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## Incentives for Energy Efficiency and Renewable Energy Generation

*State Revolving Loan Programs*

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# **Incentives for Energy Efficiency and Renewable Energy Generation**

## *State Revolving Loan Programs*

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## TABLE OF CONTENTS

	<u>Page</u>
Alabama Local Government Energy Loan Program .....	1
Alabama State Energy Plan Revolving Loan Program.....	3
Alaska Power Project Loan Fund .....	5
Connecticut Clean Energy Fund .....	7
Connecticut Energy Conservation Loan Program .....	10
Iowa Alternate Energy Revolving Loan Program .....	12
Kansas Revolving Loan Program .....	14
Kentucky Green Bank.....	16
Maine Energy Conservation Small Business Revolving Loan Program .....	19
Maryland Commercial and Industrial Efficiency Loan Fund .....	21
Maryland Lawton Conservation Loan Program .....	23
Maryland State Agency Loan Program.....	25
Mississippi Energy Investment Loan Program .....	27
Missouri Energy Revolving Fund.....	29
Montana Alternative Energy Revolving Loan Program .....	31
Nebraska Dollar and Energy Savings Loans .....	33
Nevada Renewables and Energy Efficiency Revolving Loan Fund.....	36
New Hampshire Enterprise Energy Fund .....	38
New Hampshire Municipal Energy Reduction Fund.....	40
New Hampshire Business Energy Conservation Revolving Loan Fund .....	42
New Jersey Clean Energy Solutions Capital Investment Loan/Grant Program .....	44

North Carolina Energy Improvement Loan Program .....47

Oklahoma Community Energy Education Management Program .....49

Oklahoma Energy Loan Fund for Schools.....51

Oklahoma Higher Education Energy Loan Program .....53

Oregon Small-Scale Energy Loan Program.....55

Oregon Green Street Lending Program .....57

Pennsylvania Alternative and Clean Energy Program.....59

Pennsylvania High Performance Buildings Incentive Program.....62

Pennsylvania Solar Energy Incentives Program .....64

Pennsylvania Wind and Geothermal Incentives Program .....66

Pennsylvania Sustainable Development Fund .....68

Pennsylvania Sustainable Energy Fund .....71

Rhode Island Renewable Energy Loan Funds .....73

South Carolina ConserFund Loan Program.....76

Texas LoanSTAR Program.....78

Vermont Clean Energy Development Fund.....80

Vermont Business Energy Conservation Loan Program .....82

Virginia Energy Leasing Program .....84

Wisconsin Home Performance and Efficient Heating and Cooling Loan Program .....86

## **Alabama Local Government Energy Loan Program**

### **1. Name**

Local Government Energy Loan Program (the “Alabama Local Government Program”).

### **2. Mission**

The mission of the Alabama Local Government Program is to promote energy conservation in local government through zero-interest loans for energy efficiency improvements, renewable energy implementation, energy audits, and retrofits of buildings.

### **3. Administrator**

The Alabama Local Government Program is a partnership between the Alabama Department of Economic and Community Affairs Energy Division (“ADECA Energy”) and PowerSouth (a subsidiary of Alabama Electric Cooperative). ADECA Energy is the primary administrator.

### **4. Program description & entities eligible for financing support**

The Alabama Local Government Program enables government entities and public school systems (including colleges/universities) to receive a zero-interest loans for energy efficiency improvements, energy audits, and retrofits of buildings.

Eligible energy conservation measures include, but are not limited to, lighting retrofits, heat recovery systems, load and energy management systems, building envelope improvements, and renewable energy resources (including biomass, hydropower, geothermal energy, wind energy, and solar energy). Buildings must be owned by the local government or school board applying for the loan, and must include a heating system, cooling system, or both. The proposed energy conservation measure must demonstrate a simple payback period of 10 years or less. Further, each energy conservation measure must have a useful life of at least equal to the estimated payback.

Recipients shall warrant that all work or construction done with the proceeds of a loan under this program shall comply with all building codes and standards. Each building included in the project must be benchmarked using the ENERGY STAR Portfolio Manager program. Each project will require an energy audit of the building or complex.

### **5. Sources & amount of funding for financing support**

The Economic Development Revolving Loan Fund (“Revolving Loan Fund”) is the source of funding for the Alabama Local Government Program. The Revolving Loan Fund is not limited to projects relating to efficiency and renewable energies exclusively and is separate from the general

state treasury. The Revolving Loan Fund is available for a variety of community development programs and is self-sustaining in that principal and interest payments on loans are paid back into the Fund, and fees and charges may be levied (*e.g.*, management fees) to support administration of the lending.

- *Total program fund:* Unknown

- *Per loan:* The maximum amount for loans issued under the Alabama Local Government Program is \$350,000 for local governments (municipal or county) and individual school campuses, or \$500,000 for a K-12 school system. These amounts include closing costs.

## **6. Financing support mechanism details**

The maximum term for loans issued under the Alabama Local Government Program is 10 years. Loans may be repaid at any time with no prepayment penalty. The loan interest rate is 0% and will not be changed during the life of the loan. A 3% management fee is assessed for each approved loan and a 10% late fee may apply to accounts not paid within 30 days of billing.

## **7. Illustration of financing support**

No illustrations have been made available.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Ala. Code § 41-23-50.

## **10. Program website & additional commentary**

- *Program website:*

<http://www.adeca.alabama.gov/C3/Local%20Government%20Energy%20Loan%20P/default.aspx>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=AL06F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=AL06F&re=1&ee=1)

- *Other commentary:*

<http://www.adeca.alabama.gov/C3/Local%20Government%20Energy%20Loan%20P/Document%20Library/Application%20Booklet%20rev%20Jan%20-09%20changes.pdf> (description of the program)

## **Alabama State Energy Plan Revolving Loan Program**

### **1. Name**

State Energy Plan Revolving Loan Program (the “SEP Loan Program”).

### **2. Mission**

The mission of the SEP Loan Program is to stimulate the creation and retention of jobs, improve energy efficiency, and increase the generation of renewable energy by providing low interest rate loans for the installation of renewable energy systems and the implementation of energy efficiency measures for new and existing industries in Alabama.

### **3. Administrator**

The Alabama Department of Economic and Community Affairs Energy Division (“ADECA Energy”) enters into subgrant agreements with experienced and qualified third-party entities to develop and administer the SEP Loan Program, provide loans for energy efficiency projects, and promote the SEP Loan Program. This third-party entity serves as SEP Loan Program administrator and is selected through a competitive process consistent with Alabama Law and U.S. Department of Energy requirements for recipients of funding from the American Recovery and Reinvestment Act of 2009 (“ARRA”). The third-party entity selected to administer a particular loan charges an administrative fee resulting from each loan project on a percentage basis. It is unclear whether this third-party administrator has been selected.

### **4. Program description & entities eligible for financing support**

The SEP Loan Program is one of eight focus areas within Alabama’s State Energy Plan (“SEP”). Allowable expenditures for loans include equipment and equipment installation labor costs for renewable energy systems and energy-efficient fixtures and retrofits installed on property owned by the loan applicant. Eligible renewable energy systems may employ solar, biomass, biofuels, geothermal, micro-hydroelectric, methane capture and use, and/or fuel cell technologies. Eligible energy efficient fixtures and retrofits may include, but are not limited to, mechanical systems and components including HVAC and hot water, electrical systems and components including lighting and energy management systems, doors and windows, insulation, refrigeration, and combined heat and power. The target audience for the loan program are new and existing industries located in Alabama.

### **5. Sources & amount of funding for financing support**

The SEP Loan Program was developed to administer the funding Alabama received from the federal government through ARRA to carry out its SEP. The SEP Loan Program is self-sustaining, with loan repayments going back into the Program’s fund.

- *Total program fund:* \$25 million for the Revolving Loan Program from ARRA (out of \$55.57 million allocated to Alabama for implementation of its SEP)

- *Per loan:* \$250,000 – \$4 million

## **6. Financing support mechanism details**

All loan applications are reviewed by the contracting entity and by ADECA Energy. Projects are evaluated based in part on potential for job creation/retention, energy savings, renewable energy generation capacity, emissions reductions, cost savings, and sustainability. Loan applicants are required to complete a National Environmental Policy Act form for proposed projects.

Loan terms are for a maximum of 10 years and the initial interest rate is set at 2%. Loans can be used for up to 100% of total eligible project costs.

The administrator of the loan is required to obtain appropriate financial security from borrowers and to confirm the credit worthiness of loan applicants. All loans are properly secured and require an irrevocable letter of credit. The administrator determines, on a case-by-case basis, whether a lien on the property is appropriate collateral. Other collateral may include security interests in equipment and accounts. All loans will be monitored by the administrator and by ADECA Energy.

## **7. Illustration of financing support**

No illustrations have been made available.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Ala. Code § 41-23-50 (providing generic authority to establish a revolving fund for community development programs).

## **10. Program website**

- *Program website:*

[http://www.adeca.alabama.gov/C7/SEP-ARRA/Document%20Library/Alabama\\_SEP-ARRA\\_Plan\\_web.pdf](http://www.adeca.alabama.gov/C7/SEP-ARRA/Document%20Library/Alabama_SEP-ARRA_Plan_web.pdf)

## **Alaska Power Project Loan Fund**

### **1. Name**

Power Project Loan Fund (the “Power Project Fund”).

### **2. Mission**

The mission of the Power Project Fund is to develop or upgrade small-scale power production facilities, conservation facilities, and bulk fuel storage facilities.

### **3. Administrator**

The Alaska Energy Authority (“AEA”) administers the Power Project Fund.

### **4. Program description & entities eligible for financing support**

The Power Project Fund provides loans to electric utilities, regional electric authorities, municipalities, regional and village corporations, village councils, and independent power producers to pay the costs of constructing, equipping, modifying, improving, and expanding small-scale power production facilities that are designed to produce less than 10 MW of power, bulk fuel storage facilities, and transmission and distribution facilities, including energy production, transmission and distribution, waste energy, energy conservation, energy efficiency, and alternative energy facilities and equipment.

### **5. Sources & amount of funding for financing support**

The Power Project Fund is a separate fund, distinct from any other money or funds controlled by the AEA, and includes only money appropriated by the Alaska Legislature and money deposited from loan repayments and interest earned by loans.

- *Total program fund:* Unknown.

- *Per loan:* There does not appear to be a legal cap on loan amounts, but the AEA may not enter into a loan from the Power Project Fund for a major project unless it has legislative approval of the project and the amount. A major project is a project in which the cumulative state monetary involvement, through loans, grants, and bonds, is at least \$5 million, or a project for which a loan of more than \$5 million has been requested. In addition, maximum loan amounts may be determined by available funds in the Power Project Fund.

**6. Financing support mechanism details**

For wind, geothermal, heating, and conservation facilities, the term of a loan is up to 20 years. Interest rates are the lesser of the average weekly yield of municipal bonds for the 12 months preceding the date of loan or a rate the AEA determines will allow the project to be financially feasible.

**7. Illustration of financing support**

No illustrations have been made available.

**8. Sunset provision**

None apparent.

**9. Authorizing statute and/or regulation**

Alaska Stat. § 42.45.010.

Alaska Admin. Code tit. 3, § 106.100.

**10. Program website & additional commentary**

- *Program website:*

<http://akenergyauthority.org/programsloan.html>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=AK01F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=AK01F&re=1&ee=1)

## Connecticut Clean Energy Fund

### 1. Name

Connecticut Clean Energy Fund (“CCEF”), also known as the Renewable Energy Investment Fund (“REIF”).

### 2. Mission

The CCEF is a statutorily created fund (in the name of the REIF) intended to foster the growth, development, and commercialization of renewable energy sources and related enterprises, stimulate demand for renewable energy and the deployment of renewable energy sources that serve end-use customers in the state, and support operational demonstration projects for advanced technologies that reduce energy use from traditional sources.

### 3. Administrator

Connecticut Innovations, Inc. (“CI”), a corporation that is a public instrumentality and political subdivision of the state, administers the CCEF pursuant to statute.<sup>1</sup> CI receives guidance from the Clean Energy Advisory Committee, whose members are appointed by the Connecticut General Assembly, Connecticut’s governor and the chairman of CI. The CCEF is governed by the statutorily created Renewable Energy Investment Board, whose members are chosen pursuant to criteria specified in the authorizing statute. The Connecticut Department of Public Utility Control (“DPUC”) is required to approve a comprehensive plan for the CCEF. Beyond the administration of CCEF, CI is chiefly engaged in investment and providing strategic capital and operational insight in high-tech industries such as energy, biotechnology, information technology, and photonics.

### 4. Program description & entities eligible for financing support

CI may use any amount in the CCEF for expenditures that promote investment in renewable energy sources in accordance with a comprehensive plan approved by the DPUC. Such expenditures include grants, direct or equity investments, contracts, or other actions which support research, development, manufacture, commercialization, deployment and installation of renewable energy technologies, and actions which expand the expertise of individuals, businesses and lending institutions with regard to renewable energy technologies. Although it does not appear that CI has been used in the past to administer loans as a form of financial support, under the Draft Comprehensive Plan for FY 2011-2012 prepared by the CCEF Board of Directors (“Draft Comprehensive Plan”), a new “Revolving Loan Fund” operating under the purview of the CCEF will be created and implemented.

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<sup>1</sup> By statute, the REIF was placed within CI for administrative purposes only.

Renewable technologies and energy sources eligible to receive CCEF incentives include solar photovoltaic, solar thermal, geothermal, wind, ocean thermal, wave or tidal energy, fuel cells, landfill gas, hydropower that meets certain low-impact standards, hydrogen production and hydrogen conversion technologies, low emission advanced biomass conversion technologies, and alternative fuels used for electricity generation including ethanol, biodiesel, or other fuel produced in Connecticut and derived from agricultural produce, food waste, or waste vegetable oil, provided that the Commissioner of Environmental Protection determines that such fuels provide net reductions in greenhouse gas emissions and fossil fuel consumption. Eligible energy sources also include usable electricity from combined heat and power systems with waste heat recovery systems, thermal storage systems, and other energy resources and emerging technologies which have significant potential for commercialization and which do not involve the combustion of coal, petroleum or petroleum products, municipal solid waste, or nuclear fission. Over 75% of the CCEF budget appears to be devoted to incentives and other financing for commercially available clean energy systems. In determining funding, CI assesses the costs versus benefits to ratepayers, including environmental protection, public health improvements, climate change mitigation, peak demand decrease, transmission avoidance, economic development, and job creation.

## **5. Sources & amount of funding for financing support**

The CCEF receives funding for programs and initiatives primarily from the ratepayers of DPUC-regulated electric distribution companies through a DPUC-authorized surcharge on electricity bills of not less than one mill per kWh. The CCEF may also receive funding through alternative compliance payments, which are assessed on licensed competitive load-serving entities and electric distribution companies providing standard service who fail to satisfy renewable energy procurement requirements under the state's Renewable Portfolio Standards. Other funding sources can include Regional Greenhouse Gas Initiative auction proceeds, state bonds, federal grants, and private foundation grants. Additionally, the CCEF received funding under the American Recovery and Reinvestment Act of 2009.

