

# SMALL BUSINESS POLLUTION PREVENTION LOAN PROGRAM APPLICATION INSTRUCTIONS

*(Authority: Part 145, PA 451 of 1994, as amended.)*

<b>SECTION I. GENERAL INFORMATION</b>	
<b>1.</b>	<b>OWNER/APPLICANT NAME:</b> Enter the full name of the person applying for the loan.
<b>2.</b>	<b>COMPANY NAME:</b> Enter the full name of company as it appears on the loan application.
<b>3.</b>	<b>E-MAIL ADDRESS:</b> Enter the E-mail address of the owner/applicant.
<b>4.</b>	<b>TELEPHONE NUMBER:</b> Enter the telephone number, including the area code, of the owner/applicant.
<b>5.</b>	<b>FAX NUMBER:</b> Enter the fax number, including the area code, of the owner/applicant.
<b>6.</b>	<b>MAILING ADDRESS:</b> Enter the mailing address, including city, state, and zip code. All correspondence will be sent to the owner/applicant at this address, unless noted otherwise.
<b>7.</b>	<b>P.O. BOX:</b> Enter Post Office Box number if applicable.
<b>8.</b>	<b>COUNTY:</b> Enter the county where the company is located.
<b>9.</b>	<p><b>DO YOU CONTRACT FOR THE TRANSPORTATION OF CARGO WITH ANY VESSEL OWNERS/OPERATORS THAT OPERATE ON THE GREAT LAKES AND ST. LAWRENCE WATERWAY?</b></p> <p>The MDEQ is required to determine whether ballast water management practices provided by the Shipping Federation of Canada, the Lake Carriers' Association and the Canadian Ship-owners' Association are being complied with by all non-oceangoing vessels operating on the Great Lakes and the St. Lawrence waterway. Any owner or operator not identified on the list of complying vessels, or any persons in the state who have contracts for the transportation of cargo with a vessel operator that is not on the list are not eligible for new grants, loans or awards, administered by the MDEQ.</p>
<b>10.</b>	<p><b>IS THIS BUSINESS CURRENTLY OPERATING?</b></p> <p>The P2 Loan Program is designed to assist existing businesses reduce pollution. New business start-ups are not covered by this program.</p>

<b>SECTION II. LENDING INSTITUTION</b>	
<b>1.</b>	<b>NAME OF LENDING INSTITUTION:</b> Enter the name of the lending institution.
<b>2.</b>	<b>CONTACT PERSON:</b> Enter the name of the contact person at the lending institution.
<b>3.</b>	<b>E-MAIL ADDRESS OF THE LENDER (if known):</b> Enter the E-mail address of the Lender, if known.
<b>4.</b>	<b>TELEPHONE NUMBER:</b> Enter the telephone number, including area code, of the contact person.
<b>5.</b>	<b>FAX NUMBER:</b> Enter the fax number, including area code, of the contact person.
<b>6.</b>	<b>MAILING ADDRESS:</b> Enter the mailing address, including city, state and zip code.
<b>7.</b>	<b>P.O. BOX:</b> Enter Post Office Box number if applicable.
<b>8.</b>	<p><b>HAS YOUR LENDING INSTITUTION AGREED TO PARTICIPATE WITH THE DNRE IN THIS LOAN?</b></p> <p>Enter a check mark to indicate whether or not your financial institution has already agreed to participate.</p>
<b>9.</b>	<p><b>HAS YOUR LENDING INSTITUTION DETERMINED YOUR CREDIT WORTHINESS?</b></p> <p>Enter a check mark to indicate whether or not your financial institution has already determined your credit worthiness.</p>

**SMALL BUSINESS POLLUTION PREVENTION LOAN PROGRAM APPLICATION INSTRUCTIONS (continued)**

<b>SECTION III. PROJECT INFORMATION</b>	
<b>1. AMOUNT OF LOAN REQUEST/ESTIMATED TOTAL COST OF PROJECT</b>	<p>Enter the total dollar amount of the loan requested from the Small Business Pollution Prevention Loan Program. The maximum loan amount is \$400,000; however, this may be lowered by the MDEQ based on prevailing interest rates. To obtain the maximum amount, check the Small Business Loan Program web site at <a href="http://www.michigan.gov/p2loan">www.michigan.gov/p2loan</a> or call the Environmental Assistance Center at 800/662-9278.</p> <p>Enter the estimated total cost of the project.</p>
<b>2. ESTIMATED PROJECT START AND COMPLETION DATES:</b>	<p>Enter the estimated start and completion dates of the project and the amount of time in months to complete the project.</p>
<b>3. DO YOU MEET THE THREE CRITERIA OF A SMALL BUSINESS?</b>	<p>Enter a check mark to verify you meet the federal definition of a small business. To meet the criteria, you must have 500 or fewer employees, be independently owned and operated (not a subsidy or division of a larger business or corporation), and you may not be dominant in your field (i.e., the sole distributor of a rare product).</p>
<b>4. TYPE OF BUSINESS (SIC Code)</b>	<p>Enter the Standard Industrial Code (SIC) for the company, if known, or the type of business in which the company is engaged. For example, a business engaged in metal finishing would enter the code 3471. If multiple SIC codes, please list in order of percentage of manufacturing.</p>
<b>5. NUMBER OF FULL-TIME EMPLOYEES</b>	<p>Provide the number of full-time employees. Calculate the number of full-time employees by totaling the hours worked during the calendar year by all employees, including contract employees, and dividing that total by 2,080 hours.</p>
<b>6. PROJECT:</b>	<p>Enter the name of the project (e.g., closed loop water recycling system project).</p>
<b>7. ADDRESS</b>	<p>Enter the address of the project, including city, county, and zip code (if different from mailing address in Section I above). If a street address is not available, enter other appropriate identifiers that describe the physical location of the project. A post office box number is not acceptable for the location.</p>
<b>8. CONTACT INFORMATION</b>	<p>Enter the full name of the project contact. If all correspondence is to go to the project contact, check the box next to the contact name.</p>
<b>9. CONTACT TITLE:</b>	<p>Enter the title of the project contact</p>
<b>10. E-MAIL ADDRESS:</b>	<p>Enter the e-mail address of the project contact</p>
<b>11. TELEPHONE NUMBER:</b>	<p>Enter the telephone number including the area code of the project contact</p>
<b>12. FAX NUMBER:</b>	<p>Enter the fax number of the project contact.</p>

