

Energy Efficient Equipment (E3) Commercial Financing

The E 3 Commercial Financing Program is available for projects that will demonstrate energy efficiency over standard or baseline energy consumption. The program may be used for projects that will also result in new energy sales. Projects which utilize technology that has been identified as achieving energy improvements including savings through productivity increases will be eligible.

Minimum Loan Amount

The minimum loan amount will be \$100,000 per project. However, the total outstanding balance of loans for all projects by the same owner/entity and located in the same location shall not exceed \$350,000.

Maximum loan amounts

Applicants may apply for the cost of the equipment costs including installation with a maximum loan of \$350,000 per project. Projects exceeding the \$350,000 may be considered on a case by case basis.

Interest rates

A typical interest rate for the loans is 3.0 %. The interest rates could be as low as zero percent based upon the energy savings achieved and the overall impact of the project resulting from the equipment installations.

Equity Requirements

Loan requests for equipment that is part of a larger development project, the applicants are required to inject 10% equity in to the project. This may include existing asset value. Loan requests for stand alone energy efficiency upgrades, require a minimum of 20% equity injection from the applicant.

Borrower Qualifications

Applicants must demonstrate credit worthiness and repayment ability. A complete credit review will be completed for each applicant. Standard commercial lending criteria will be utilized to determine credit worthiness. Application required attachments include:

- Business description of applicant
- Description of project
- Financial presentation
- Energy savings payback projections and verification documents
- Installation certificates and project inspection reports will be required
- Borrower must be in good standing with the member cooperative

Collateral

The loans will be made from GRE. The security issued for the loans will be a collateral lien on the equipment financed, personal and corporate guarantees. In the event of default, the outstanding loan principal balance plus any fees or interest assessed to the loan may be applied as a utility lien and added to the electric service payable account of the member cooperative.

Repayment Options

Monthly installment payments may be made to the member electric cooperative or to GRE directly. The repayment method will be approved as part of the loan. GRE will receive loan payments on a monthly schedule from the applicant or the member electric cooperative. Loan repayments will be returned to the revolving loan fund as available loan funds. Any interest earnings received will be accounted for and be used to offset program expenses.

Demonstration Project

The projects receiving financing through this program agree to be highlighted as a case study (demonstration project) for use by GRE and our member electric cooperative to promote energy conservation and efficiency. Project demonstration may include, but is not limited to, project site visits, printed materials, management testimonials, showcase at trade associations and other means as determined.