- *Total program fund:* Pursuant to the Draft Comprehensive Plan, the new Revolving Loan Fund has a projected budget of \$3.5 million. To date, the CCEF as a whole has received approximately \$215 million in ratepayer funding, of which \$148 million has been deployed in projects, initiatives, and investments, \$56 million has been committed for approved projects that are in the process of being permitted and constructed, and the remainder has been utilized for expenses.

- *Per loan:* Unknown.

## **6. Financing support mechanism details**

The Draft Comprehensive Plan does not provide details regarding the structure of financing support under the CCEF.

## **7. Illustration of financing support**

Under the CCEF, CI has created and currently administers the Solar PV Rebate Program, the Solar Lease Program, Fuel Cell Performance Monitoring Program, the CT Clean Energy Communities Program, the CT Clean Energy Community Innovations Grant Program, the Clean Energy Climate Solutions Program, the Learning for Clean Energy Innovation, the Operational Demonstration Program, and the On-Site Renewable DG Program. More than 96% of all Connecticut municipalities have received some amount of funding from the CCEF. Moreover, more than 1,500 renewable energy generation systems have been installed using CCEF funding.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Conn. Gen. Stat. § 32-35(a) (creating CI).

Conn. Gen. Stat. §§ 16-245n(c), (d) (creating the REIF and the REIB).

## **10. Program website & additional commentary**

- *Program websites:*

<http://www.ctcleanenergy.com/Default.aspx?tabid=62>

<http://www.ctinnovations.com/index.php>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=CT03R&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=CT03R&re=1&ee=1)

- *Other commentary:*

<http://www.ctcleanenergy.com/Portals/0/FINAL%20DRAFT%20CCEF%20FY%2011%2012%20Comprehensive%20Plan.pdf> (Draft Comprehensive Plan)

## **Connecticut Energy Conservation Loan Program**

### **1. Name**

Energy Conservation Loan Program (“ECLP”) (applying to residential structures with four or fewer dwelling units) and the Multifamily Energy Conservation Loan Program (“MELP”) (applying to residential structures with 5 or more dwelling units) (together, the “EC Programs”).

### **2. Mission**

The mission of the EC Programs is to establish standards for energy conservation materials and devices for use by the Connecticut Department of Housing to administer low-cost loans for energy conservation, assist loan applicants in the purchase of tested and approved energy conservation materials and devices and in the proper and accepted methods for installation of such materials and devices, and prevent any conflicts with health, safety, environmental, or building code regulations.

### **3. Administrator**

The Connecticut Housing Investment Fund, Inc. (“CHIF”) administers the EC Programs. CHIF is a private, nonprofit organization established to finance affordable housing and neighborhood revitalization projects in Connecticut. CHIF offers lending programs and also manages programs on behalf of other agencies and organizations. CHIF is certified by the U.S. Treasury Department as a Community Development Financial Institution.

### **4. Program description & entities eligible for financing support**

The ECLP funds the purchase and installation of insulation, alternative energy devices, energy conservation devices, or materials and the replacement of furnaces and boilers. ECLP funding may also be used for the purchase of a secondary heating system using a source of heat other than electricity, or for the conversion of a primary electric heating system to a system using a source of heat other than electricity. Eligible recipients are employed residential properties with regionally varying caps on income (*e.g.*, one-person maximum incomes range from \$89k to \$164k).

The MELP funds weatherization, mechanical systems (including heating systems efficiency improvements, domestic hot water system efficiency improvements, and lighting efficiency improvements), building envelope improvements, and renewable resources. There are no income restrictions on loans administered through the MELP; however, preference may be given to structures housing lower-income individuals.

## 5. Sources & amount of funding for financing support

Funding for the EC Programs comes from the Connecticut Department of Economic and Community Development. The EC Programs are revolving loan programs as loan payments are directed back into the EC Program, out of which new loans are made.

- *Total program fund:* Unknown.

- *Per loan:* Single family (1-4 units) homeowners may borrow up to \$25,000 under the ECLP; multi-family property owners may borrow up to \$2,000 per unit (a maximum of \$60,000 per building) under the MELP.

## 6. Financing support mechanism details

Interest rates vary in accordance with the borrower's family size and income (for ECLP loans), but are below market under both of the EC Programs. Loans must be repaid within 10 years.

## 7. Illustration of financing support

No illustrations have been made available.

## 8. Sunset provision

None apparent.

## 9. Authorizing statute and/or regulation

Conn. Gen. Stat. § 16a-40b.

## 10. Program website & additional commentary

- *Program website:*

[http://www.chif.org/owner\\_borrowers/index.shtml#energy](http://www.chif.org/owner_borrowers/index.shtml#energy)

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=CT05F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=CT05F&re=1&ee=1)

## Iowa Alternate Energy Revolving Loan Program

### 1. Name

Alternate Energy Revolving Loan Program (the “AERLP”).

### 2. Mission

The mission of the AERLP is to stimulate the growth of alternative energy production in Iowa.

### 3. Administrator

The Iowa Energy Center (“IEC”) administers the AERLP, working in tandem with outside lenders that provide half of the financing to eligible projects.

### 4. Program description & entities eligible for financing support

The AERLP distributes loans to individuals and organizations that seek to build renewable energy production facilities in Iowa. Loans from the AERLP were initially not available to non-rate-regulated utilities; however, the statute was amended in May 2009 to allow non-rate-regulated utilities to participate. Eligible renewable energy technologies include solar, biomass, wind, and small hydroelectric. Approved applicants receive a single, low-interest loan that consists of a combination of AERLP funds and matching funds from independent outside lenders.

### 5. Sources & amount of funding for financing support

The AERLP is funded by Iowa’s investor-owned utilities through a 3-year assessment against their total gross intrastate operating revenues, derived from their intrastate public utility operations, totaling 0.085% of the total gross operating revenues during calendar years 1995 through 1997. The IEC received about \$5.9 million for the program over this 3-year period. Since no additional funds will come from the investor-owned utilities through this assessment, the amount of money available for loans through the AERLP is a function of the rate of loan repayments. In 2002 the AERLP legislation was amended to permit that up to half of the accrued interest income in the AERLP be spent for program promotion and administration.

- *Total program fund:* Unknown.

- *Per loan:* 50% of the financed project’s estimated cost (the remainder coming from an outside lender), up to \$1 million.<sup>2</sup>

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<sup>2</sup> Gas and electric utilities that are not rate-regulated may only receive a loan up to \$500,000 and may receive only one loan every two years.

## **6. Financing support mechanism details**

Loans bear 0% interest with a maximum loan payback term of 20 years. Technical applications for projects with a total financed capital cost of \$50,000 or less are reviewed on a continuous basis. Higher cost projects are reviewed on a quarterly basis.

Loans are given based on both the technical merit of a project and the financial qualifications of the applicant. Interested parties submit to the IEC a technical application that provides specific technical, operational, and cost details about the planned alternative energy production facility. All responsive submissions received during a given application cycle are reviewed and ranked. Those applications receiving the highest rankings are selected to receive loans, subject to the amount of funds currently available in the AERLP. The outside lender, which provides the other 50% of the funding, manages the entire loan and arranges repayment of the AERLP share of the loan to the IEC.

## **7. Illustration of financing support**

As of March 2009, the AERLP had provided loans of more than \$11.4 million in support of 88 renewable energy projects.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Iowa Code § 476.46 (creating the AERLP).

## **10. Program website & additional commentary**

- *Program website:*

<http://www.energy.iastate.edu/AERLP/index.htm>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=IA06F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=IA06F&re=1&ee=1)

## **Kansas Revolving Loan Program**

### **1. Name**

Efficiency Kansas Revolving Loan Program (the “Kansas Revolving Loan Program”).

### **2. Mission**

The mission of the Kansas Revolving Loan Program is to foster energy savings, emphasizing efficiency upgrades, in Kansas homes and small businesses.

### **3. Administrator**

The Kansas Corporation Commission State Energy Office (“KCC Energy Office”) established the Kansas Revolving Loan Program with money from the American Recovery and Reinvestment Act of 2009 (“ARRA”). Utilities administer the Kansas Revolving Loan Program for the state.

### **4. Program description & entities eligible for financing support**

Homeowners and small businesses may receive financing to pay for energy improvements and renewable energy systems for existing homes and buildings. Certain utilities administer the Kansas Revolving Loan Program for the state. Customers of utilities not participating in the Program can contact a partner lender for direct financing.

Borrowers must first have an energy audit performed by a qualified auditor to identify the best efficiency improvements to pursue. Participants are responsible for paying for the energy audit, but the cost can be rolled into the loan amount and rebates may be available to the first 1,000 participants. After receiving the recommendations from the audit, the participant must solicit bids from contractors. The participant must then submit an Energy Conservation Plan to the participating utility or lender who will then submit it to the KCC Energy Office for review and approval. If the KCC Energy Office approves the plan, the lender or utility may then proceed with the financing.

### **5. Sources & amount of funding for financing support**

ARRA provides funding for the Kansas Revolving Loan Program. Program funds are distinct from the state’s general treasury, and loan repayments are added back into it for future financing.

- *Total program fund:* Approximately \$35 million allocated through ARRA

- *Per loan*: Homeowners' limit is \$20,000; small business limit is \$30,000. Monthly loan repayments for either may not exceed the estimated monthly energy savings.<sup>3</sup>

## **6. Financing support mechanism details**

The interest rate on loans may not exceed 4%. Borrowers have up to 15 years to repay the loan. Borrowers participating through their utility will repay the loan directly through their utility bills. The loan is attached to the utility account and, in the event the home or business is sold, the loan obligation remains with the property. Participants are required to notify future occupants of the remaining loan repayment obligations associated with the property. Failure to make proper disclosure could result in the customer being responsible for immediate repayment of the remaining balance.

## **7. Illustration of financing support**

As of January 18, 2010, ten applications were being processed, but no loan projects were yet underway. Energy savings will vary, but on average, Kansans who participate in the program can expect to reduce heating and cooling bills by as much as 20%, according to a recent press release.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Kan. Stat. Ann. § 74-601 *et seq.*

Kan. Stat. Ann. § 74-616.

## **10. Program website & additional commentary**

- *Program website*:

<http://www.encykansas.com/>

- *DSIRE link*:

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=KS20F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=KS20F&re=1&ee=1)

- *Other commentary*:

<http://www.hutchnews.com/Print/ecofriendly>

<http://www.naseo.org/programs/sep/success/kansas/loan.htm>

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<sup>3</sup> The average loan amount from initial applications under the Kansas Revolving Loan Program was \$5,000–\$6,000.

## **Kentucky Green Bank**

### **1. Name**

Green Bank of Kentucky (the “Kentucky Green Bank” or the “Bank”).

### **2. Mission**

The mission of the Kentucky Green Bank is to promote energy efficiency in state buildings through competition for low interest loans, reduce operating costs and energy use, protect the environment, save taxpayer dollars, promote economic development, and create new “green collar” jobs.

### **3. Administrator**

Kentucky’s Finance and Administration Cabinet administers the Kentucky Green Bank.

### **4. Program description & entities eligible for financing support**

Financing support from the Kentucky Green Bank is limited to state agencies for state buildings. The Bank pays upfront costs of energy-savings projects. Energy loans, including secondary loans, may be used for construction, upgrades, or retrofits that are intended to result in reduced energy usage. Energy loans may also, under certain circumstances, be used to pay for certain administrative costs associated with an energy project. Future reduced energy usage helps repay loans.

The Kentucky Green Bank currently provides the following three loan programs for energy efficiency:

- The eSELF Revolving Loan Program allows state agencies to perform energy efficiency projects costing between \$50,000 and \$225,000. State buildings with high energy costs, stable programming and for which no major capital improvement or renovations are planned for at least seven years generally make good candidates for the eSELF program. The goal of this program is a 20% reduction in energy consumption.
- The Hybrid Revolving Loan Program allows funding for energy projects in state facilities that cost between \$50,000 and \$600,000. An energy audit or engineering analysis is required along with a completed design and development package.
- The ESPC Revolving Loan Program funds energy efficiency projects typically costing more than \$600,000. These projects use investment-grade energy audits to provide a detailed cost-benefit analysis of energy efficiency investments. These projects also use a life cycle energy cost analysis. These loans also require the use of an energy savings performance company.

Renewable energy technologies are eligible for funding under any of these programs as long as the payback period is 14 years or less.

## **5. Sources & amount of funding for financing support**

The American Recovery and Reinvestment Act of 2009 (“ARRA”) provided the initial funding for the Kentucky Green Bank through Kentucky’s State Energy Program. Additional future funding may be available through ARRA direct reimbursement, Build America Bonds, or traditional tax-exempt bonds issued for any governmental construction project. Payments of interest and repayment of principal are added to the revolving loan programs provided by the Bank and may be used for additional loans.

- *Total program fund:* \$14,170,579 (as of February 19, 2010).

- *Per loan:* The minimum amount per project is \$50,000.

## **6. Financing support mechanism details**

Energy loans currently carry a fixed rate of 3.25%. The borrowing agency makes payments on the principal and interest to the applicable program fund of the Kentucky Green Bank. Payment amounts are determined by the interest rate, total principal amount borrowed, and payback period of the loan. If funds are borrowed to implement a Qualified Energy Conservation Bond project, the repayment period shall not exceed the stated final maturity as determined by the U.S. Treasury—currently 15 years. For other projects, the repayment period shall not exceed the estimated life of the energy savings generated by implementing the energy efficiency measures being financed, and in no event may exceed 20 years. The borrowing agency is expected to repay the loan with funds saved through improved energy efficiency and reduced energy usage. For an agency with multiple energy projects and outstanding loans, the total amount repaid each period by an agency likewise may vary due to the timing difference of the loans. Late fees or other penalties for delinquent payments may be assessed.

## **7. Illustration of financing support**

The recipient of the first loan provided by the Kentucky Green Bank (announced January 21, 2010), was the Kentucky Department of Education, which received a loan of nearly \$1.3 million to implement energy efficiency and conservation measures to the Kentucky School for the Blind in Louisville, the Kentucky School for the Deaf in Danville, and the Future Farmers of America Leadership Training Center in Hardinsburg. Funded technologies include lighting system improvements, equipment control systems, mechanical system improvements and more efficient dishwashing systems. Projected savings total nearly \$140,000 annually from a reduction in utility costs and operating and maintenance fees.

**8. Sunset provision**

None apparent.

**9. Authorizing statute and/or regulation**

Finance and Administration Cabinet, Administrative Order No. 2009-04 (July 31, 2009)  
(establishing the Kentucky Green Bank).

Ky. Rev. Stat. Ann. §§ 56.770-84.

Ky. Rev. Stat. Ann. § 56.783.

**10. Program website & additional commentary**

- *Program website:*

<http://finance.ky.gov/greenbank/>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=KY45F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=KY45F&re=1&ee=1)

- *Other commentary:*

<http://migration.kentucky.gov/Newsroom/governor/20100121greenKDE.htm> (press release regarding the first loan)

## **Maine Energy Conservation Small Business Revolving Loan Program**

### **1. Name**

Efficiency Maine Trust – Energy Conservation Small Business Revolving Loan Program (the “Maine Program”).

### **2. Mission**

The Maine Program’s mission is to provide small businesses with the loans necessary to undertake energy conservation and efficiency projects.

