

Michigan Energy Office

E N E R G Y L O A N S

A P P L I C A T I O N

Gretchen Whitmer, Governor

FINANCING FOR ENERGY PROJECTS

About the Energy Efficiency & Renewable Energy (EERE) Revolving Loan Fund

The Michigan Energy Office (MEO) on behalf of the Department of Environment, Great Lakes, and Energy (EGLE) is offering Michigan based small businesses and public entities financial assistance to invest in energy efficiency and renew projects.

How Do You Define an Energy Project?

Energy projects may involve one or more the activities listed below:

- Lighting (e.g. fluorescent T8s/T5s, occupancy/motion sensors, etc.)
- Mechanical systems (i.e. heating, cooling and ventilation equipment)
- Water heating and pumping systems
- Advanced control systems
- Smart Metering systems
- Insulation, sealing, and other building envelope improvements
- Boiler or furnace replacement with a more efficient unit
- Equipment purchases for general- and advanced-manufacturing of commercially available products

Renewable energy means a non-depletable source of energy. Other activities that meet the federal Department of Energy's definition of energy efficiency and renewable energy will be considered. Impacted buildings or facilities must be currently occupied and have long range plans of continued use.

Are You Eligible?

Public entities of any size and small businesses with 500 employees or less. Projects must involve an activity and or installation or deployment of a commercially available and proven technology at buildings, facilities, and properties owned and operated by the Borrower. Work already completed is ineligible.

When can projects begin?

Applicants can start work once the loan agreement is signed by EGLE. **Only project-related costs that are incurred and paid for, after MEO's loan execution may be included in the loan request.**

Applicants assume all financial risk should the MSF not approve the application or if all loan documents are not executed. If the loan is not approved or executed, the MEO and EGLE are not responsible for reimbursement of any costs.

How much is Available?

Loan amounts will be between \$50,000.00 and \$350,000.00 and limited to materials, supplies, and equipment costs only.

When Should You Submit Your Application?

This solicitation is open until all funds are depleted. Applications for funding will be reviewed by an evaluation committee, and awarded based on project merit and applicant creditworthiness. The solicitation is posted by the MEO under the auspices of EGLE. The MEO reserves the right to close the solicitation period at any time.

Criteria for Loan Approval

Applicants must meet minimum credit standards determined by the MEO. Additional information may be requested during the negotiation process.

Program Fees

The fixed interest rate on approved loans can range from 2% to 4%, with a loan guaranty. There is a non-refundable application fee (see Table 1 below) required upon submission of the loan application; and processing and commitment fee of 2% of the principal amount of the loan, with a minimum of \$1,000 and a maximum of \$7,000, is due at the loan signing.

Requested Dollars	Application Fee
\$ 50,000 - 99,999	\$ 250
\$ 100,000 - 299,999	\$ 500
\$ 300,000 and above	\$ 1,000

(Table 1) Application Fee Structure

Repayment Terms

Loan repayments are made in equal monthly installments of principal and interest. There is no penalty for early repayment.

Loan Security Requirements

A promissory note, loan agreement, security agreement and guaranty are required to secure the loan. The security interest will include both personal and tangible items purchased with loan funds and other additional collateral may be required. The MEO requires a first priority mortgage and/or security position on assets.

How Are Funds Disbursed?

Funds are available on a reimbursement basis. Loan disbursements will be made upon the submission of the vendor's invoice and proof of payment as well as the other required loan deliverables.

Loan Agreement

A copy of the complete loan agreement with all exhibits is available at:
http://www.michigan.gov/documents/energy/MAE_EERE_Loan_Agreement_520816_7.pdf

THE APPLICATION

How Do You Apply? Unless otherwise specified in the “Other Information” column, submit the information shown below.

Your application must be complete before processing can begin. For incomplete applications, information must be received within a specific time or the application will be returned unprocessed. Applications are deemed complete if they include all necessary documentation to verify eligibility and compliance with all the requirements as discussed below:

Application Package Items	Copies Needed	Other Information
Completed and signed Worksheet Application, click here: http://www.michigan.gov/documents/energy/MEO-Proposal-Worksheet_520813_7.pdf	Original	
3 years of tax returns signed by an authorized officer of the company.	1 copy	
Most recent CPA financial review statement and certified audit statement.	1 copy	
Financial balance sheet and income statement internally prepared for 2018 tax return. If tax return is not available, please provide income statement for the 2 months ended 12/28/18.	1 copy	
Cash flow projections for loan term	1 copy	
W-9 Form	1 copy	
Budget, click here: michigan.gov/documents/energy/Loan_Budget_Worksheet - MAE 520787 7.xls	1 copy	
State Historical Preservation Office Worksheet, click here: http://www.michigan.gov/documents/mdcd/2013_SHPO_form_415073_7.doc	1 copy	
NEPA Compliance Form, click here: http://www.michigan.gov/documents/mdcd/MEO_NEPA_FORM_433885_7.doc	1 copy	

Where do I submit my application? Michigan Energy Office, Attn: EERE Loan Program, 7109 W. Saginaw Highway, P.O. Box 30221, Lansing, MI 48909, or electronically to Robert Jackson at the email below.

Who do I call for more information? Mr. Robert Jackson, Work: 517.284.8333, Cell: 517930-6163
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