding in FY 2002.

	Principal & Interest
Loan Payments	\$522,732,423
Loans Fully Paid	\$166,071,267
Total	\$688,803,690

Engineering and Environmental Staff Review

The success of WEP's program delivery depends in part on a successful partnership with private sector consulting engineers. In the mid-1990's WEP partnered with the Engineers Joint Contract Documents Committee to develop standard construction documents that would be acceptable on RUS funded WEP projects. Since the release of the Funding Agency Edition of the standard documents in 1997, the documents have been used by many borrowers and have become a foundation for standard documents across many funding agencies. This year we completed the first update of those standard contract documents to incorporate industry changes and processing improvements.

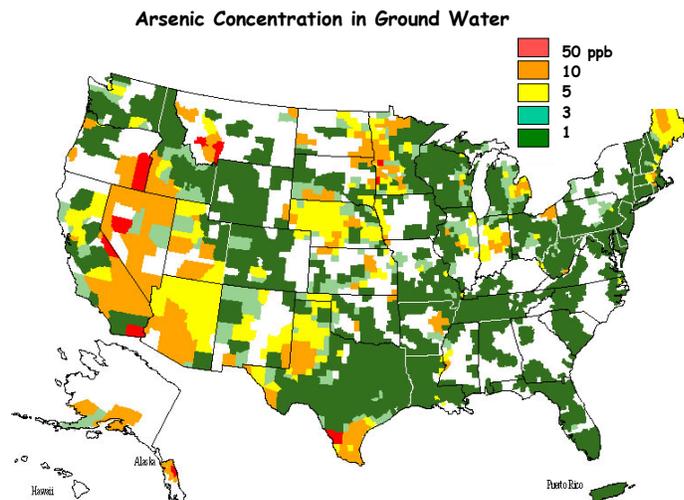
Technology is advancing in the water and waste treatment arena like it is in other more visible fields. The control and monitoring of the facilities and treatment processes are advancing by leaps and bounds. This allows our borrowers to better manage their far-flung systems without a person driving hundreds of miles just to look at the pump stations and tanks. Manufacturers and specialized operators can be brought into the management loop from remote locations.

With increasing use of e-mail, the Internet, and Intranet, WEP is keeping field staff better informed and interfacing with the applicants, borrowers, and their consultants more efficiently. Success stories are spread quickly, and the Intranet enables persons at remote locations to obtain

input from their counterparts across the country. WEP is looking forward to even better communications using the recently signed USDA-wide GIS enterprise license and recently purchased Global Positioning System units.

Our sense of security in this Nation has changed since 9/11/01. Prior to that when anyone took an interest in a water or sewer facility they would get the full tour. Today systems are conducting vulnerability assessments, budgeting for security improvements, and closely guarding their facilities. WEP has been working with the Environmental Protection Agency (EPA) and the Drinking Water Clearinghouse to distribute information and have tasked the circuit riders with providing security information as part of their normal assistance.

This year both the Arsenic and Surface Water treatment rules were finalized. Compliance with these rules will have a significant impact on very small



systems. RUS and EPA have signed a Memorandum of Understanding to give priority to funding projects for those systems with arsenic compliance problems.

In support of environmental issues, WEP maintains a series of compliance-training courses offered on CD's. The complete set of CD's has been distributed to Rural Development field offices and is also available to applicants and any other interested parties.

In order to assist program applicants in complying with the requirements in RUS Environmental Policies and Procedures, three guidance bulletins have been prepared and posted on the RUS website. A fourth bulletin was issued in 2002 that provides guidance in preparing for and carrying out the public involvement requirement for electric projects that require either the preparation of an environmental assessment or an environmental impact statement.