### **3. Administrator**

On July 1, 2010, the Efficiency Maine Trust began administering the Maine Program. The Efficiency Maine Trust was established for the purpose of developing, planning, coordinating, and implementing energy efficiency and alternative energy resources programs in Maine.

### **4. Program description & entities eligible for financing support**

Loans are available to small commercial and nonprofit enterprises (less than \$5 million in annual sales or less than 50 full-time employees) to support approved energy efficiency measures. Schools, hospitals, and facilities with residential components (*e.g.*, apartment buildings) are not eligible to participate. To qualify, an enterprise must undergo an energy audit to determine necessary improvements and then apply to the Maine Program for funding approval. Collateral is required to secure the loan and the business must provide a minimum of 10% of the project funding. The loans are primarily for energy efficiency upgrades, but loans may be available for renewable energy systems provided the recipient can demonstrate significant energy savings.

### **5. Sources & amount of funding for financing support**

The Maine Program was originally capitalized by funds provided by the U.S. Department of Energy State Energy Program Formula Grant and administered by the Maine Public Utilities Commission. Under the Efficiency Maine Trust, the Maine Program is funded through federal capitalization grants, assessments to transmission and distribution charges on utility bills in the state, and loan repayment proceeds. The Maine Program is designed to be a self-sustainable revolving loan fund.

- *Total program fund:* Unknown.

- *Per loan*: The maximum loan available under the Maine Program is \$35,000, but varies based on the project and client cash flow.

## **6. Financing support mechanism details**

Loans are made at below-market fixed interest rates, with actual fixed rates and repayment periods varying depending upon project and loan amount. Loan processing costs, including a maximum closing fee of \$500, are required to be paid by the applicant but may be added to the project's total cost.

## **7. Illustration of financing support**

No illustrations have been made available.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Me. Rev. Stat. Ann. tit. 35-A, § 10103 (establishing the Efficiency Maine Trust).

Me. Rev. Stat. Ann. tit. 35-A, § 10116 (establishing the Maine Program).

## **10. Program website & additional commentary**

- *Program website*:

<http://www.energymaine.com/at-work/for-small-business/loan-programs>

[http://janus.state.me.us/msep/incentives\\_loan\\_information.htm](http://janus.state.me.us/msep/incentives_loan_information.htm)

- *DSIRE link*:

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=ME04F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=ME04F&re=1&ee=1)

## **Maryland Commercial and Industrial Efficiency Loan Fund**

### **1. Name**

EmPOWER Maryland Commercial and Industrial Efficiency Loan Fund (“EmPOWER”).

### **2. Mission**

The mission of EmPOWER is to allow Maryland’s commercial and industrial businesses to implement energy efficiency measures that help reduce state energy consumption by 15% by 2015. EmPOWER seeks to promote energy conservation, development and use of renewable energy resources, self-sustaining buildings and emergency generating units that use renewable energy resources, infrastructure for renewable energy generation, reduced consumption of fossil fuels, and improved energy efficiency and enhanced energy-related economic development and stability in business, commercial, and industrial sectors.

### **3. Administrator**

The Maryland Energy Administration (“MEA”) administers EmPOWER.

### **4. Program description & entities eligible for financing support**

Eligibility for EmPOWER loans is limited to commercial and industrial businesses incorporated in Maryland or principally owned by Maryland residents and conducting business primarily in Maryland. Loans are disbursed for the installation of electric and fuel (gas, fuel oil, propane, and coal) energy efficiency improvements to commercial and industrial businesses located in Maryland. Facilities used for fraternal or religious activities are not eligible.

### **5. Sources & amount of funding for financing support**

EmPOWER receives money through the State of Maryland Strategic Energy Investment Fund (“SEIF”), in addition to funding through the American Recovery and Reinvestment Act of 2009 (“ARRA”).

- *Total program fund:* \$5.6 million is available through FY 2011 under the current budget.

- *Per loan:* The minimum loan amount is \$35,000. Electric efficiency loans may not exceed \$500,000, and fuel (*e.g.*, gas, oil) efficiency loans may not exceed \$750,000. A business may apply for multiple loans, but the total outstanding balance may not exceed \$750,000 for all loans in aggregate.

**6. Financing support mechanism details**

Projects must have a simple payback period of 10 years or less in order to qualify for a loan. Loans bear a fixed interest rate of 2.5%.

**7. Illustration of financing support**

EmPOWER launched in November 2009, but no loan recipients have been announced to date.

**8. Sunset provision**

None apparent.

**9. Authorizing statute and/or regulation**

Md. Ann. Code, State Gov't art. 9, § 20A.  
Md. Code Regs. 14.26.01.

**10. Program website & additional commentary**

- *Program website:*

<http://energy.maryland.gov/incentives/business/commercialIndustrialEnergyEfficiencyLoanFund.asp>

<http://energy.maryland.gov/documents/CandIEELFPROGRAMSTANDARD.pdf>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=MD49F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=MD49F&re=1&ee=1)

## **Maryland Lawton Conservation Loan Program**

### **1. Name**

Jane E. Lawton Conservation Loan Program (the “Lawton Program”).<sup>4</sup>

### **2. Mission**

The mission of the Lawton Program is to provide local governments and nonprofit organizations in Maryland with the opportunity to reduce their operating expenses by identifying and installing energy conservation improvements.

### **3. Administrator**

The Maryland Energy Administration (“MEA”) administers the Lawton Program.

### **4. Program description & entities eligible for financing support**

Eligible loan recipients include nonprofit organizations (including hospitals and private schools) and local governments (including public school systems and community colleges). The Lawton Program’s only eligibility criteria are that the project save energy and have a simple payback of 10 years or less. The Lawton Program focus is on energy conservation and renewable energy projects, including solar, wind, biomass, hydroelectric, and geothermal, and solid municipal waste. The Lawton Program allows borrowers to use the cost savings generated by improvements as the primary source of repayment for the loan.

### **5. Sources & amount of funding for financing support**

The Lawton Program is funded through a combination of money appropriated in the state budget to the Lawton Program, interest and investment earnings, and repayment and prepayments of principal and interest on outstanding loans. Payments made by current loan recipients are used to fund new loans.

- *Total program fund:* The annual cap on the Lawton Program’s budget is approximately \$1.5 million (based on calculations for FY 2010). Through March 2010, 20% of the total fund was reserved for nonprofit organizations, after which unused funds were returned to the general loan pool.

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<sup>4</sup> The Lawton Program replaced the former Community Energy Loan Program and the Energy Efficiency and Economic Development Loan Program.

- *Per loan*: For FY 2010, the maximum loan amount is \$300,000, though larger loans will be considered on a case-by-case basis in future years. The minimum loan amount is \$40,000.

## **6. Financing support mechanism details**

Interest rate are negotiated for individual loans but are guaranteed to be below market. The current average interest rate is approximately 2%. Repayment begins in the second year after the loan is made. The maximum repayment period is ten years.

## **7. Illustration of financing support**

As of September 2008, the Lawton Program had funded 58 projects with a cost of approximately \$15.6 million and energy savings exceeding \$20 million.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Md. Code Ann., State Gov't art. 9, § 20A, *as amended by* H.B. 1442 (2009).

## **10. Program website & additional commentary**

- *Program website*:

<http://energy.maryland.gov/incentives/state-local/janeelawton.asp>;

<http://www.energy.maryland.gov/incentives/schools/communityenergyloan.asp>

- *DSIRE link*:

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=MD02F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=MD02F&re=1&ee=1)

- *Other commentary*:

<http://www.energy-grants.net/jane-e-lawton-conservation-loan-program/>

## **Maryland State Agency Loan Program**

### **1. Name**

State Agency Loan Program (the “Maryland Agency Loan Program”).

### **2. Mission**

The mission of the Maryland Agency Loan Program is to provide a financing mechanism for state agencies to lower their energy costs. Since 2006, the Maryland Agency Loan Program has been used to meet the requirements set forth in a 2001 Executive Order requiring state facilities to use “green energy” for a minimum of 6% of their electricity needs. The Executive Order also mandated the creation of a High Efficiency Green Buildings Program to facilitate the use of energy efficient and environmentally responsible approaches in the design, construction, maintenance, and operation of state-owned and -operated facilities.

### **3. Administrator**

The Maryland Energy Administration (“MEA”) administers the Maryland Agency Loan Program.

### **4. Program description & entities eligible for financing support**

The Maryland Agency Loan Program makes zero-interest loans to state agencies for cost-effective energy efficiency improvements in state facilities. The Maryland Agency Loan Program has provided the financing for upgraded lighting, controls, boilers, chillers, and other energy equipment in state buildings and facilities.

### **5. Sources & amount of funding for financing support**

The Maryland Agency Loan Program was established in 1991 using approximately \$3 million in Energy Overcharge Restitution Trust funds. An additional \$800,000 was allocated FY2009 from the proceeds of carbon emission allowance auctions under the Regional Greenhouse Gas Initiative (“RGGI”). The Maryland Agency Loan Program is designed to be a self-sustaining revolving loan fund. Repayments are made from the recipient agency’s fuel and utility budget, based on the energy savings resulting from the project.

- *Total program fund:* Approximately \$3.8 million (approximately \$1.5 million in loans are made out of the fund annually, as of 2008) is available under the Maryland Agency Loan Program.

- *Per loan:* There is no maximum loan amount, but the largest loan amount as of 2010 was \$600,000.

## **6. Financing support mechanism details**

Loan recipients pay no interest on the loans but are required to pay a 1% administrative fee. Loans are expected to be paid back within 10 years.

## **7. Illustration of financing support**

The Maryland Agency Loan Program was responsible for \$16.5 million in loans to state agencies as of early 2008, supporting efficiency projects that resulted in an estimated \$20.2 million in energy savings.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Md. Code Ann., State Fin. & Proc. § 7-315 (establishing the Energy Overcharge and Restitution Fund).

Sustaining Maryland's Future with Clean Power, Green Buildings and Energy Efficiency, Exec. Order No. 01.01.2001.02 (2001).

## **10. Program website & additional commentary**

- *Program website:*

<http://energy.maryland.gov/incentives/state-local/stateagencyloan.asp>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=MD08F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=MD08F&re=1&ee=1)

- *Other commentary:*

<http://ase.org/content/article/detail/1323>

## **Mississippi Energy Investment Loan Program**

### **1. Name**

Energy Investment Loan Program (the “EILP”).

### **2. Mission**

The mission of the EILP is to: promote the development and demonstration of efficient, environmentally acceptable, and commercially feasible technologies, techniques, and processes in relation to the development of Mississippi’s energy resources; develop projects that demonstrate a realistic promise of making a significant energy contribution to the state; and effectively utilize the state’s existing alternative and conventional energy resources to foster economic and social improvements in the state.

### **3. Administrator**

The Mississippi Development Authority Energy Division (“MDA Energy Division”) administers the EILP.

### **4. Program description & entities eligible for financing support**

Eligible loan recipients are businesses that promote the development and demonstration of efficient, environmentally acceptable, and commercially feasible technology and processes, and that also utilize Mississippi’s existing energy resources, public utilities and/or developing resources that foster economic growth. Eligible industries include manufacturers, warehouses, and distribution centers, research and development facilities, retail, telecommunications and data processing facilities, and national or regional headquarters. Renewable energy technologies contemplated under the EILP include solar thermal, solar space heat, solar process heat, photovoltaics, alternative fuels, geothermal, biomass, landfill gas, and hydropower. All projects must demonstrate a reduction in the facility’s energy costs.

### **5. Sources & amount of funding for financing support**

Pursuant to Miss. Code Ann. § 57-39-39, the Energy Development Fund exists within the state treasury, with its funds reserved exclusively for the purposes stated above. Funding for the EILP specifically comes from oil overcharge restitution funds from the U.S. Department of Energy.

- *Total program fund:* \$7 million.

- *Per loan:* The loan range permitted under the EILP is \$15,000–\$300,000.

**6. Financing support mechanism details**

The EILP interest rate is 3% below the prime rate, with a maximum loan term of approximately 7-10 years.<sup>5</sup> The MDA Energy Division requires a 1% good faith deposit on projects involving real estate pledged as collateral.

**7. Illustration of financing support**

No illustrations have been made available.

**8. Sunset provision**

None apparent.

**9. Authorizing statute and/or regulation**

Miss. Code Ann. § 57-39-39.

**10. Program website & additional commentary**

- *Program website:*

<http://www.mississippi.org/index.php?id=340>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=MS01F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=MS01F&re=1&ee=1)

- *Other commentary:*

[http://www.mississippi.org/assets/docs/trade/key\\_finance\\_programs08.pdf](http://www.mississippi.org/assets/docs/trade/key_finance_programs08.pdf)

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<sup>5</sup> There are conflicting numbers given by MDA Energy Division sources.

## Missouri Energy Revolving Fund

### 1. Name

Energy Revolving Fund (“Missouri Energy Fund”).

### 2. Mission

The mission of the Missouri Energy Fund is to reduce energy costs and save tax dollars currently spent on energy in order to make such funds available for public entities to spend on other services or improvements.

### 3. Administrator

The Energy Center of the Missouri Department of Natural Resources (“DNR Energy Center”) administers the Missouri Energy Fund.

### 4. Program description & entities eligible for financing support

The Missouri Energy Fund provides loans to public schools, universities, colleges, cities and counties to help reduce energy costs. Loans may be used for various energy-saving investments, including projects such as upgrading insulation, lighting systems, heating and cooling systems, windows, and other items that affect energy use.

### 5. Sources & amount of funding for financing support

Funds from the Petroleum Violation Escrow Account<sup>6</sup> provided the initial funding for the Missouri Energy Fund. Loans and repayments are revolving and appear distinct from the general treasury, so the Missouri Energy Fund is self-supporting in theory.

- *Total program fund:* During calendar year 2010, the DNR Energy Center plans to offer a total of \$10 million in two separate competitive loan program cycles. One cycle will be held in the spring and another in the fall. For each cycle, the DNR Energy Center plans to make \$5 million available for loan financing of energy-efficiency projects.

- *Per loan:* Each applicant may apply for a loan not to exceed \$1 million once per cycle.

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<sup>6</sup> This account is comprised of funds resulting from fines paid by oil companies for violating federal oil price caps in the 1970s. These funds are allocated to states by the U.S. Department of Energy.

## 6. Financing support mechanism details

Loans made under the Missouri Energy Fund must be repaid within 10 years. During calendar year 2010, loan awards will be made at a 0% interest rate. Loan recipients will be charged an origination fee of 1%.

Eligible applicants must submit a completed loan application form to the DNR Energy Center on or before the due date for the cycle. These loans are not defined as debt, so the loan financing does not count against debt limits or require a public vote or bond issuance. Loan recipients are determined on a competitive basis. To determine which applicants will receive funding, applications will be ranked based on project payback, which will be determined by dividing the cost to implement a project by the estimated yearly energy cost savings. Projects with the lowest payback score will be funded until all available funds are allocated. In the case of identical payback scores, the eligible applicant with the highest percentage total of energy savings will receive funding. If sufficient funds remain after review of all loan applications and priority ranking of loan applications, the DNR Energy Center will consider awarding loans in excess of \$1 million to applicants who may desire larger loans and for which the project is expected to achieve adequate energy savings to support a larger loan.

## 7. Illustration of financing support

The Missouri Energy Fund website indicates that since its inception in 1989, the DNR Energy Center has disbursed more than \$80 million in loans for completed energy-efficiency projects, resulting in more than \$146 million in cumulative energy savings.

## 8. Sunset provision

None apparent.

## 9. Authorizing statute and/or regulation

Mo. Rev. Stat. § 640.651 *et seq.*  
Mo. Code Regs. Ann. tit. 10, § 140-2.010.

## 10. Program website & additional commentary

- *Program website:*  
<http://www.dnr.mo.gov/energy/financial/loan.htm>

- *DSIRE link:*  
[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=MO01F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=MO01F&re=1&ee=1)

## **Montana Alternative Energy Revolving Loan Program**

### **1. Name**

Alternative Energy Revolving Loan Program (the “AERLP”).

### **2. Mission**

The mission of the AERLP is to provide a financing option to Montana homeowners, small businesses, nonprofits, and government entities to install alternative energy systems.

### **3. Administrator**

The Montana Department of Environmental Quality (“DEQ”) administers the Program.

### **4. Program description & entities eligible for financing support**

The AERLP provides loans to individuals, small businesses, local government agencies, units of the university system, and nonprofit organizations to install alternative energy systems that generate energy for their own use. Eligible technologies include fuel cells using non-fossil fuels, geothermal, low emissions wood or biomass, wind, photovoltaics, and small hydropower (under 1 MW). DEQ provides a technical review and approval of systems proposed for the AERLP.

### **5. Sources & amount of funding for financing support**

The AERLP has historically been funded through air quality penalties collected by DEQ and is now also using funds obtained through the American Recovery and Reinvestment Act of 2009 (“ARRA”). The AERLP is self-sustaining, as interest earned by the account and any interest generated from loan repayment, in addition to repayment of principal, must be deposited into the account and used to sustain the program.

- *Total program fund:* Unknown.

- *Per loan:* Conflicting sources indicate \$40,000 or \$60,000 for residences, and \$100,000 for ARRA-funded projects.

### **6. Financing support mechanism details**

Conflicting sources indicate that loans may have a repayment term of up to 10 or 15 years. DEQ sets the interest rate on loans at an amount that will cover its administrative costs, but the rate may not be less than 1% per year. A 4.0% interest rate is set for 2010.

DEQ accepts and processes loan applications throughout the year. Once a loan is approved, the applicant is informed whether funds are currently available, and if not, when new funds are anticipated. Administrative costs charged to the account may not exceed 10% of the total loans or \$23,000 a year, whichever is greater. Legal fees and costs associated with collection of debt on principal are not considered administrative costs.

**7. Illustration of financing support**

No illustrations have been made available.

**8. Sunset provision**

None apparent.

**9. Authorizing statute and/or regulation**

Mont. Code Ann. § 75-25-101 *et seq.*

**10. Program website & additional commentary**

- *Program website:*

<http://www.deq.mt.gov/Energy/Renewable/altenergyloan.mcp>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=MT06F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=MT06F&re=1&ee=1)

## **Nebraska Dollar and Energy Savings Loans**

### **1. Name**

Nebraska Dollar and Energy Saving Loans (“DESL”).

### **2. Mission**

Although no specific program mission is given, DESL falls under the purview of the Nebraska State Energy Office (“NSEO”), whose mission is to promote the efficient, economic, and environmentally responsible use of energy.

### **3. Administrator**

The NSEO administers DESL.

### **4. Description & entities eligible for financing support**

DESL makes available low interest loans for residential and commercial energy efficiency improvements. Only improvements to existing buildings that are at least five years old are eligible for loan assistance.

While the incentive applies mainly to energy efficiency improvements, renewable energy projects are eligible under one of two criteria.<sup>7</sup> A project may be eligible if it is included in a list of “pre-qualified improvements.” This list includes a variety of energy efficiency measures as well as the purchase of alternative fuel vehicles. Pre-qualified improvements have minimum efficiency standards which are listed on their respective forms. Projects not listed as pre-qualified improvements may be eligible with the submission of an energy audit that verifies that the project will have a reasonable payback period (“reasonable” varies by improvement type).

Products obtained using DESL loan proceeds must be installed per the manufacturer’s installation instructions for optimum operability and output. All installations must meet local, state, and federal codes and regulations.

### **5. Sources & amount of funding for financing support**

DESL was initially capitalized using oil overcharge funds. DESL received an additional \$11 million in funding through the American Recovery and Reinvestment Act of 2009 (“ARRA”) to

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<sup>7</sup> Although renewable energy projects are eligible, it appears that they have not been widely sought and that only a handful of such projects have been funded to date through DESL.

finance 2.5% interest loans for commercial and industrial sector buildings. DESL is also funded through funds received from loan repayments and interest.

- *Total program fund*: Unknown, but to date, loans totaling more than \$200 million have been made through DESL.

- *Per loan*: Maximum loan amounts range from \$10,000 to \$175,000 depending on the type of loan sought.<sup>8</sup>

## **6. Financing support mechanism details**

The effective interest rate on DESL loans varies between 2.5% and 5% depending on the technology and the origin of the funds. The payback term ranges from 5 to 15 years.

Loan applicants first approach a financial institution, which approves the project on financial terms before contacting NSEO for its approval. NSEO then purchases either 50% or 75% of the loan at 0% to deliver an interest rate of 5% or 2.5%, respectively, to the borrower. All qualifying work must be completed within five months of NSEO's commitment of funds.

## **7. Illustration of financing support**

No illustrations have been made available.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Neb. Rev. Stat. § 81-1636 (authorizing the state DOE to implement a program to disburse petroleum overcharge funds).

## **10. Program website & additional commentary**

- *Program website*:

<http://www.neo.ne.gov/loan/>

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<sup>8</sup> For example, except for solar hot water systems, loan limits on wind and solar renewable energy systems are \$14,000 for the first kW on systems 10 kW and smaller, \$19,000 for the first kW on systems larger than 10 kW, to include grid tie equipment, generating or collecting equipment, installation, and any utility charges, and \$4,000 for each additional kW of generating capacity, up to 15 kW, and \$5,000 per kW above 15 kW, prorated, up to a maximum of \$125,000 (25 kW).

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=NE01F&re=1&ee=1-](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=NE01F&re=1&ee=1-)

## **Nevada Renewables and Energy Efficiency Revolving Loan Fund**

### **1. Name**

Renewables and Energy Efficiency Revolving Loan Fund (“EERLF”).

### **2. Mission**

The purpose of the EERLF is to create a sustainable revolving loan program to help Nevada meet its renewable energy portfolio standard goals, promote energy independence, and create jobs by providing short-term, low cost loans to developers of renewable energy systems in Nevada.

### **3. Administrator**

The Nevada State Office of Energy (“NSOE”) administers the EERLF.

### **4. Program description & entities eligible for financing support**

Low interest loans through the EERLF are available to owners of an existing renewable energy system in the State of Nevada or a person or entity seeking to construct a new renewable energy system in Nevada.

Projects must be no more than 60 kW in size for solar photovoltaic and 20 kW for wind turbines and solar thermal. They must also use a reliable, proven technology and include the expansion of an existing renewable energy system or construction of a new system. Project proposals are ranked based on a variety of factors, including readiness to proceed, job creation/retention potential, renewable energy generation relative to project cost, fossil fuels or greenhouse reduction, and leveraging of additional financing. The highest ranked projects are presented to the Nevada Legislature’s Interim Finance Committee for approval.

### **5. Sources & amount of funding for financing support**

The EERLF was created in response to funding allocated to the State of Nevada’s State Energy Program through the American Recovery and Reinvestment Act of 2009 (“ARRA”).

- *Total program fund:* \$8.2 million.

- *Per loan:* \$200,000 minimum, \$1.645 million maximum.

## **6. Financing support mechanism details**

Applicants must be able to enter into a loan agreement prior to June 30, 2010. Loan terms are anticipated to be less than 15 years with an interest rate of 3%. Lower interest rates are available for individuals or entities in disadvantaged communities.

Projects must be completed no later than January 2012. Projects that may trigger lengthy environmental reviews or are proposed on historical sites will be considered infeasible. Applicants must demonstrate that their project can be successfully completed prior to January 2012 or they may be denied.

## **7. Illustration of financing support**

No illustrations have been made available.

## **8. Sunset provision**

Projects must be completed no later than January 2012.

## **9. Authorizing statute and/or regulation**

Nev. Rev. Stat. §§ 701.560, 701.575.

## **10. Program website & additional commentary**

- *Program website:*

<http://energy.nv.gov/recovery/RevolvingLoan.htm>

- *Other commentary:*

[http://energy.nv.gov/documents/News/2010/2010-03-15\\_NSOESeeksRFPRelease.pdf](http://energy.nv.gov/documents/News/2010/2010-03-15_NSOESeeksRFPRelease.pdf)

## New Hampshire Enterprise Energy Fund

### 1. Name

Enterprise Energy Fund (“EEF”).

### 2. Mission

The EEF is a low-interest loan and grant program available to businesses and nonprofit organizations to help finance energy improvements and renewable energy projects in their buildings. The goals are reduction of energy costs and consumption and promotion of economic recovery and job creation.

### 3. Administrator

The New Hampshire Community Development Finance Authority (“CDFA”), a division of the New Hampshire Office of Energy and Planning, administers the EEF.

### 4. Program description & entities eligible for financing support

The EEF is available to finance improvements to the overall energy-efficiency performance of buildings owned by businesses and nonprofit organizations, thereby lowering their overall energy costs and the associated carbon emissions. A wide range of activities are eligible for funding, including energy audits, whole building improvements, equipment and appliance upgrades, lighting upgrades, heating and cooling upgrades, solar thermal technologies, and renewable energy installations.

### 5. Sources & amount of funding for financing support

The EEF is funded through New Hampshire’s State Energy Program allocation under the American Recovery and Reinvestment Act of 2009 (“ARRA”). Income from and loan repayments remain available to the EEF to finance its operations.

A small portion of the EEF is used for grants to conduct energy audits, provide down payments to businesses and nonprofit organizations that provide essential services and that have been hardest hit by the recession, leverage significant private sector funds, and encourage investments in renewable energy. A larger percentage of the funds are loaned to businesses to reduce their energy costs and consumption.

- *Total program fund:* \$3.5 million (portion allocated to loan activities unknown).

- *Per loan:* Up to \$500,000.

**6. Financing support mechanism details**

For-profit commercial business interest rates vary between 2.75% to 4%, depending on the length of the loan (3 to 10 years). For nonprofit organizations, loan terms are customized based on need, but in general these loans carry interest rates between 2% to 2.5% for 3 to 10 years.

**7. Illustration of financing support**

No illustrations have been made available.

**8. Sunset provision**

Initial funding inquiries were required to be submitted by April 30, 2010.

**9. Authorizing statute and/or regulation**

N.H. Rev. Stat. Ann. 4-C:1.

**10. Program website & additional commentary**

- *Program website:*

[http://www.nhcdfa.org/web/erp/eef/eef\\_overview.html](http://www.nhcdfa.org/web/erp/eef/eef_overview.html)

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=NH38F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=NH38F&re=1&ee=1)

## New Hampshire Municipal Energy Reduction Fund

### **1. Name**

Municipal Energy Reduction Fund (“MERF”).

### **2. Mission**

MERF is available to help municipalities improve the energy efficiency of their municipal buildings, street lighting, water and sewer treatment facilities, and where appropriate, electrical distribution systems in order to reduce energy usage and costs.

### **3. Administrator**

The New Hampshire Community Development Finance Authority (“CDFA”) administers MERF.

### **4. Program description & entities eligible for financing support**

MERF is available to finance improvements to the overall energy efficiency performance of a municipality’s buildings. Eligible efficiency activities include improvements to the building’s envelope including air sealing and insulation in the walls, attics, and foundations; improvements to HVAC equipment inside conditioned space; installation of sealed combustion, high efficiency condensing boilers or other high efficiency systems; and installation of alternative energy sources.

### **5. Sources & amount of funding for financing support**

CDFFA was awarded \$1.5 million in Greenhouse Gas Emissions Reductions Fund funding to capitalize a revolving loan fund for the purpose of financing energy improvements to municipal facilities and activities through a proceeding at the New Hampshire Public Utilities Commission.

- *Total program fund:* \$1.5 million.

- *Per loan:* Not specified.

### **6. Financing support mechanism details**

Loans to municipalities are structured based on projected energy savings calculated based on the last several years of energy usage and several years of future projected usage. The terms of the loans are flexible and can be structured as a service contract if desired by the town. CDFFA encourages applicants to leverage other funding sources, including those offered through utility rebate and loan programs.

**7. Illustration of financing support**

No illustrations have been made available.

**8. Sunset provision**

None apparent.

**9. Authorizing statute and/or regulation**

N.H. Rev. Stat. Ann. 125-O:23.

N.H. Code Admin R. Ann. P.U.C. 2600.

**10. Program website & additional commentary**

- *Program website:*

[http://www.nhcdfa.org/web/erp/merf/merf\\_overview.html](http://www.nhcdfa.org/web/erp/merf/merf_overview.html)

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=NH39F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=NH39F&re=1&ee=1)

## **New Hampshire Business Energy Conservation Revolving Loan Fund**

### **1. Name**

Business Energy Conservation Revolving Loan Fund (“BECRLF”).

### **2. Mission**

The purpose of the BECRLF is to provide direct loans to businesses in New Hampshire to finance energy efficiency upgrades.

### **3. Administrator**

The New Hampshire Business Finance Authority (“BFA”) administers the BECRLF.

### **4. Program description & entities eligible for financing support**

All businesses, including nonprofits, are eligible to apply for financing support under the BECRLF. Loan proceeds must be used to complete cost effective energy efficiency programs. Businesses must exhibit a reasonable ability to repay the loan using either historical operating results or income projections.

### **5. Sources & amount of funding for financing support**

The BFA was allocated funding through the Greenhouse Gas Emissions Reduction Fund, administered by the New Hampshire Public Utilities Commission to capitalize a revolving loan fund to provide direct loans to businesses.

- *Total program fund:* \$2 million.

- *Per loan:* A minimum of \$100,000.

### **6. Financing support mechanism details**

The BFA works with applicants under the BECRLF to customize a loan package that results in increased energy efficiency and financial savings for the company. Loan terms under are flexible, but the initial minimum loan amount is \$100,000, loan terms typically do not exceed 5 years, and amortization rates and interest are structured to reflect the payback for the improvements. There are no minimum collateral coverage requirements, but the BFA will seek a security interest in all assets being financed. Each loan application must begin with an energy audit.

**7. Illustration of financing support**

No illustrations have been made available.

**8. Sunset provision**

None apparent.

**9. Authorizing statute and/or regulation**

N.H. Rev. Stat. Ann. 125-O:23.

N.H. Code Admin. R. Ann. P.U.C. 2604.

**10. Program website & additional commentary**

- *Program website:*

[http://www.nhbfa.com/BFA\\_LoanPlans\\_BizEnergy.html](http://www.nhbfa.com/BFA_LoanPlans_BizEnergy.html)

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=NH35F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=NH35F&re=1&ee=1)

## **New Jersey Clean Energy Solutions Capital Investment Loan/Grant Program**

### **1. Name**

Clean Energy Solutions Capital Investment Loan/Grant Program (“CESCI Program”).

