

CFC, Federated and NRCO Launch Pilot Program to Develop Electric Cooperative Solar Power Projects

For Release: September 05, 2013

Contact: Brad Captain, Corporate Communications; Todd Bartling, NRCO VP, Renewables Development; Chad Ogren, Federated VP, Sales & Marketing

NORFOLK, Va.—At its District Meeting today, the National Rural Utilities Cooperative Finance Corporation (CFC) announced a pilot program with Federated Rural Electric Insurance Exchange (Federated) and the National Renewables Cooperative Organization (NRCO) that seeks to make solar photovoltaic generation more economical for electric cooperatives and their members.

“This collaborative program will provide electric cooperatives with a streamlined process to develop solar energy projects in a more cost-effective way,” CFC CEO Sheldon C. Petersen said. “Our network has a history of working together to solve complex problems. This effort is another example of cooperation among cooperatives for the greater good, and CFC is proud to be a part of it.”

Through the initiative, NRCO will oversee program management and supporting marketing and legal documents. CFC will provide debt capital as needed for solar projects. Federated has committed up to \$6 million as tax equity investment for initial solar projects.

“Our organizations will be able to provide an electric cooperative interested in developing one or more solar power projects with all of the essential services needed to do so,” NRCO CEO Amadou Fall said. “Basic project concepts can be expanded and scaled up depending on the interest of cooperative memberships, and as more projects develop.”

“Our structure as an insurance exchange provides a unique opportunity to provide tax equity investment for initial projects under this program,” Federated CEO Phil Irwin said. “We are pleased to be able to provide this as a service to our members, helping to strengthen their systems and the communities they serve.”

The program was developed in the context of decreasing technology costs combined with tax incentives, which have contributed to the popularity and affordability of solar power among consumers. Taxable third-party solar vendors are able to harness the benefits of investment tax credits and accelerated depreciation to deploy solar projects—incentives that nonprofit electric cooperatives cannot traditionally access.

Electric cooperatives interested in pursuing solar power options can contact CFC and NRCO for more information.

About CFC

The National Rural Utilities Cooperative Finance Corporation (CFC) is a nonprofit finance cooperative created and owned by America’s electric cooperative network. With more than \$22 billion in assets, CFC is committed to providing unparalleled industry expertise, flexibility and responsiveness to serve the needs of our member-owners. Visit us online at www.nrucfc.coop.

About Federated

Federated Rural Electric Insurance Exchange (Federated) is the leading provider of property and casualty insurance for rural electric cooperatives in 42 states. Federated’s primary goal is to offer our members

affordable coverage over the long term, so they can focus on serving their communities and making them better, safer and more vibrant places to live. More information is available at www.federatedrural.coop.

About NRCO

Cooperatives across the country formed the National Renewables Cooperative Organization (NRCO) to promote and facilitate the development of renewable energy resources for its members. NRCO's main purposes are to facilitate the cost-effective, joint development of renewable resources nationwide for its cooperative owners, helping its owners meet the requirements of voluntary and mandatory renewable energy standards. For more information, please visit www.nrcocoop.