Raptor (birds of prey) electrocution continues to be a major wildlife concern in states west of the Mississippi River, whereas raptor electrocution/collision reports are increasing in the eastern United States. Electric transmission and distribution lines are the primary contributors of this problem. Raptors are protected through various laws, including the Migratory Bird Treaty Act, Bald Eagle Protection Act, and the Endangered Species Act. Violations of these laws can result in fines and/or imprisonment. This year RUS partnered with the U.S. Fish and Wildlife Service, New Mexico Fish and Game, Hawks Aloft, and Public Service Company of

New Mexico to conduct the first of three workshops in New Mexico. The purpose of the workshop was to raise the awareness of the problem and present a variety of solutions. Attendees included representatives of investor-owned utilities, electric cooperatives, municipalities, and oil companies. In previous years RUS has participated in workshops in Alaska, Arizona, Colorado, Montana, Nebraska, and North Dakota.

WWD Loan and Grant Program

State	FY 2001		FY 2002	
	Loan	Grant	Loan	Grant
ALABAMA	\$14,772,600	\$12,348,330	\$15,920,900	\$13,873,500
ALASKA	\$3,309,000	\$4,200,000	\$0	\$4,161,173
ARIZONA	\$5,406,380	\$3,706,000	\$6,136,291	\$4,171,160
ARKANSAS	\$17,271,500	\$12,326,400	\$35,548,230	\$32,543,220
CALIFORNIA	\$20,225,350	\$13,922,596	\$38,497,248	\$18,509,616
COLORADO	\$740,800	\$2,531,550	\$5,986,600	\$5,470,300
CONNECTICUT	\$1,323,165	\$4,119,265	\$4,174,305	\$6,750,595
DELAWARE	\$3,700,000	\$2,000,000	\$4,938,000	\$3,408,681
FLORIDA	\$19,885,100	\$11,604,100	\$28,437,565	\$16,737,935
GEORGIA	\$17,086,090	\$16,793,390	\$23,889,010	\$29,046,200
HAWAII	\$259,200	\$777,500	\$2,776,400	\$1,823,600
IDAHO	\$6,442,000	\$3,409,800	\$10,524,000	\$8,964,478
ILLINOIS	\$16,460,300	\$14,341,500	\$21,529,000	\$17,221,000
INDIANA	\$43,479,700	\$9,686,087	\$44,296,200	\$26,447,200
IOWA	\$14,919,600	\$7,049,400	\$55,068,500	\$29,179,550
KANSAS	\$10,366,400	\$7,186,400	\$26,484,706	\$18,491,300
KENTUCKY	\$29,307,000	\$15,752,000	\$90,420,600	\$21,484,300
LOUISIANA	\$19,939,420	\$14,429,300	\$40,308,500	\$28,056,348
MAINE	\$7,563,500	\$5,485,500	\$13,271,730	\$11,372,422
MARYLAND	\$8,754,100	\$4,013,971	\$24,947,055	\$6,601,101
MASSACHUSETTS	\$8,102,660	\$3,770,750	\$11,332,092	\$11,099,822
MICHIGAN	\$22,965,000	\$18,547,700	\$35,339,500	\$37,196,500
MINNESOTA	\$18,472,600	\$11,209,012	\$33,842,300	\$32,596,445
MISSISSIPPI	\$22,566,920	\$14,736,700	\$33,811,091	\$31,485,030
MISSOURI	\$16,536,900	\$11,829,679	\$20,301,845	\$14,444,637
MONTANA	\$4,723,500	\$4,784,600	\$10,158,300	\$7,100,500
NEBRASKA	\$5,343,600	\$3,355,400	\$10,264,200	\$5,017,100
NEVADA	\$4,313,526	\$3,100,000	\$1,723,196	\$2,438,705
NEW HAMPSHIRE	\$7,419,250	\$5,085,000	\$9,128,945	\$10,545,225
NEW JERSEY	\$10,808,000	\$2,201,000	\$8,172,825	\$6,081,835
NEW MEXICO	\$3,964,888	\$4,712,000	\$8,326,548	\$9,234,710
NEW YORK	\$27,259,200	\$14,630,100	\$29,117,100	\$21,885,805
NORTH CAROLINA	\$38,781,000	\$17,454,632	\$36,637,325	\$30,617,701
NORTH DAKOTA	\$5,620,200	\$3,500,000	\$13,638,440	\$6,866,410
OHIO	\$39,994,000	\$18,612,000	\$42,836,000	\$26,467,700
OKLAHOMA	\$15,034,610	\$9,139,340	\$16,360,805	\$12,749,870
OREGON	\$10,755,830	\$6,904,870	\$12,345,020	\$11,126,874
PENNSYLVANIA	\$26,349,000	\$22,250,825	\$48,844,150	\$37,488,100
PUERTO RICO	\$36,326,000	\$19,582,000	\$39,863,000	\$33,576,000
RHODE ISLAND	\$1,284,500	\$1,663,500	\$271,575	\$1,070,855
SOUTH CAROLINA	\$18,748,100	\$9,707,800	\$26,754,800	\$10,136,600
SOUTH DAKOTA	\$11,961,500	\$4,104,000	\$10,728,638	\$8,816,621
TENNESSEE	\$31,868,300	\$13,389,500	\$39,211,494	\$19,705,790
TEXAS	\$26,288,485	\$28,743,194	\$42,192,800	\$42,286,100
UTAH	\$2,552,400	\$2,160,708	\$5,081,700	\$5,919,920
VERMONT	\$3,449,500	\$2,845,360	\$7,984,800	\$6,525,100
VIRGIN ISLANDS	\$0	\$0	\$0	\$0
VIRGINIA	\$23,768,480	\$15,914,150	\$25,767,530	\$23,122,810
W. PACIFIC AREAS	\$0	\$0	\$578,000	\$2,183,000
WASHINGTON	\$5,168,780	\$6,445,112	\$15,967,580	\$13,185,823
WEST VIRGINIA	\$17,198,000	\$9,763,060	\$29,457,500	\$21,545,640
WISCONSIN	\$13,316,050	\$11,038,102	\$21,603,360	\$15,006,950
WYOMING	\$1,446,050	\$736,500	\$3,224,400	\$3,284,400
Totals	\$743,598,034	\$467,599,683	\$1,144,021,699	\$825,122,257

