

STATE ENERGY PROGRAM

Clean Energy Advanced Manufacturing

GRANT DESCRIPTION: A total of \$15,000,000.00 in funding is available through the State Energy Program Michigan to assist small manufacturing companies, currently located in Michigan, to diversify into high-growth clean energy sectors and invest in advanced manufacturing of renewable energy systems and components (i.e. wind turbine systems, solar technology, bio-energy equipment, geothermal heating and cooling systems). Request for funding will be accepted from **July 16, 2009 – August 14, 2009**

AREAS OF INTEREST

Manufacturing of Renewable Energy Systems

Applications under Area of Interest 1 are sought to build or increase production capacity of renewable energy systems (i.e. wind turbine systems, solar technology, bio-energy equipment, geothermal heating and cooling systems).

Applications should provide evidence of commitment from one or more potential customers of renewable energy system(s) to buy systems produced at the manufacturing facility. Original Equipment Manufacture (OEM) partners may be included. The type, amount, and duration of the commitment shall be included. Applications that indicate significant interest and intent (at a minimum, letters of commitment and preferably orders) from a renewable energy system's customer(s) are preferred and will be given priority. Applications shall also provide evidence of the ability to meet the required production volume to satisfy OEM demand.

Applications shall provide evidence of supplier commitments which clearly indicate their ability or expected ability to supply the projected demand from the renewable energy system.

For each award made in this area, recipients are expected to build or increase production capacity of the renewable energy system funded within their existing constructed factory's footprint. A production quota is not specified in this RFP. However, applicants must provide the number of units expected to be produced annually. For awards made in this area, recipient must provide an updated analysis of their current and future production rates in their quarterly reports.

Applications shall provide a detailed description of the renewable energy manufacturing process and end product, including materials and performance. The system description must include estimates of energy produced per unit and any available supporting data for the system's specifications and performance claims.

Applications shall address the approach to product recycling in terms of plans for recovery, transportation of (if required), and reuse of materials within the manufacturing process. Analysis shall address the amount of recycled material that will reenter the manufacturing process as well as the anticipated waste material or residue that will be discarded. A business case analysis shall be provided for instances where recycling will not be pursued.

Manufacturing of Components of Renewable Energy Systems

Application under Area of Interest 2, applications are sought to build, or increase production capacity of manufacturing components of renewable energy systems such as turbines, blades, solar technology, bio-energy equipment, geothermal heating and cooling systems, etc. Applicants under this Area of Interest must be knowledgeable of technology of materials used in the manufacturing and/or assembly of components for renewable energy systems funded.

Applications shall provide evidence of commitment from one or more renewable energy system manufacturers to buy components produced at the manufacturing facility. The type, amount, and duration of the commitment must be included. Applications must provide evidence of the ability to meet the required production volume to satisfy renewable energy system manufacturer demand.

Further, applicants must identify major partners, suppliers or customers, with advantage shown to applications with significant Michigan relationships.

ELIGIBLE RECIPIENTS: Any business physically located in Michigan with 500 or fewer full-time or equivalent employees, or a business that relocates to Michigan by the time of the award is eligible to apply.

INELIGIBLE RECIPIENTS: Federal Government, State Government agencies, local Government agencies, institutions of higher education, other nonprofit organizations, and companies with greater than 500 full-time employees state-wide.

AVAILABILITY OF FUNDS: A total of \$15,000,000.00 in funding is available. The State Energy Program anticipates awarding loans, grants, or combination thereof, covering up to 100 percent of eligible activities where feasible. Most awards will be for total project costs between \$2 million and \$5 million. The State Energy Program may choose to make an award up to the total amount available funds in this solicitation. The applicant should propose a funding level that is appropriate to their needs.

MATCHING REQUIREMENTS: Preference will be given to applicants that demonstrate a 50 percent cost share of the total allowable project costs (i.e. the sum of the State Energy Program share and the recipient share of allowable costs equals the total allowable project costs). Applicant's cost share must come from a non-Federal and non-state sources, unless otherwise allowed by law. Cost sharing is not applicable to recipients who are approved to receive a revolving loan.

DUE DATE: Proposals are due no later than August 16, 2009.

FURTHER INFORMATION: Contact Mr. Robert Jackson 517-373-2731, or you can download the Request for Proposal from the Internet at: