

US DEPARTMENT OF ENERGY

LOAN GUARANTEE PROGRAM FOR RENEWABLE ENERGY & EFFICIENT ENERGY PROJECTS





LOAN GUARANTEE SOLICITATION QUESTIONS

- WHAT?
 - Renewable Energy and Efficient Energy Projects Loan Guarantee Solicitation to support innovative projects that reduce, avoid, or sequester greenhouse gases using technologies that are catalytic, replicable, and market ready
- WHY?
 - To enable the commercialization of innovative renewable energy and energy efficiency technologies that may be unable to obtain full commercial financing due to perceived risks associated technology that has not been deployed at commercial scale
- HOW MUCH?
 - \$4,000,000,000
- WHEN?
 - Part I Submission Dates October 1, 2014 – December 2, 2015



Eligible Projects

An eligible project is a project located in the United States that:

1. Uses
 - a) Renewable energy systems
 - b) Efficient electrical generation, transmission, and distribution technologies
 - c) Efficient end-use energy technologies, and together with efficient electrical projects,
2. Meets both of the following requirements:
 - a) Avoids, reduces, or sequesters anthropogenic emissions of greenhouse gases; and
 - b) Employs new or significantly improved technology as compared to Commercial Technology, in service in the United States at the time the Term Sheet is issued



Catalytic Technologies

1. Advanced Grid Integration and Storage

- a) Renewable generation & storage
- b) Mitigate supply variability and congestion
- c) Distributed energy, smart grids, etc.

2. Drop-in Biofuels

- a) Use existing delivery and fueling infrastructure
- b) Identical to crude, gasoline, diesel, or jet fuel

3. Waste to Energy

- a) Landfill methane or segregated waste
- b) Crop waste or other discarded materials



Catalytic Technologies (continued)

1. Enhancement of Existing Facilities

- a) Incorporation of renewable generation in to existing facilities to extend the life of the asset
- b) Addition of power production to a non-producing dam
- c) Retrofitting of wind turbines
- d) Addition of variable speed pump-turbines to hydro facilities

2. Efficiency Improvements

- a) New or improved technologies to increase efficiency ad substantially reduce GHG's
- b) Demand reduction, storage, and recovery



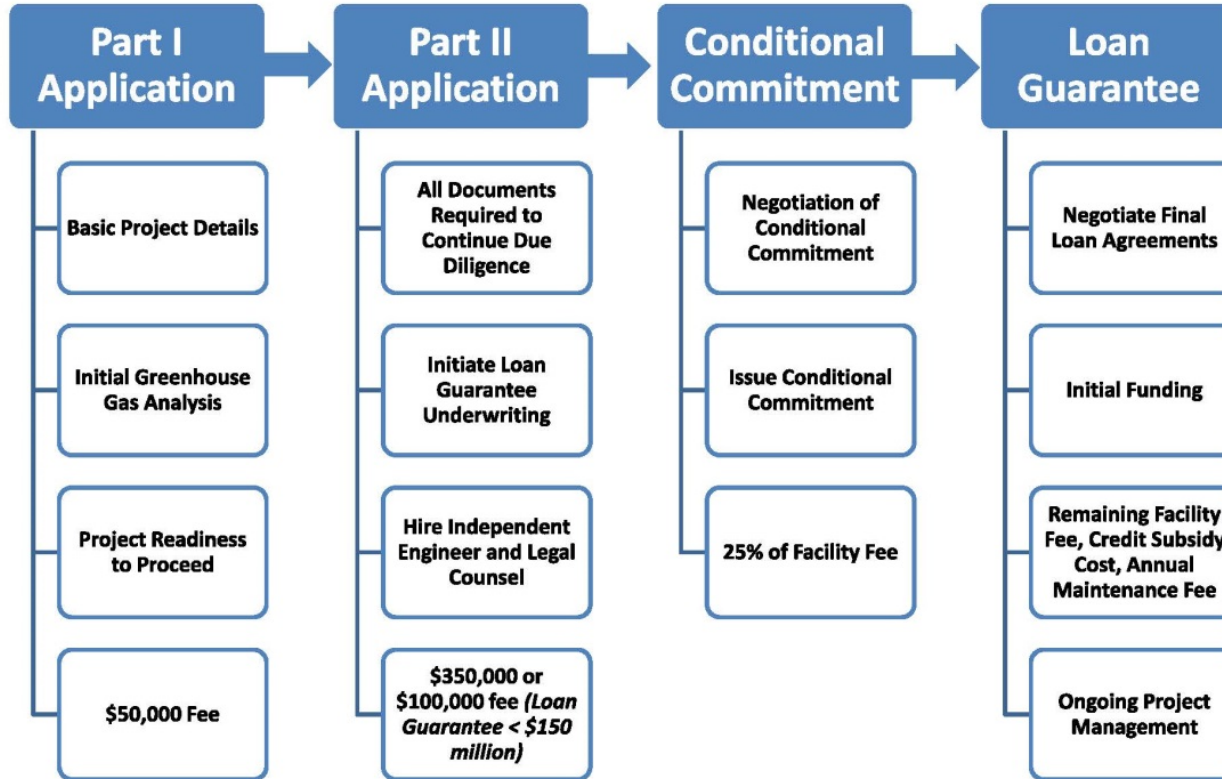
Funding Mechanism

Loan Guarantee

- Guarantees up to 80% of total project cost, amount dependent on outcome of DOE due diligence.
- Remaining 20% (35% preferred) can come from equity or other higher risk credit
- Commercial Lenders or Department of Treasury can finance.
- Treasury interest rate set at U.S treasury rate plus credit-based liquidity spread (~0.5 – 1.5%)
- Applicant must pay credit subsidy cost of up to 7% to cover program risk

Application Flow Chart

LPO Application and Underwriting Process



U.S. DEPARTMENT OF
ENERGY

LOAN PROGRAMS OFFICE

17



Questions

- For questions, or additional information:
- <http://energy.gov/lpo/services/solicitations/renewable-energy-efficient-energy-projects-solicitation>
- Contact Golder Associates, Inc.
 - Scott Osbourn sosbourn@golder.com
 - Tom Yonge tyonge@golder.com