Guaranteed Water & Waste Loans

State	2001	2002
ALABAMA	\$250,000	\$0
CONNECTICUT	\$0	\$235,000
FLORIDA	\$0	\$70,000
ILLINOIS	\$206,920	\$0
LOUISIANA	\$482,000	\$1,400,000
NORTH CAROLINA	\$2,505,750	\$0
OHIO	\$1,850,000	\$200,000
PENNSYLVANIA	\$0	\$127,700
WASHINGTON	\$0	\$235,000
TOTALS	\$5,294,670	\$2,267,700

EZ/EC/REAP Loans and Grants

State	FY 2001		FY 2002	
	Loan	Grant	Loan	Grant
ARIZONA	\$0	\$750,000	\$0	\$0
ARKANSAS	\$0	\$274,000	\$49,400	\$147,200
GEORGIA	\$1,000,000	\$2,000,000	\$0	\$0
ILLINOIS	\$401,000	\$1,881,600	\$1,380,000	\$3,032,000
KANSAS	\$873,400	\$1,078,300	\$0	\$0
KENTUCKY	\$1,130,000	\$1,270,000	\$590,000	\$650,000
LOUISIANA	\$3,288,000	\$4,180,000	\$0	\$0
MICHIGAN	\$2,000,000	\$2,000,000	\$1,254,000	\$4,084,250
MISSISSIPPI	\$3,195,900	\$2,542,500	\$736,500	\$644,700
NEW MEXICO	\$51,860	\$155,880	\$12,500	\$37,500
NEW YORK	\$1,698,100	\$2,078,500	\$2,143,500	\$899,900
NORTH DAKOTA	\$500,000	\$1,500,000	\$4,663,000	\$2,550,000
OKLAHOMA	\$575,000	\$0	\$2,340,000	\$0
SOUTH DAKOTA	\$35,148	\$46,852	\$0	\$0
TENNESSEE	\$1,101,000	\$4,119,600	\$0	\$0
TEXAS	\$2,025,800	\$2,025,800	\$0	\$0
VERMONT	\$616,900	\$1,849,800	\$489,800	\$1,431,700
VIRGINIA	\$374,920	\$1,124,730	\$0	\$800,000
WASHINGTON	\$1,297,910	\$443,438	\$0	\$0
WEST VIRGINIA	\$0	\$129,000	\$550,000	\$3,000,000
WISCONSIN	\$0	\$0	\$0	\$900,000
TOTALS	\$20,164,938	\$29,450,000	\$14,208,700	\$18,177,250