### **2. Mission**

The CESCI Program is designed to assist New Jersey-based companies and institutions “going green.”

### **3. Administrator**

The New Jersey Economic Development Authority (“NJEDA”) administers the CESCI Program.

### **4. Program description & entities eligible for financing support**

The CESCI Program provides financial support in the form of grants and interest-free loans to support commercial, institutional, and industrial entity end-use energy efficiency projects, combined heat and power production facilities, and new state-of-the-art efficient electric generation facilities, including Class I and II renewable energy. Financing is available on a first-come, first-served basis to qualifying applicants.

Applicants are assigned priority points based on the likelihood that the proposed project will reduce greenhouse gas emissions or significantly contribute to the state’s greenhouse gas reduction goals.

### **5. Sources & amount of funding for financing support**

Funding for the CESCI Program comes from the New Jersey Global Warming Solutions Fund, which receives revenue from the sale of greenhouse gas emission allowances under the Northeast Regional Greenhouse Gas Initiative. Loan proceeds under the CESCI Program may be used for the purchase of fixed assets and real estate.

- *Total program fund:* \$25.7 million (2009 budget)

- *Per loan:* Up to a \$5 million

### **6. Financing support mechanism details**

To be eligible for financing support under the CESCI Program, total project capital equipment costs must be at least \$1 million. A minimum of 50% of project costs must be covered by project

sponsor(s) (including federal funding). Aggregate state public funding cannot exceed 50% of the project cost. Businesses benefiting from the CESCO Program should create or maintain jobs in New Jersey.

An interest-free loan under the CESCO Program may be issued for a term of up to 10 years and may be amortized up to 20 years based on the depreciable life of the asset financed. Personal guarantees are required for any person, or entity with 10% or more ownership in the project, if historical debt service coverage ratio is less than 1.2:1 (based on adjusted year-end financials). The NJEDA may consider the assignment of other public grant funding in lieu of personal guarantees, provided the other public grants are no less than 120% of the loan amount and aggregate state funding does not exceed 50% of the project cost.

Loans are limited to 50% of project costs up to a maximum of \$5 million. A portion of the loan may be issued as a grant, with the grant/loan split based on project's environmental and economic development impact. Grants are limited to \$2.5 million and may not exceed 80% of the amount requested. Grants for energy efficiency projects in commercial buildings are limited to 20% of the amount requested. Grants are only issued in connection with loan applications – applicants are not permitted to apply solely for a grant.

Projects that generate solar renewable energy certificates are only eligible only for loans and may not receive a portion of funds requested as a grant.

All project applicants must apply for and receive a Tax Clearance Certificate from the New Jersey Division of Taxation.

## **7. Illustration of financing support**

No illustrations have been made available.

## **8. Sunset provision**

The CESCO Program closed to new applications in October 2009. It is not know if and when a new application cycle will be opened.

## **9. Authorizing statute and/or regulation**

N.J. Stat. Ann. § 26:2C-50 *et seq.*

N.J. Admin. Code. § 7:27D-2.2.

## **10. Program website & additional commentary**

- *Program website:*

<http://www.njeda.com/CECSI>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=NJ28F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=NJ28F&re=1&ee=1)

- *Other commentary:*

[http://www.njeda.com/web/pdf/cesci\\_faqs.pdf](http://www.njeda.com/web/pdf/cesci_faqs.pdf)

## **North Carolina Energy Improvement Loan Program**

### **1. Name**

Energy Improvement Loan Program (“EILP”).

### **2. Mission**

The mission of the EILP is to provide secured loans to entities that install energy efficiency and renewable energy improvements.

### **3. Administrator**

The North Carolina Department of Commerce State Energy Office (“NC Energy Office”) administers the EILP.

### **4. Program description & entities eligible for financing support**

The EILP provides low interest loans, secured by bank letter of credit (inapplicable for local governments and school systems), for eligible energy conservation measures for industry, commercial businesses, local government units, community colleges, K-12 school systems, and nonprofit organizations.

In order to qualify under the EILP, a project must: (1) be located in North Carolina; (2) demonstrate energy efficiency, use of renewable-energy resources, energy cost savings, or reduced energy demand; (3) use existing, reliable, commercially-available technologies; (4) meet federal and state air and water-quality standards; and (5) be able to recover capital costs within the loan’s maximum term of 10 years through direct utility energy cost savings. Letter-of-credit fees do not apply to government agencies and public schools.

For purposes of showing that the value of the loan can be repaid from direct utility cost savings, the EILP focuses on the utility cost savings resulting from energy conservation strategies or reduced energy consumption as a result of energy generated by a renewable energy system. Selling power, tax credits, depreciation, rebates, and other incentives are not considered direct utility cost saving measures. An energy cost escalation rate of no more than 3% can be considered in estimating utility costs into the future.

Eligible energy efficiency improvements include premium efficiency boiler and chiller systems, energy management systems, HVAC systems, industrial process or fabrication systems, building envelope (*e.g.*, doors, windows, roofs), alternative/renewable energy systems, premium efficiency motors and variable speed drives, premium efficiency fans, pumps and air compressors, energy recovery systems, including on-site generation of electricity, and high-efficiency lighting systems.

## 5. Sources & amount of funding for financing support

EILP funds are appropriated by statute to the NC Energy Office through the budget process for the purpose of capitalizing a revolving loan fund to finance energy efficiency and renewable energy improvements.

- *Total program fund:* Unknown.
- *Per loan:* Up to \$500,000 per recipient.

## 6. Financing support mechanism details

Loans carry an interest rate of 1% for certain renewable energy and energy recycling projects. Eligible renewable energy projects generally include solar, wind, small hydropower (less than 20 MW) and biomass. Loans with an interest rate of 3% are available for projects that demonstrate energy efficiency, energy cost savings, or reduced energy demand. Energy conservation projects usually include improvements to HVAC systems, energy management controls, high efficiency lighting, and building envelope improvements.

## 7. Illustration of financing support

No illustrations have been made available.

## 8. Sunset provision

None apparent.

## 9. Authorizing statute and/or regulation

N.C. Gen. Stat. § 143-345.18.

## 10. Program website & additional commentary

- *Program website:*

<http://www.energync.net/funding/eilp.html>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=NC01F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=NC01F&re=1&ee=1)

## **Oklahoma Community Energy Education Management Program**

### **1. Name**

Community Energy Education Management Program (“CEEMP”).

### **2. Mission**

The purpose of the CEEMP is to provide financial assistance to eligible units of local government in the planning, design, development, and implementation of energy cost reduction improvements in their buildings, facilities and related complexes.

### **3. Administrator**

The Oklahoma Department of Commerce Office of Community Development (“OCD”) administers the CEEMP.

### **4. Program description & entities eligible for financing support**

The CEEMP is a revolving loan fund that provides financing support for local governments to make energy efficiency improvements to government buildings. Eligible projects should increase energy efficiency, reduce energy consumption, project a positive return on investment, and be paid back within 6 years of the loan award. Funding received through the CEEMP can be used to pay for a technical assistance report or audit, energy conservation measures, and operation and maintenance procedures that would contribute to overall reduced energy consumption.

Entities eligible for CEEMP loans include trusts and authorities borrowing on behalf of units of local government.

### **5. Sources & amount of funding for financing support**

The CEEMP was established using money obtained through Petroleum Violation Escrow funds administered by the U.S. Department of Energy (“DOE”).

- *Total program fund:* Unknown.<sup>9</sup>

- *Per loan:* Varies by project, but averages \$60,000 per applicant.

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<sup>9</sup> One public source indicates that the total program fund is \$150,000, but we have not been able to corroborate this figure.

## 6. Financing support mechanism details

Loans issued under the CEEMP carry a 3% interest rate for a maximum term of up to 6 years based on borrower preference and debt service requirements. Loan terms of less than 12 months are available subject to negotiations based on the technical merits of the proposed project.

The CEEMP does not require the borrower to collateralize loans. However, the loans must be secured in whole or in part by the pledge of revenue resulting from the financed energy conservation measures implemented and/or some other identifiable revenue source controlled by the borrowing unit of local government. Loan and/or lease repayment shall begin 30 days following the approved, scheduled completion date established at the time of loan approval for the project. The specific loan term is provided in the Promissory Note and Loan/Lease Agreement. Any deviation from this term or the start date must be fully substantiated, requested in writing, and approved prior to the start date.

## 7. Illustration of financing support

Oklahoma submitted a proposal to DOE to fund \$42 million in energy sustainability and efficiency projects with funding made available through the American Recovery and Reinvestment Act of 2009, and allowed private entities to submit loan applications for these funds. Four proposed loan projects were recommended for funding at an interest rate of 3% over a 15-year payback period.

## 8. Sunset provision

None apparent.

## 9. Authorizing statute and/or regulation

Okla. Stat. tit. 74 § 5003.10.

## 10. Program website & additional commentary

- *Program website:*

<http://www.okcommerce.gov/Grants-And-Funding/To-Build-Community-Infrastructure/Energy-Related-Funding>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=OK13F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=OK13F&re=1&ee=1)

## **Oklahoma Energy Loan Fund for Schools**

### **1. Name**

Energy Loan Fund for Schools (“ELFS”).

### **2. Mission**

The purpose of ELFS is to provide financial assistance to eligible schools in the planning, design, development, and implementation of energy conservation measures (“ECMs”) in their buildings, facilities, and related complexes.

### **3. Administrator**

The Oklahoma Department of Commerce Office of Community Development (“OCD”) administers ELFS.

### **4. Program description & entities eligible for financing support**

All public and nonprofit school districts in the State of Oklahoma are eligible to participate in ELFS. Loans are made based on the quality of analysis of an applicant’s energy use systems, an engineering evaluation of the specific project or projects, and evaluation of calculated energy savings. A school district may only have one active loan at a time.

Category I loans are for the purpose of providing schools with “get ready” steps that must be taken before energy savings equipment or technology can be acquired and installed. Eligible Category I activities include energy audits, technical analysis of energy use systems, and development of a Technical Assistance Report. Other eligible activities include professional fees related to project design and development and the preparation of bid documents for the purpose of acquiring and installing energy efficient equipment and materials. Research and experimental technologies are not eligible. Technical services funded through Category I loans must be performed by an Oklahoma Registered Professional Engineer.

Category II loans are used for the actual acquisition and installation of ECMs. Eligible Category II ECMs include the purchase of energy efficient equipment, including costs associated with delivery, installation, and start-up of improvements for K-12 schools.

### **5. Sources & amount of funding for financing support**

The ELFS was established using money obtained through Exxon Oil Overcharge Settlement funds administered by the U.S. Department of Energy (“DOE”).

- *Total program fund:* \$1,000,000.

- *Per loan*: \$200,000 per eligible school district.

## **6. Financing support mechanism details**

ELFS loans carry a 3% fixed interest rate for up to 6 years, unless the loan term is specifically negotiated with OCD. Funds under either category can be used to cover up to 100% of a project's cost.

The ELFS does not require the borrower to provide collateral to secure the loan or lease. Repayments shall begin 30 days following the approved, scheduled completion date established at the time of loan approval for the project, unless the building or retrofitted space is physically occupied, placed in use, or issued a Certificate of Occupancy, in which case the first loan payment is due 30 days following the earliest date. The specific loan term is provided in the Promissory Note and Loan/Lease Agreement. Any deviation from this term or the start date must be fully substantiated, requested in writing and approved prior to the start date.

Loan or lease funds obtained through the ELFS may not be used to pay off an existing loan but may be used to leverage third-party financing. Loan or lease funds may not be used for routine, continuing, or one-time maintenance, or repair on any system or structure that will not be used after the agreed modifications or replacements contained within the Loan/Lease Agreement are made.

## **7. Illustration of financing support**

No illustrations have been made available.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Okla. Stat. tit. 74 § 5003.10.

## **10. Program website & additional commentary**

- *Program website*:

<http://www.okcommerce.gov/Grants-And-Funding/To-Build-Community-Infrastructure/Energy-Related-Funding>

- *DSIRE link*:

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=OK14F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=OK14F&re=1&ee=1)

## **Oklahoma Higher Education Energy Loan Program**

### **1. Name**

Higher Education Energy Loan Program (“HELP”).

### **2. Mission**

The purpose of HELP is to provide financial assistance in the form of loans to eligible institutions of higher education in the planning, design, development, and implementation of energy conservation measures (“ECMs”) in their buildings, facilities, and related complexes.

### **3. Administrator**

The Oklahoma Department of Commerce Office of Community Development (“OCD”) administers HELP.

### **4. Program description & entities eligible for financing support**

All public and nonprofit institutions of higher education in Oklahoma are eligible to participate in HELP. A HELP loan is made based on the quality of the analysis of an applicant’s energy use systems, an engineering evaluation of the specific project or projects, and evaluation of calculated energy savings. An institution of higher education may only have one active loan at a time.

Category I loans are for the purpose of providing institutions with “get ready” steps that must be taken before energy savings equipment or technology can be acquired and installed. Eligible Category I activities include energy audits, technical analysis of energy use systems, and development of a Technical Assistance Report. Other eligible activities include professional fees related to project design and development and the preparation of bid documents for the purpose of acquiring and installing energy efficient equipment and materials. Research and experimental technologies are not eligible. Technical services funded through Category I loans must be performed by an Oklahoma Registered Professional Engineer.

Category II loans are used for the actual acquisition and installation of ECMs.

Funding determinations are made on a first-come, first-funded basis, subject to the availability of funds. OCD, in its discretion, may make a partial loan award if there are insufficient funds to meet an applicant’s full requested amount.

### **5. Sources & amount of funding for financing support**

HELP was established using money obtained through Exxon Oil Overcharge Settlement funds administered by the U.S. Department of Energy (“DOE”).

- *Total program fund:* \$1.1 million (initial funding).
- *Per loan:* Up to \$300,000 per eligible institution.

## **6. Financing support mechanism details**

HELP loans carry a 3% interest rate for up to 6 years unless the term is specifically negotiated with OCD. Funds under either category can be used to cover up to 100% of a project's cost.

HELP does not require the borrower to provide collateral to secure the loan or lease. Repayments shall begin 30 days following the approved, scheduled completion date established at the time of loan approval for the project, unless the building or retrofitted space is physically occupied, placed in use, or issued a Certificate of Occupancy, in which case the first loan payment is due 30 days following the earliest date. The specific loan term is provided in the Promissory Note and Loan/Lease Agreement. Any deviation from this term or the start date must be fully substantiated, requested in writing and approved prior to the start date.

Loan or lease funds obtained through HELP may not be used to pay off an existing loan but may be used to leverage third-party financing. Loan or lease funds may not be used for routine, continuing, or one-time maintenance, or repair on any system or structure that will not be used after the modifications or replacements contained within the Loan/Lease Agreement are made.

## **7. Illustration of financing support**

No illustrations have been made available.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

74 Okla. St. Ann. § 5003.10.

## **10. Program website & additional commentary**

- *Program website:*

<http://www.okcommerce.gov/Grants-And-Funding/To-Build-Community-Infrastructure/Energy-Related-Funding>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=OK16F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=OK16F&re=1&ee=1)

## **Oregon Small-Scale Energy Loan Program**

### **1. Program name**

Small-Scale Energy Loan Program (“SELP”).