<b>SECTION IV. PROJECT ELIGIBILITY</b>	
<p><b><i>Pollution Prevention means source reduction and environmentally sound on-site or off-site reuse or recycling. Waste treatment, control, management, and disposal are not considered pollution prevention.</i></b></p>	
<b>1. POLLUTION PREVENTION ACTIVITY CODE(S)</b>	<p>Check the appropriate box(es) indicating the pollution prevention and energy efficiency-related activities that qualify this project for a loan. The list of codes includes source reduction, recycling, and energy conservation activities. NOTE: You must have at least one of these activities to be eligible for the loan.</p>
<b>CODE</b>	<b>ACTIVITY</b>
A	Equipment or technology modifications
B	Process or procedure modifications
C	Reformulation, reclamation, or redesign of products
D	Raw materials substitution
E	Housekeeping, maintenance, or inventory control improvements
F	Employee training
G	On-site energy conservation
H	On-site water conservation

## SMALL BUSINESS POLLUTION PREVENTION LOAN PROGRAM APPLICATION INSTRUCTIONS (continued)

Projects that are not eligible would include the following:

- (a) Costs incurred prior to the effective date of the loan agreement.
- (b) Refinancing existing obligations to debt.
- (c) Financing building or construction costs not integral to the project.
- (d) Financing salaries, wages, benefits, travel, or operating costs of applicant business.
- (e) Taxes, attorney fees, permits or licenses, or land acquisition.
- (f) Those projects with the primary purpose of increasing process output or production.

### 2. DID YOU HAVE A RETIRED ENGINEER TECHNICAL ASSISTANCE PROGRAM (RETAP) AUDIT?

Indicate whether you had a RETAP audit. If yes, indicate whether the project is a recommendation from that audit.

RETAP is a free, non-regulatory, confidential assessment conducted by a retired expert and contracted out privately through the MDEQ. For more information, call 888/749-7886.

## SECTION V. PROJECT DESCRIPTION

### 1. DETAILED DESCRIPTION OF PROJECT

This section requires a description of the project including objectives, tasks, timetable, and a breakdown of estimated costs. Please include any information available on the economic and environmental benefits of the pollution prevention project. Attach an extra sheet if necessary. NOTE: If the loan is the result of a RETAP recommendation(s), you may attach a copy of the recommendation(s) to the application.

## SECTION VI. POLLUTION PREVENTION PROJECT ESTIMATED RESULTS

There are generally a number of benefits realized from P2 projects. Please provide as much detail as you can in the results categories, listed below. Your vendor/equipment salesperson often is a good resource for this information. Your 90 day follow-up report to us should use this information to compare your estimates with actual project results. (We anticipate that these comparisons will show varying results.) Information on the economic savings you expect is important to your Lender, as well, and may be considered by the Lender when determining your ability to repay the loan.

1. **WATER CONSERVATION.** Provide detail on your current annual water consumption and the expected annual water consumption after the project is implemented. To determine economic savings, take your most recent water cost rate per gallon and multiply it by the difference between your current and estimated annual water consumption.

2. **WASTE REDUCTION.** Examples of waste include air emissions, hazardous waste, solid waste, wastewater discharges, storm water discharges, oil and petroleum waste, distillation still bottoms, and manure (from animal operations). You may be more specific and list a chemical (e.g., toluene) or material (e.g., wood pallets). If your project recycles waste, include the quantity of waste recycled or reused. Be sure to include your economic savings from reduced landfill disposal costs, as well as from reduced handling and transportation costs.

3. **ENERGY CONSERVATION OR FUEL SUBSTITUTION.** If reporting energy conservation, provide an estimate of annual energy usage in kilowatt hours before and after the project is implemented. To determine economic savings, take your most recent energy cost rate per kilowatt hour and multiply it by the difference between your current and estimated energy usage. If your project uses alternative fuel, record the annual amount of your current fuel use in gallons, and the annual amount of current fuel, if any, that will be used after the project is completed. In Section V. of the application (Project Description), you should describe how much alternative fuel you expect to use. Estimate the annual cost savings, if any, from switching to the alternative fuel.

4. **MATERIAL USE REDUCTION OR SUBSTITUTION.** List the chemicals or raw material inputs that will be substituted, reduced, or eliminated with the project. Quantify your annual usage in gallons, if liquid, or pounds, if solid, both before and after the project is implemented. Be sure to include the economic savings you may realize. Your economic evaluation may include subtracting the previous annual raw material cost from the annual material cost of the new raw material inputs.

5. **ENVIRONMENT AND PUBLIC HEALTH AND SAFETY.** Describe any hazard reduction to the environmental and/or public health and safety benefits that you expect from your project. This may include reduced toxicity impacts, or reduced inhalation or handling exposure, among other things. Quantify or estimate, to the extent possible, any exposure reductions expected.

## SECTION VII. CERTIFICATION

This section requires that you certify the truth and accuracy of the answered questions in the application. By certifying this application, you agree that all the necessary construction permits are obtained or will be obtained in accordance with applicable laws and regulations.