Native American Grants

State	2001	2002
ARIZONA	\$50,728	\$143,950
CALIFORNIA	\$1,450,000	\$956,000
IDAHO	\$1,470,000	\$1,199,145
MAINE	\$925,000	\$650,000
MICHIGAN	\$393,000	\$0
MINNESOTA	\$1,387,000	\$1,000,000
MISSISSIPPI	\$0	\$1,000,000
MONTANA	\$500,000	\$1,000,000
NEBRASKA	\$268,000	\$796,100
NEW MEXICO	\$945,000	\$1,619,500
NEW YORK	\$511,402	\$1,154,598
NORTH DAKOTA	\$1,877,500	\$922,100
OKLAHOMA	\$1,933,200	\$0
OREGON	\$0	\$712,580
SOUTH DAKOTA	\$1,368,870	\$1,534,100
UTAH	\$0	\$853,100
WASHINGTON	\$670,300	\$161,427
WISCONSIN	\$2,000,000	\$2,297,400
Total	\$15,750,000	\$16,000,000

Colonias Grants

State	2001	2002
ARIZONA	\$2,434,900	\$3,100,000
CALIFORNIA	\$2,154,400	\$2,300,000
NEW MEXICO	\$7,552,111	\$6,386,000
TEXAS	\$6,858,935	\$7,215,787
TOTAL	\$19,000,346	\$19,001,787

Alaskan Village Grants

State	2001	2002
ALASKA	\$19,600,000	\$23,664,957

Emergency Program

State	Emergency Direct WW Loans		Emergency Direct WW Grants		ECWAG Direct WW Grants		ECWAG-Designated Direct Grants	
	2001	2002	2001	2002	2001	2002	2001	2002
ALABAMA							\$2,586,000	
CALIFORNIA					\$345,000	\$500,000		
FLORIDA					\$412,500			
GEORGIA						\$500,000	\$500,000	
IDAHO					\$845,500		\$75,000	
IOWA	\$7,000,000		\$3,000,000				\$3,445,000	
LOUISIANA	\$860,000		\$1,500,000		\$1,055,000	\$1,000,000	\$568,000	
MAINE					\$1,500,000	\$195,000		
MISSISSIPPI	\$84,000		\$551,600		\$437,800		\$1,280,900	
MISSOURI					\$1,676,650			
NEBRASKA	\$135,000		\$211,000				\$288,100	
NEW JERSEY					\$500,000			
NEW YORK					\$1,285,000			
NORTH CAROLINA					\$460,550			
OKLAHOMA	\$230,000		\$1,154,000				\$110,000	
OREGON					\$500,000			
SOUTH DAKOTA	\$2,707,300		\$2,551,300					
TENNESSEE	\$8,100,000		\$4,182,300				\$697,000	
TEXAS	\$5,703,015		\$806,906					
UTAH	\$357,200		\$2,643,392				\$450,000	
WASHINGTON					\$500,000	\$685,000		
WEST VIRGINIA						\$75,000		
WISCONSIN					\$482,000			
TOTALS	\$25,176,515	\$0	\$16,600,498	\$0	\$10,000,000	\$2,955,000	\$10,000,000	\$0