### **2. Mission**

The purpose of the SELP is to promote energy conservation and renewable energy resource development in the state.

### **3. Program administrator**

The Oregon Department of Energy (“ODOE”) administers the SELP.

### **4. Program description & entities eligible for financing support**

The SELP offers low-interest loans for projects that save energy, produce energy from renewable resources such as water, wind, geothermal, solar, biomass, waste materials, or waste heat, use recycled materials to create products, use alternative fuels, or reduce energy consumption during construction or operation of another facility.

Entities eligible for SELP loans are individuals, businesses, schools, cities, counties, special districts, state and federal agencies, public corporations, cooperatives, tribes, and nonprofits. In addition, projects proposed by intergovernmental entities and projects located partially outside of Oregon that provide substantial benefits within Oregon are eligible for financing support.

### **5. Sources & amount of funding for financing support**

The issuance of bonds and initiation of loans under the SELP is authorized under a 1981 amendment to the Oregon Constitution. Indebtedness incurred under this authority may not exceed 0.5% of the true cash value of all property in the state. The Director of the ODOE must approve or reject the financing of a small scale local energy project using money allocated through the SELP and may provide for the sale of bonds to accommodate a large loan request.

- *Total program fund:* Unlimited.

- *Per loan:* Generally between \$20,000-\$20 million.

### **6. Financing support mechanism details**

Loan interest rates vary depending on the term of the loan, the timing of the project, and the availability of funds. Different rates may also apply to large loans that require additional funding

through the issuance of bonds, but the term of such a loan would generally be set to match the term of the bonds that funded it. Loan terms may not exceed the project's life. The following are estimated interest rates provided by ODOE for different types of eligible projects:

- *State agencies tax-exempt rates:* Public schools, community colleges, cities, counties, and special districts.
- *Residential taxable rates:* 5.5%-6.5% for 5-15 years depending on the available of funding and terms of financing support.
- *Commercial rates:* Large renewable projects (*e.g.*, wind, solar, hydro, geothermal, waste heat, or biomass) may be eligible for tax-exempt rates, and rates are set in the bond market.

## **7. Illustration of Financing Support**

As of the end of December 2008, 818 loan applications had been approved under the SELP, committing approximately \$442 million to eligible projects.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Ore. Const. art. XI-J.

Ore. Rev. Stat. § 469.040.

Ore. Rev. Stat. § 470.050 *et seq.*

Ore. Admin. R. 330-110-0005 *et seq.* (as authorized by Ore. Rev. Stat. §§ 470.080, 470.140, 469.040).

## **10. Program website & additional commentary**

- *Program website:*

<http://egov.oregon.gov/ENERGY/LOANS/selphm.shtml>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=OR04F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=OR04F&re=1&ee=1)

## **Oregon Green Street Lending Program**

### **1. Program name**

Green Street Lending Program (“GSL Program”).

### **2. Mission**

The Energy Trust of Oregon, Inc. (“Energy Trust”) is an independent nonprofit organization dedicated to helping Oregonians benefit from saving energy and utilizing renewable resources. Energy Trust is charged by the Oregon Public Utility Commission (“OPUC”) with investing in cost-effective energy conservation projects, helping to pay the above-market costs of renewable energy resources, and encouraging energy market transformation in Oregon.

### **3. Program administrator**

Under a grant agreement with OPUC, Energy Trust functions as an independent, nonprofit entity and administers the GSL Program.

### **4. Program description & entities eligible for financing support**

In addition to cash incentives for energy efficiency and renewables, Energy Trust, in alliance with Umpqua Bank, has created the GSL Program. Residential, small business, and multifamily properties that are customers of Portland General Electric, Pacific Power, NW Natural, or Cascade Natural Gas are eligible for financing support through low-interest loans.

Financing support is available under the GSL Program for energy efficiency improvements to heating and cooling systems, water heating systems, insulation, windows, solar energy systems, air and duct sealing (for homeowners), lighting, appliances and equipment (for small businesses and multifamily properties), and exterior doors and windows (for small businesses and multifamily properties).

### **5. Sources & amount of funding for financing support**

Energy Trust funds are collected from customers of Oregon’s two largest investor-owned utilities through a 3% “public purpose charge.”

- *Total program fund:* In 2009, Energy Trust received approximately \$91 million in revenue.

- *Per loan:* Up to \$50,000 residential or \$200,000 commercial.

## 6. Financing support mechanism details

GSL Program financing support is available to qualified customers with approved credit on the following terms:

- Home Equity Loans from \$5,000 to \$50,000, with a term up to 15 years.
- Unsecured Home Improvement Loans from \$1,000 to \$50,000, with a term up to 5 years.
- Commercial Real Estate Improvement Loans from \$5,000 to \$200,000, with a term up to 15 years.
- Business Term Loans from \$5,000 to \$200,000, with a term up to 7 years.

## 7. Illustration of Financing Support

No illustrations have been made available.

## 8. Sunset provision

None apparent.

## 9. Authorizing statute and/or regulation

Or. Rev. Stat. § 757.612.

Or. Admin. R. 860-038-0480.

*Grant Agreement between Energy Trust of Oregon, Inc. and the Public Utility Commission of Oregon, Order No. 01-1053 (Dec. 12, 2001).*

## 10. Program website & additional commentary

- *Program website:*

<http://www.greenstreetloan.com/LoanDetails.aspx>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=OR135F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=OR135F&re=1&ee=1)

## **Pennsylvania Alternative and Clean Energy Program**

### **1. Name**

Alternative and Clean Energy Program (“ACEP”).

### **2. Mission**

The mission of the ACEP is to promote the utilization, development, and construction of alternative and clean energy projects in Pennsylvania.

### **3. Administrator**

The ACEP is administered jointly by the Department of Community and Economic Development (“DCED”) and the Department of Environmental Protection (“DEP”), under the direction of the Commonwealth Financing Authority.

### **4. Program description & entities eligible for financing support**

The ACEP provides financial assistance in the form of grant and loans that are used by eligible applicants for the utilization, development, and construction of alternative and clean energy projects in Pennsylvania. The program offers support for alternative energy and clean energy projects in the form of loans, grants and loan guarantees. Entities eligible for financing support under ACEP include businesses, economic development organizations, or political subdivisions, including municipalities, counties and school districts.

Eligible clean energy projects for loan support include the installation of equipment to facilitate or improve energy conservation or energy efficiency (*e.g.*, heating, lighting, and cooling equipment);<sup>10</sup> installation of an alternative energy system which produces energy from such sources as defined under the state Alternative Energy Portfolio Standard (“AEPS”), including wind, geothermal, biomass, waste energy, hydroelectric, fuel cells, biologically derived methane gas, fuel cells, and biomass, but not including solar energy;<sup>11</sup> and replacement or enhancement of an existing energy system that utilizes nonrenewable energy with an energy system that utilizes alternative energy.

Alternative energy production projects include construction or development of a project or facility that: produces energy from AEPS sources, as defined above; manufactures or produces products, including component parts that provide alternative energy, improve energy efficiency, or conserve

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<sup>10</sup> Equipment must be Energy Star rated (if applicable).

<sup>11</sup> A separate revolving fund incentive program for solar facilities is summarized below.

energy; is alternative energy or alternative fuel R&D facility; or develops or enhances rail transportation systems that deliver alternative fuels or high efficiency locomotives.

## **5. Sources & amount of funding for financing support**

In July 2008, Pennsylvania enacted a broad \$650 million alternative energy bill designed to provide support for a variety of renewable energy and energy efficiency technologies. Included in this legislation was a provision authorizing the creation of ACEP, for which \$165 million was authorized.

- *Total program fund*: No more than \$165 million in initial appropriations for the life of the program.

- *Per loan*: \$35,000 per job created within 3 years (for manufacturer loans) up to \$5 million; \$5 million (for distribution projects); or up to 75% of deficient funds up to \$5 million (loan guarantee grants). Loans are generally limited to \$5 million, but higher amounts may be authorized on a case-by-case basis as determined by the DCED.

## **6. Financing support mechanism details**

Loans under ACEP are available at a fixed interest rate (5% as of August 2009). Loans must be repaid within 10 years but may be amortized over a period corresponding to the life of the equipment financed from loan proceeds, not to exceed 25 years.

Loans for manufacturing facilities are limited to \$35,000 per job created within three years of loan approval. Failure to create the requisite number of jobs within three years may cause the interest rate to be raised by 3% over the remaining portion of the loan.

Loan guarantees take the form of a grant that may be used in the event of financing default on the part of the applicant. Loan guarantees are limited to 75% of the deficiency up to \$5 million. The term of the grant may not exceed five years.

There is a matching investment requirement of at least \$1 for every \$1 of program funds awarded. There is a \$100 non-refundable application fee and a 1% commitment fee on all approved loans.

## **7. Illustration of financing support**

No illustrations have been made available.

## **8. Sunset provision**

None apparent.

**9. Authorizing statute and/or regulation**

Pennsylvania Alternative Energy Investment Act, H.B. 1 (Special Session, 2008).

**10. Program website & additional commentary**

- *Program website:*

<http://www.newpa.com/find-and-apply-for-funding/funding-and-program-finder/funding-detail/index.aspx?progId=212>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=PA46F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=PA46F&re=1&ee=1)

## **Pennsylvania High Performance Buildings Incentive Program**

### **1. Name**

High Performance Buildings Incentive Program (“HPBIP”).

### **2. Mission**

The HPBIP provides financial assistance in the forms of grants and loans to underwrite the cost premiums associated with the design and construction or major renovation of high performance buildings in Pennsylvania.

### **3. Administrator**

The HPBIP is administered jointly by the Department of Community and Economic Development (“DCED”) and the Department of Environmental Protection (“DEP”) under the direction of the Commonwealth Financing Authority.

### **4. Program description & entities eligible for financing support**

The HPBIP offers support for green buildings in the form of loans, grants, and loan guarantees. In order to be eligible for incentives, new construction and major renovation projects must achieve the applicable Gold certification under the U.S. Green Building Council’s (“USGBC”) Leadership in Energy and Environmental Design or the National Green Building Standard, or at least three Globes under the Green Building Initiative’s Green Globes system. Eligible buildings must meet certain additional requirements in other categories.

Small businesses and individuals are eligible to apply for HPBIP funding.

### **5. Sources & amount of funding for financing support**

In July 2008, Pennsylvania enacted a broad \$650 million alternative energy bill designed to provide support for a variety of renewable energy and energy efficiency technologies. Included in this legislation was a provision authorizing the creation of HPBIP, for which \$25 million was allocated.

- *Total program fund:* No more than \$25 million in initial appropriations for the life of the program.

- *Per loan:* \$2 million (loans and guarantees for high performance building projects for small businesses); \$100,000 (loans and guarantees for individual residence projects).

## **6. Financing support mechanism details**

Funds may be used for the following project costs: acquisition of land and buildings, rights-of-way, and easements necessary for project construction; clearing and preparation of land to build an eligible project; construction or renovation of a high performance building; project planning, design, and modeling work; registration and certification of a project with the USGBC and enhanced verification of building performance. Applicants must provide matching funds equivalent to the funding offered under the program.

Loans are available at a fixed interest rate (4% as of April 2010) and must be repaid within 10 years. Loans may be amortized over a period of up to 25 years. Loan guarantees take the form of a grant that may be used in the event of financing default on the part of the applicant. Loan guarantee grant funds may only be drawn upon in the event the grant recipient defaults on its financing and there is a deficiency in collateral for the lending institution to collect upon.

## **7. Illustration of financing support**

No illustrations have been made available.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Pennsylvania Alternative Energy Investment Act, H.B. 1 (Special Session, 2008).

## **10. Program website & additional commentary**

- *Program website:*

<http://www.newpa.com/find-and-apply-for-funding/funding-and-program-finder/funding-detail/index.aspx?progId=198>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=PA42F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=PA42F&re=1&ee=1)

## **Pennsylvania Solar Energy Incentives Program**

### **1. Name**

Solar Energy Incentives Program (“SEIP”).

### **2. Mission**

The purpose of the SEIP is to promote the generation and use of solar energy and the manufacture or assembly of solar equipment.

### **3. Administrator**

The SEIP is administered jointly by the Department of Community and Economic Development (“DCED”) and the Department of Environmental Protection (“DEP”) under the direction of the Commonwealth Financing Authority.

### **4. Program description & entities eligible for financing support**

The SEIP provides financial assistance in the form of grants and loans to promote the use of alternative energy in Pennsylvania. Entities eligible for financing support include businesses, economic development organizations, and political subdivisions of the state, including municipalities, counties, and school districts.

Eligible facilities are those that generate, distribute, or store solar energy, manufacturing or assembly facilities for solar panels or other solar equipment, and solar technology R&D facilities. Both solar photovoltaic and solar thermal systems are eligible. All systems must have a lifetime of at least four years.

### **5. Sources & amount of funding for financing support**

In July 2008, Pennsylvania enacted legislation providing \$650 million to support a variety of renewable energy and energy efficiency technologies. Included in this legislation was a provision authorizing the creation of the SEIP, for which \$80 million was allocated.

- *Total program fund:* No more than \$80 million in initial appropriations for the life of the program.

- *Per loan:* \$35,000 per job created within 3 years (for manufacturer loans); the lesser of \$5 million or \$2.25/watt (for distribution project loans); \$5 million (for solar thermal projects or R&D facilities); or up to 75% of deficient funds up to \$30 million (for loan guarantee grants). Loans for energy production projects are generally limited to \$5 million, although larger loans may be considered on a case-by-case basis.

## **6. Financing support mechanism details**

SEIP funds may be used for the following project costs: acquisition of land and buildings, rights-of-way, and easements necessary for project construction; clearing and preparation of land to build an eligible project; construction or renovation of a building to manufacture solar components and systems; equipment purchases for the manufacture of solar systems; purchase, installation and construction of facilities to produce, distribute, and store solar energy or produce hot water using solar energy; project planning and feasibility studies; permit fees; and administrative costs associated with an eligible project, not to exceed 3% of funding. Applicants must provide matching funds equivalent to the funding offered under the program.

Loans are available at a fixed interest rate (5% as of August 2009) for terms of up to 10 years (equipment) or 15 years (real estate). Loan guarantees take the form of a grant that may be used in the event of financing default on the part of the applicant and are limited to 75% of the deficiency up to \$30 million. The term of the grant may not exceed five years.

## **7. Illustration of financing support**

No illustrations have been made available.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Pennsylvania Alternative Energy Investment Act, H.B. 1 (Special Session, 2008).

## **10. Program website & additional commentary**

- *Program website:*

<http://www.newpa.com/find-and-apply-for-funding/funding-and-program-finder/funding-detail/index.aspx?progId=197>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=PA44F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=PA44F&re=1&ee=1)

## **Pennsylvania Wind and Geothermal Incentives Program**

### **1. Name**

Wind and Geothermal Incentives Program (“WGIP”).

### **2. Mission**

The purpose of WGIP is to provide financial assistance to promote the use of alternative energy in Pennsylvania.