Other Agencies

Appalachian Regional Commission Grants

State	2001	2002
ALABAMA	\$525,600	\$392,000
GEORGIA	\$1,532,500	\$232,200
KENTUCKY	\$5,449,432	\$7,340,919
MARYLAND	\$250,000	\$650,000
MISSISSIPPI	\$963,788	\$1,081,520
NEW YORK	\$450,000	\$752,000
NORTH CAROLINA	\$1,071,650	\$745,300
OHIO	\$500,000	\$600,000
PENNSYLVANIA	\$0	\$35,000
TENNESSEE	\$806,000	\$400,000
VIRGINIA	\$896,738	\$500,000
WEST VIRGINIA	\$1,490,200	\$1,539,000
TOTALS	\$13,935,908	\$14,267,939

Economic Development Administration Grants

State	2001	2002
ILLINOIS	\$0	\$1,868,000
IDAHO	\$1,330,000	\$0
MICHIGAN	\$850,000	\$1,471,000
MINNESOTA	\$300,000	\$1,500,000
NEW YORK	\$0	\$500,000
SOUTH DAKOTA	\$0	\$275,000
TOTALS	\$2,480,000	\$5,614,000

Technical Assistance Programs

Solid Waste Management Grants

State	2001	2002
ALASKA	\$283,600	\$170,000
ARKANSAS	\$128,000	\$128,000
CALIFORNIA	\$71,700	\$0
COLORADO	\$12,500	\$46,000
HAWAII	\$104,470	\$39,000
IDAHO	\$186,300	\$110,000
ILLINOIS	\$0	\$46,000
LOUISIANA	\$100,000	\$100,000
MAINE	\$279,825	\$282,999
MASSACHUSETTS	\$121,300	\$119,000
MISSOURI	\$79,000	\$204,000
MONTANA	\$93,000	\$0
NEVADA	\$90,000	\$90,000
NEW HAMPSHIRE	\$98,700	\$98,000
NEW MEXICO	\$109,000	\$115,000
NEW YORK	\$125,000	\$0
NORTH CAROLINA	\$110,000	\$95,000
NORTH DAKOTA	\$0	\$90,000
OHIO	\$222,255	\$528,975
OKLAHOMA	\$60,000	\$76,000
OREGON	\$93,000	\$93,000
PENNSYLVANIA	\$20,000	\$20,000
RHODE ISLAND	\$0	\$90,000
TENNESSEE	\$0	\$60,000
TEXAS	\$50,000	\$0
VERMONT	\$225,500	\$162,000
VIRGINIA	\$850,000	\$850,000
WISCONSIN	\$0	\$74,000
TOTALS	\$3,513,150	\$3,686,974

Technical Assistance and Training Grants

State	2001	2002
ALASKA	\$100,000	\$103,000
ARIZONA	\$100,000	\$0
MAINE	\$0	\$100,000
MONTANA	\$0	\$9,324
NEW MEXICO	\$150,000	\$154,500
NEW YORK	\$0	\$200,000
OKLAHOMA	\$9,139,865	\$8,881,000
VIRGINIA	\$5,436,000	\$6,149,300
WEST VIRGINIA	\$1,200,000	\$1,836,000
TOTALS	\$16,125,865	\$17,433,124

All WWD Programs – FY 2002

State	No. of Loans	Loan Amount	No. of Grants	Grant Amount
ALABAMA	18	\$15,920,900	18	\$14,265,500
ALASKA	0	\$0	13	\$28,099,130
ARIZONA	14	\$6,136,291	25	\$7,415,110
ARKANSAS	58	\$35,597,630	53	\$32,818,420
CALIFORNIA	20	\$38,497,248	26	\$22,265,616
COLORADO	8	\$5,986,600	10	\$5,516,300
CONNECTICUT	5	\$4,409,305	7	\$6,750,595
DELAWARE	5	\$4,938,000	5	\$3,408,681
FLORIDA	20	\$28,507,565	15	\$16,737,935
GEORGIA	13	\$23,889,010	13	\$29,778,400
HAWAII	1	\$2,776,400	2	\$1,862,600
IDAHO	16	\$10,524,000	27	\$10,273,623
ILLINOIS	46	\$22,909,000	36	\$22,167,000
INDIANA	24	\$44,296,200	15	\$26,447,200
IOWA	58	\$55,068,500	51	\$29,179,550
KANSAS	29	\$26,484,706	25	\$18,491,300
KENTUCKY	46	\$91,010,600	63	\$29,475,219
LOUISIANA	41	\$41,708,500	30	\$29,156,348
MAINE	21	\$13,271,730	30	\$12,600,421
MARYLAND	16	\$24,947,055	13	\$7,251,101
MASSACHUSETTS	16	\$11,332,092	24	\$11,218,822
MICHIGAN	26	\$36,593,500	24	\$42,751,750
MINNESOTA	61	\$33,842,300	59	\$35,096,445
MISSISSIPPI	69	\$34,547,591	57	\$34,211,250
MISSOURI	41	\$20,301,845	41	\$14,648,637
MONTANA	19	\$10,158,300	15	\$8,109,824
NEBRASKA	17	\$10,264,200	17	\$5,813,200
NEVADA	7	\$1,723,196	8	\$2,528,705
NEW HAMPSHIRE	12	\$9,128,945	18	\$10,643,225
NEW JERSEY	7	\$8,172,825	7	\$6,081,835
NEW MEXICO	22	\$8,339,048	35	\$17,432,210
NEW YORK	56	\$31,260,600	60	\$25,507,303
NORTH CAROLINA	19	\$36,637,325	23	\$31,458,001
NORTH DAKOTA	12	\$18,301,440	12	\$10,428,510
OHIO	29	\$43,036,000	41	\$27,596,675
OKLAHOMA	25	\$18,700,805	19	\$21,706,870
OREGON	13	\$12,345,020	19	\$11,932,454
PENNSYLVANIA	25	\$48,971,850	21	\$37,543,100
PUERTO RICO	19	\$39,863,000	11	\$33,576,000
RHODE ISLAND	1	\$271,575	3	\$1,160,855
SOUTH CAROLINA	17	\$26,754,800	9	\$10,136,600
SOUTH DAKOTA	23	\$10,728,638	21	\$10,625,721
TENNESSEE	44	\$39,211,494	41	\$20,165,790
TEXAS	45	\$42,192,800	55	\$49,501,887
UTAH	9	\$5,081,700	13	\$6,773,020
VERMONT	9	\$8,474,600	10	\$8,118,800
VIRGIN ISLANDS	0	\$0	0	\$0
VIRGINIA	29	\$25,767,530	30	\$31,422,110
WASHINGTON	19	\$16,202,580	21	\$14,032,250
WEST VIRGINIA	25	\$30,007,500	28	\$27,995,640
WISCONSIN	19	\$21,603,360	26	\$18,278,350
W. PACIFIC AREAS	1	\$578,000	1	\$2,183,000
WYOMING	2	\$3,224,400	2	\$3,284,400
TOTAL	1,197	\$1,160,498,099	1,248	\$945,923,287

How To Contact Us

For additional information, contact your local USDA Rural Development office, or contact the National office at:

**USDA Rural Utilities Service
Water and Environmental Programs
1400 Independence Avenue, S.W.
Washington, D.C. 20250-1548
Telephone (202) 690-2670, fax (202) 720-0718, or**

Visit the WEP website: <http://www.usda.gov/rus/water/>

Visitors will find timely information on:

- ❑ WEP program information and how to apply for assistance
- ❑ Links to processing forms, regulations, State regulatory agencies
- ❑ Technical assistance programs available
- ❑ Training tools and tips on preparing engineering, environmental, and financial feasibility reviews, success stories, etc.
- ❑ Engineering resources for applicants, engineers, consultants, employees
- ❑ Locations of Rural Development State offices and contact information
- ❑ Information on special initiatives and legislative matters
- ❑ Links to technical assistance providers that specialize in drinking water, wastewater, and solid waste management problems for small communities.