### **3. Administrator**

WGIP is administered jointly by the Department of Community and Economic Development (“DCED”) and the Department of Environmental Protection (“DEP”) under the direction of the Commonwealth Financing Authority.

### **4. Program description & entities eligible for financing support**

WGIP offers support for wind and geothermal technologies in the form of loans, grants, and loan guarantees. The definition of geothermal includes, but is not limited to, closed-loop geothermal heat pump systems that use the ground, groundwater, or an underground mine as an energy source. Wind technologies include energy production facilities and manufacturing facilities for wind turbines and other system components.

Entities eligible for WGIP financing support include businesses, economic development organizations, individuals (geothermal only), or a political subdivision of the state, including municipalities, counties, and school districts.

### **5. Sources & amount of funding for financing support**

In July 2008, Pennsylvania enacted a broad \$650 million alternative energy bill designed to provide support for a variety of renewable energy and energy efficiency technologies. Included in this legislation was a provision authorizing the creation of WGIP, for which \$25 was allocated.

- *Total program fund:* No more than \$25 million in initial appropriations for the life of the program.

- *Per loan:* \$35,000 per job created within 3 years (manufacturer loans); \$5 million (loans for distribution projects); or up to 75% of deficient funds up to \$5 million (loan guarantee grants).

## **6. Financing support mechanism details**

Loans are available at a fixed interest rate (5% as of August 2009) for terms of up to 10 years (equipment) or 15 years (real estate). Loan guarantees take the form of a grant that may be used in the event of financing default on the part of the applicant and are limited to 75% of the deficiency up to \$5 million. The term of the grant may not exceed five years. Applicants must provide matching funds equivalent to the funding offered under the program.

WGIP funds may be used for the following project costs: acquisition of land and buildings, rights-of-way, and easements necessary for project construction; clearing and preparation of land to build an eligible project; construction or renovation of a building to manufacture wind or geothermal components and systems; equipment purchases for the manufacture of wind or geothermal systems; purchase, installation, and construction of facilities to produce and distribute geothermal or wind energy; project planning and feasibility studies; permit fees; and administrative costs associated with an eligible project, not to exceed 3% of funding.

## **7. Illustration of financing support**

No illustrations have been made available.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Pennsylvania Alternative Energy Investment Act, H.B. 1 (Special Session, 2008).

## **10. Program website & additional commentary**

- *Program website:*

<http://www.newpa.com/find-and-apply-for-funding/funding-and-program-finder/funding-detail/index.aspx?progId=191>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=PA41F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=PA41F&re=1&ee=1)

## **Pennsylvania Sustainable Development Fund**

### **1. Name**

The Reinvestment Fund (“TRF”) Sustainable Development Fund (“SDF”).

### **2. Mission**

The purpose of the TRF is to build wealth and opportunity for low-income people and places through the promotion of socially and environmentally responsible development. The SDF offers innovative financing in the areas of renewable and clean energy.

### **3. Administrator**

TRF administers the SDF within the PECO Energy (“PECO”) service territory pursuant to a restructuring plan approved by the Pennsylvania Public Utility Commission (“PPUC”). TRF is a nonprofit organization that receives additional capital from investors that include individuals, banks, foundations, corporation, civic organizations, and government.

### **4. Program description & entities eligible for financing support**

The SDF serves customers in PECO’s service territory. Customers eligible to receive financing support through the SDF include: end-user companies wishing to purchase renewable energy or advanced clean energy systems; manufacturers, wholesalers/distributors, retailers and service companies who want to finance equipment upgrades or electricity energy savings improvements to their plant/office facilities; and manufacturers, distributors and installers of advanced clean energy or energy conservation technologies who want to finance start-up and expansion operations.

Projects eligible for financing support through the SDF include: new construction of residential properties or nonprofit-owned facilities that are built to an Energy Star or Leadership in Energy and Environmental Design (“LEED”) standard; energy efficiency retrofits for residential properties or nonprofit owned facilities that achieve at least a 25% reduction in energy consumption (with a strong preference given to projects involving whole building evaluation and design; energy efficient production equipment for manufacturers that achieve at least a 25% reduction in energy consumption; renewable energy projects, such as geothermal installations or solar photovoltaic installations, solar daylighting systems, solar water-heating systems, solar space-heating systems, small wind installations, small hydro installations; and distributed generation projects, such as combined heat and power projects (co-generation) or fuel cell installations and clean, efficient uninterruptible power systems.

## 5. Sources & amount of funding for financing support

In December 1996, Pennsylvania enacted the Electricity Generation Customer Choice and Competition Act (“Customer Choice Act”) to restructure the electric industry in the state. Pursuant to a process by which electric utilities were required to submit restructuring plans to the PPUC, several utilities, including PECO, established sustainable energy funds. The PPUC adopted a final order with respect to PECO that included the creation of the SDF for the benefit of customers operating within its service territory. The SDF is funded by PECO based on a transmission tax of 2.98 cents per kWh and a distribution tax of .01 cents per kWh on power sold to all customers.

- *Total program fund:* Unknown.

- *Per loan:* Up to \$5 million.

## 6. Financing support mechanism details

The SDF provides commercial loans to manufacturers, wholesalers/distributors, retailers, and service companies to finance equipment upgrades or electricity energy savings improvements to their plant/office facilities. Construction financing is available at an interest rate of 5% and higher. Terms loans are available at interest rates of 5% and higher, with a maximum 15 year amortization schedule. Lease and energy performance financing is available at an interest rate of 5.5% and higher, with a maximum 10 year amortization. Low interest or no interest predevelopment loans are available that require repayment plus a negotiated return paid at the time of sale or permanent financing.

The SDF provides subordinated debt financing in instances where a loan for an eligible project might not be readily financed by banks. These subordinated debt loans are usually subordinated to senior permanent financing from an independent institutional senior lender. Financing of up to \$5 million is available through subordinated debt for a term of up to 12 years at a per annum interest rate of 5% fixed, subject to availability and satisfactory due diligence.

## 7. Illustration of financing support

No illustrations have been made available.

## 8. Sunset provision

None apparent.

**9. Authorizing statute and/or regulation**

*Application of PECO Energy for Approval of its Restructuring Plan Under Section 2806 of the Public Utility Code, Order, Docket Nos. R-00973953 & P-00971265 (May 18, 1998) (PPUC Order).*

**10. Program website & additional commentary**

- *Program website:*

<http://www.trfund.com/sdf/>

- *DSIRE link:*

<http://www.cleanenergystates.org/Funds/>

## **Pennsylvania Sustainable Energy Fund**

### **1. Name**

West Penn Power Sustainable Energy Fund, Inc. (“WPPSEF”).

### **2. Mission**

The purpose of the WPPSEF is to fund the development and deployment of sustainable energy technologies in the 23-county West Penn Power (“West Penn”) service region.

### **3. Administrator**

The WPPSEF is an independent nonprofit corporation subject to regulatory oversight by the Pennsylvania Public Utilities Commission (“PPUC”).

### **4. Program description & entities eligible for financing support**

The WPPSEF provides commercial loans to customers within the West Penn service region. The WPPSEF is geared towards businesses and organizations. Applicants are required to submit a business proposal. Technologies eligible for financing support through the WPPSEF include wind, solar, bioenergy, low impact hydropower, natural gas recovery for landfills, and anaerobic digesters.

### **5. Sources & amount of funding for financing support**

In December 1996, Pennsylvania enacted the Electricity Generation Customer Choice and Competition Act (“Customer Choice Act”) to restructure the electric industry in the state. Pursuant to a process by which electric utilities were required to submit restructuring plans to the PPUC, several utilities, including West Penn, established sustainable energy funds. The PPUC adopted a final order with respect to West Penn that included the creation of the WPPSEF to promote the adoption of clean energy technologies throughout its service region. It appears that through the terms of the West Penn settlement, the WPPSEF initially was capitalized through contributions from West Penn.

- *Total program fund:* Unknown.

- *Per loan:* No minimum or maximum amounts specified.

### **6. Financing support mechanism details**

Applications for financing support through the WPPSEF can be submitted at any time throughout the year. Applicants are required to complete an initial financing request form which provides the WPPSEF an overview of the applicant’s project and financial needs. After an initial review to

determine if the proposed project is aligned with the WPPSEF mission and is of benefit to the West Penn ratepayer, the WPPSEF will ask the applicant to submit a detailed business plan, project and personal financial summaries, and a sources and uses breakdown to allow the WPPSEF to conduct its technical and financial due diligence. The WPPSEF works with businesses throughout the application process to determine their financial needs. The specific terms and conditions of the financial support are determined on a case-by-case basis, and no details are available through the WPPSEF website.

**7. Illustration of financing support**

In 2005, \$1 million in WPPSEF funds was contributed to a syndicated loan to finance the 24 MW Bear Creek wind farm in rural Pennsylvania, which entered commercial operation in February 2006.

**8. Sunset provision**

None apparent.

**9. Authorizing statute and/or regulation**

*West Penn Power Co.*, Final Opinion and Order, Docket No. R-00973981 (Nov. 19, 1998) (PPUC Order).

**10. Program website & additional commentary**

- *Program website:*

<http://www.wppsef.org/>

- *DSIRE link:*

<http://www.cleanenergystates.org/Funds>

## **Rhode Island Renewable Energy Loan Funds**

### **1. Name**

Renewable Energy Loan Funds (“RELf”).

### **2. Mission**

The purpose of the RELf is to invest in the “green sector” of the economy, attract “green” businesses to Rhode Island, and create a green workforce and increase the number of “green collar” jobs in the state.

### **3. Administrator**

The Rhode Island Economic Development Corporation (“RIEDC”), an economic development organization for the state of Rhode Island and a quasi-public agency, administers the RELf. According to its website, the RIEDC is a “public corporation of the state having a distinct legal existence from the state and not constituting a department of state government, which is a governmental agency and public instrumentality of the state.”

### **4. Program description & entities eligible for financing support**

The RELf operates in several program areas. The RELf Nonprofit Affordable Housing Investment Program (“NAHIP”) provides financing support for nonprofit affordable housing developers and agencies. The RELf Municipal Renewable Energy Investment Program (“MREIP”) provides financing support for municipalities. The RELf Pre-development Consultant and Technical Feasibility Program (“PCTFP”) provides financing support for business, commercial, nonprofit, municipal, and institutional projects. Finally, the RELf Renewable Energy Development Program (“REDP”) provides financing support for business, commercial, nonprofit, and institutional projects.

Renewable energy systems eligible for support through the RELf include facilities in the New England Power Pool control area that generate electricity using solar, wind, wave, tidal, ocean-thermal, geothermal, hydro, or sustainably-managed biomass resources. Solar-thermal systems (including solar space-heating systems) are eligible if installed on low-income housing projects certified by the Rhode Island Housing and Mortgage Finance Corporation.

The RIEDC considers specific criteria in evaluating project proposals, including assessments of a project’s technical feasibility, financial viability, anticipated amount of renewable energy to be produced, estimated cost per kWh of energy to be produced, project management capabilities, and time to market. Additional criteria apply depending on the type of application (business, nonprofit affordable housing, municipal, or technical and feasibility study). In general, applicants must explain how the project helps promote the expansion and sound development of renewable energy in the state.

## 5. Sources & amount of funding for financing support

RIEDC is funded primarily through an appropriation from the Rhode Island General Assembly. The RELF was created by statute in 1996 and is funded by a 0.3 mills per kW charge on utility bills (effective July 1, 2003).

- *Total program fund*: Unknown.<sup>12</sup>

- *Per loan*: Up to \$100,000 per project (NAHIP); up to \$500,000 per project (MREIP); and up to \$750,000 per project (REDP). Recipients of funding under the REDP and their affiliates may not apply for repeat funding. There is no limit specified on financing support under the PCTFP, but recipients that have previously received funding through this program may not apply for repeat funding.

## 6. Financing support mechanism details

Loan terms and ranking criteria vary by program.

Under NAHIP, MREIP, and REDP, projects are ranked based on technical feasibility, financial viability, anticipated amount of renewable energy and related benefits, estimated cost per kWh of energy produced over the life of the project, project management capabilities, and time to market. The economic development impacts of projects under the REDP are also considered. Under NAHIP, preference is given to projects serving the most affordable housing units, the most affordable housing units for the lowest income households, and the most affordable housing units that are consistent with the state and local affordable housing development plans. Under MREIP, preference is given to projects that involve the partnering of two or more municipalities. Under REDP, preference is given to projects where the anticipated economic development impacts exceed the requested financing support within 3 years of completion of the project, where financing support exceeding \$250,000 is to be funded over at least 3 years, and for projects that support low-interest loans or recoverable grants. Loan and repayment terms vary depending on project specifications.

Under the PCTFP, projects are ranked based on a review of a copy of the contract outlining work scope and objectives and information on the proposed consulting firm, including a description of experience with similar assignments and client references. Only fixed contracts are considered. Preference is given to applicants with contributing funding from some source other than the RELF. Loan and repayment terms vary depending on project specifications.

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<sup>12</sup> As of January 1, 2009, there was more than \$4.1 million in the RELF, according to its 5-year strategic plan.

**7. Illustration of financing support**

In 2009, the RIEDC supported 31 projects through commitments of financing support totaling more than \$3 million dollars.

**8. Sunset provision**

None apparent.

**9. Authorizing statute and/or regulation**

R.I. Gen. Laws § 42-64-13.  
R.I. Gen. Laws § 39-2-1.2.  
R.I. Gen. Laws § 39-26-7.

**10. Program website & additional commentary**

- *Program website:*

<http://www.riedc.com/business-services/renewable-energy>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=RI29F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=RI29F&re=1&ee=1)

- *Other commentary:*

<http://www.riedc.com/files/REF-Strategic-Plan.pdf> (RELF Strategic Plan)

[http://www.riedc.com/files/REF\\_Rules\\_and\\_Regulations.pdf](http://www.riedc.com/files/REF_Rules_and_Regulations.pdf) (REIDC Rules and Regulations for the REDF)

## **South Carolina ConserFund Loan Program**

### **1. Name**

ConserFund Loan Program (“ConserFund”).<sup>13</sup>

### **2. Mission**

The purpose of ConserFund is to provide low-cost loans that support energy-efficiency improvements in state agencies, public colleges or universities, school districts, local governments, and private nonprofit organizations.

### **3. Administrator**

The South Carolina Energy Office (“SCEO”) administers ConserFund.

### **4. Program description & entities eligible for financing support**

Eligible recipients of financing support under ConserFund are state agencies, local governments, public colleges and universities, school districts, and nonprofit organizations. ConserFund loan proceeds may be used to finance energy recovery systems, ground source heat pumps, biomass, solar, and other renewable energy systems in new construction facilities. Generally, ConserFund loans are to be used on retrofits of existing buildings. Priority is given to projects that have a short energy savings payback period.

### **5. Sources & amount of funding for financing support**

ConserFund is a revolving loan fund that received funding initially through Petroleum Violation Escrow funds, and now receives funding through state appropriations and loan principal and interest repayments.

- *Total program fund:* Unknown.

- *Per loan:* \$25,000 to \$500,000 per fiscal year.

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<sup>13</sup> South Carolina also formerly administered the Renewable Energy Revolving Loan Program (“RERLP”) through its Department of Agriculture. The RERLP provided low-interest loans to individuals and organizations that planned to build qualified renewable energy production facilities (biomass, solar, or wind). RERLP loans provided up to 50% of the total cost of a project up to \$250,000. The program was suspended in 2009 while being redesigned.

**6. Financing support mechanism details**

ConserFund loans to eligible projects carry annual fixed interest rates (3% as of June 2009) that are set below the prime rate published in the *Wall Street Journal*. Loans may finance 100% of eligible project costs. Financing agreements have a maximum term of 10 years. Deferred payments are available based on the next unbudgeted fiscal year after the loan commitment date, not to exceed 18 months.

**7. Illustration of financing support**

No illustrations have been made available.

**8. Sunset provision**

None apparent.

**9. Authorizing statute and/or regulation**

S.C. Code Ann. §§ 48-52-10 *et seq.*

**10. Program website & additional commentary**

- *Program website:*

<http://www.energy.sc.gov/index.aspx?m=7&t=48&h=180>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=SC05F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=SC05F&re=1&ee=1)

## Texas LoanSTAR Program

### 1. Name

LoanSTAR (“LoanSTAR”).

### 2. Mission

LoanSTAR is a statewide energy efficiency demonstration program that offers low-interest loans to finance energy efficiency improvements in Texas.

### 3. Administrator

The State Energy Conservation Office (“SECO”) administers LoanSTAR.

### 4. Program description & entities eligible for financing support

LoanSTAR offers low-interest loans to all public entities for public buildings, including state agencies, public schools, colleges, universities, and nonprofit hospital facilities for Energy Cost Reduction Measures (“ECRMs”). Eligible ECRMs include improvements to HVAC, lighting, and insulation. The evaluation of on-site renewable energy options (*e.g.*, solar water heating, photovoltaic panels, small wind turbines) is encouraged in the analysis of potential projects.

Applicants must prepare a Detailed Energy Assessment Report according to specified technical and performance guidelines, which will be used to determine if funding will be approved.

### 5. Sources & amount of funding for financing support

LoanSTAR was initially funded through Petroleum Violation Escrow funds administered by the U.S. Department of Energy.

- *Total program fund*: \$98.6 million (initial capitalization).<sup>14</sup>

- *Per loan*: Up to \$5 million.

### 6. Financing support mechanism details

LoanSTAR interest rates vary over time.<sup>15</sup> Continuing energy assessment and reporting obligations are intended to ensure that loans are repaid through energy cost savings. Projects must

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<sup>14</sup> LoanSTAR’s website indicates that it has expended all available funds for new loans and is waiting for additional funding.

<sup>15</sup> Current interest rates are 3% APR.

have an average payback of 10 years or less. Loan repayment does not begin until after construction on the project is 100% completed.

Funds may be used for retrofitting existing equipment or, in the case of new construction, to finance the difference between standard and high efficiency equipment.

**7. Illustration of financing support**

As of November 2007, LoanSTAR had issued a total of 191 loans totaling over \$240 million. The National Association of State Energy Officials reports that LoanSTAR helped state agencies in Texas save more than \$20 million in energy costs during 2008 and that the program had more than \$28 million in proposed projects on its waiting list as of Winter 2009.

**8. Sunset provision**

None apparent.

**9. Authorizing statute and/or regulation**

Tex. Govt. Code Ann. § 2305.031.

**10. Program website & additional commentary**

- *Program website:*

<http://seco.cpa.state.tx.us/lis/>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=TX12F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=TX12F&re=1&ee=1)

## Vermont Clean Energy Development Fund

### **1. Program name**

Clean Energy Development Fund (“CEDF”) Loan Program.

### **2. Mission**

The goal of the CEDF is to increase the development and deployment of cost-effective and environmentally sustainable electric power resources in Vermont, primarily renewable energy resources and combined heat and power (“CHP”) technologies.

### **3. Program administrator**

The Vermont Department of Public Service (“DPS”) administers the CEDF.

### **4. Program description & entities eligible for financing support**

CEDF financing support is available to individuals, sole proprietorships, partnerships, limited liability companies, corporations, nonprofit corporations, Subchapter S corporations, municipalities, and foreign corporations with Vermont subsidiaries. Eligible clean energy technologies under the CEDF include solar, wind, biomass, fuel cells, and combined heat and power. Funding is available under the CEDF for purchasing land and buildings (when specific to qualifying projects), purchasing and installing machinery and equipment, and working capital.

### **5. Sources & amount of funding for financing support**

The CEDF was established and is funded through proceeds due to the state under the terms of two Memoranda of Understanding between the DPS and Entergy Nuclear VT and Entergy Nuclear Operations, Inc. (together, “Entergy”), and by any other money that may be appropriated to or deposited into the CEDF. The CEDF is scheduled to receive payments from Entergy through 2012. The CEDF also received \$30 million in additional funds through implementation of the American Recovery and Reinvestment Act of 2009 (“ARRA”) to be used in FY 2010-11.

- *Total program fund:* The CEDF will receive payments between \$4 million to \$7 million annually from Entergy through March 2012. The FY 2010 Program Plan and Budget indicates a FY2010 budget for the CEDF loan program of approximately \$3.4 million.

- *Per loan:* \$50,000-\$500,000, up to 90% of the project’s total cost.

## 6. Financing support mechanism details

The term for real estate loans is 10 years, amortized on a 15-year basis. The maximum term for machinery and equipment loans is 7 years. The term for working capital loans is 3 years (some flexibility may apply). Interest rates vary among projects and are set by the CEDF Board. Borrowers must pay an application fee of 1% on the loan amount, capped at \$1,500, after the loan is approved. Borrowers also must pay closing costs. All financing must be used for activities or assets directly related to the project. Feasibility studies are not eligible expenses.

Projects are evaluated based on credit worthiness, financial leverage, likeliness to increase renewable energy generating or CHP generating capacity, economic impact, market impact, public benefit, strength of management team, reductions in greenhouse gas emissions, conformity with goals of ARRA, compliance with building energy codes, and financial need.

## 7. Illustration of Financing Support

On May 14, 2010, the CEDF Board announced that it will award grants and low-interest loans supporting fifteen projects for a total of over \$3 million to renewable energy projects throughout Vermont. The Board also noted that it received 32 project proposals in response to its January CEDF solicitation, representing requests for more than \$7 million in financial assistance.

## 8. Sunset provision

None apparent.

## 9. Authorizing statute and/or regulation

Vt. Stat. Ann. tit. 10, § 6523.

## 10. Program website & additional commentary

- *Program website:*

[http://publicservice.vermont.gov/energy/ee\\_cleanenergyfund.html](http://publicservice.vermont.gov/energy/ee_cleanenergyfund.html)

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=VT30F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=VT30F&re=1&ee=1)

- *Additional Commentary:*

[http://publicservice.vermont.gov/energy/ee\\_files/cedf/CEDF%20Strategic%20Plan.pdf](http://publicservice.vermont.gov/energy/ee_files/cedf/CEDF%20Strategic%20Plan.pdf)

[http://publicservice.vermont.gov/energy/ee\\_files/cedf/CEDF\\_Jan\\_2010%20Grant%20Round\\_PressRelease.pdf](http://publicservice.vermont.gov/energy/ee_files/cedf/CEDF_Jan_2010%20Grant%20Round_PressRelease.pdf)

## **Vermont Business Energy Conservation Loan Program**

### **1. Program name**

Business Energy Conservation Loan Program (“BECLP”).

### **2. Mission**

The BECLP was established to assist Vermont companies that wish to undertake projects that improve their energy efficiency and allow them to conserve energy.

### **3. Program administrator**

The Vermont Energy Investment Corporation (under the name “Efficiency Vermont”) and the Vermont Economic Development Authority (“VEDA”) jointly administer the BECLP. Efficiency Vermont is an independent, nonprofit organization under contract to the Vermont Public Service Board.

### **4. Program description & entities eligible for financing support**

Entities eligible for financing support under the BECLP include Vermont businesses (including nonprofit organizations) involved in manufacturing (or processing and assembly of products), hospitality, services, farms, and retail, as long as they are at least 51% owned by U.S. citizens. Projects must improve the energy efficiency of buildings, such as improvements to the thermal envelope and the installation of power, heating, ventilation and cooling systems, lighting, and energy efficiency HVAC equipment. In addition, companies that conduct energy audits are eligible for loans to acquire equipment needed to implement efficiency improvements.

### **5. Sources & amount of funding for financing support**

Efficiency Vermont is funded through an energy efficiency surcharge on electric utility bills. VEDA is funded by appropriations from the Vermont General Assembly.

- *Total program fund:* \$1 million.

- *Per loan:* \$5,000 to \$150,000.

### **6. Financing support mechanism details**

BECLP loans carry a 5-year term (may be amortized up to ten years) with an interest rate equal to the Prime Rate as published in the Wall Street Journal, minus 3% (with a floor of 2%) for the first three years and adjusted as the Prime Rate changes. Thereafter, the loan interest rate is fixed at

VEDA's Small Business Loan Program Index Rate. Applicants must pay closing fees of 1% and application fees with respect to all loans.

BECLP may provide loans for up to 75% of the cost of a project. Loans may not be used to refinance existing debt or assets. Applicants seeking funding for efficiency projects that cost more than \$20,000 must work with Efficiency Vermont to meet cost-effectiveness requirements.

### **7. Illustration of Financing Support**

According to Efficiency Vermont's website, Vermont businesses and homeowners who worked with Efficiency Vermont from 2000 to 2006 to make efficiency investments saved more than 307 million kWh in annual electric energy. Since 2000, efficiency projects funded by Efficiency Vermont have lowered Vermont's summer peak load by more than 43,000 kW and winter peak load by more than 51,000 kW.

### **8. Sunset provision**

None apparent.

### **9. Authorizing statute and/or regulation**

Vt. Stat. Ann. tit. 30, § 209.

Vt. Stat. Ann. tit. 30, § 218c.

*Investigation into the Department of Public Service's proposed Energy Efficiency Plan Re: Phase II*, Docket No. 5980 (Sept. 30, 1999).

### **10. Program website & additional commentary**

- *Program website:*

<http://www.veda.org/interior.php/pid/1/sid/99>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=VT46F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=VT46F&re=1&ee=1)

## Virginia Energy Leasing Program

### **1. Name**

Energy Leasing Program (“ELP”).

### **2. Mission**

The purpose of the ELP is to provide funding for energy efficiency projects in state facilities.

### **3. Administrator**

The Departments of Treasury and Mines, Minerals, and Energy (“MME”) jointly administer the ELP.

### **4. Program description & amount of funding for financing support**

ELP funds are available to state departments and facilities for the purchase of services and equipment required to develop, design, and install energy efficiency projects. Funds can be used to finance projects to secure lighting and motor efficiency upgrades, building envelope enhancements, distribution system improvements, and energy management controls.

### **5. Sources & amount of funding for financing support**

The ELP has existed since 2005, but was dormant in 2008 due to a lack of financing. The ELP fund was recapitalized in late 2009 with \$40 million, including \$10 million in funds from Grant Capital Management, a provider of financing to government entities. It is unclear whether the remaining additional funding resulted from an additional appropriation from the Virginia General Assembly or reflects contributions from private sources.

- *Total program fund:* \$40 million (funding received in 2009).

- *Per loan:* Minimum of \$10,000. There does not appear to be an official cap on loan amount.

### **6. Financing support mechanism details**

Loan repayment periods under the ELP are 3, 5, or 7 years. ELP loans are repaid through energy savings stemming from the efficiency improvements. Information on the specific interest rates applicable to ELP loans is not publicly available.

## **7. Illustration of financing support**

The first ELP loan made using the \$40 million in funding the program received during 2009 was a \$6.6 million loan to George Mason University for a series of upgrades at their Fairfax and Prince William campuses, including improvements to lighting, irrigation, metering, and heating and cooling facilities.

Using ELP loan proceeds secured in 2004, Norfolk State University contracted for \$2.1 million worth of energy efficiency improvements, including lighting system improvements and improved bathroom facilities. The university has fully recouped the investment through \$2.2 million in energy savings.

## **8. Sunset provision**

None apparent.

## **9. Authorizing statute and/or regulation**

Va. Code. Ann. § 2.2-2417.

## **10. Program website & additional commentary**

*Program website:*

<http://www.trsvirginia.gov/documents/debt/MELP/EnergyDescription.pdf>

*DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=VA14F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=VA14F&re=1&ee=1)

*Other commentary:*

<http://www.whsv.com/home/headlines/61480897.html?storySection=story>

## **Wisconsin Home Performance and Efficient Heating and Cooling Loan Program**

### **1. Name**

Home Performance and Efficient Heating and Cooling Loan Program (“EHCLP”).

### **2. Mission**

The purpose of the EHCLP is to help achieve environmentally sound and adequate energy supplies at reasonable cost by offering low-interest loans for qualifying energy efficiency improvements.

### **3. Administrator**

The Wisconsin Energy Conservation Corporation (“WECC”), in partnership with Wisconsin Focus on Energy (“FOE”), administers the EHCLP.

FOE is a collaborative organization whose primary members include the Statewide Energy Efficiency and Renewable Administration (“SEERA”), a collective of investor-owned electric and gas utilities formed in response to certain requirements of Wisconsin’s statewide energy efficiency and renewable energy programs, the Public Service Commission of Wisconsin, and WECC, the private, nonprofit organization that administers the EHCLP.

### **4. Program description & entities eligible for financing support**

EHCLP loans are available to finance heating and cooling systems, including certain furnaces, boilers, central air-conditioners, and heat pumps (air- and ground-source), as well as water heaters, building insulation, air sealing, and other measures. Participants that install energy efficiency measures must first have a home assessment performed by a certified Home Performance consultant in order to qualify for EHCLP financing support. In addition, all improvements must meet minimum efficiency standards and installations must be performed by a program-approved contractor.

The EHCLP program is only available for owner-occupied single-family and duplex homes. In addition, customer eligibility is determined by the customer’s electric and gas provider.

### **5. Sources & amount of funding for financing support**

The Wisconsin Energy Efficiency, Renewable Resources, and Energy Policy Act of 2005 (“Act 141”) required investor-owned electric and gas utilities in Wisconsin to establish and fund the statewide energy efficiency and renewable energy programs. To fulfill their obligations under Act 141, the energy utilities formed the SEERA.

- *Total program fund:* Unknown.
- *Per loan:* Up to 100% of installation costs from \$2,500 to \$10,000.

#### **6. Financing support mechanism details**

Loans under the EHCLP are unsecured and involve no fees, points, or closing costs, and there is no penalty for prepayment. Loans are available at fixed rate terms for 3, 5, 7, and 10 years. Borrowers can finance 100% of installation costs. The EHCLP has a quick approval process (usually 30 minutes or less). Only approved contractors may be used.

#### **7. Illustration of financing support**

No illustrations have been made available.

#### **8. Sunset provision**

None apparent.

#### **9. Authorizing statute and/or regulation**

Wis. Stat. Ann. § 196.374 (Act 141).

#### **10. Program website & additional commentary**

- *Program website:*

<http://www.energyfinancesolutions.com/main/homeownerswione/title/%3EWisconsin>

- *DSIRE link:*

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=WI73F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=WI73F&re=1&ee=1)

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