



Energy Revolving Fund

Division of Energy fact sheet

3/2010

Calendar Year 2010 Loan Offerings

The Missouri Department of Natural Resources' Division of Energy, through the Energy Revolving Fund, provides loans to public schools, universities, colleges, cities, counties, public hospitals and water treatment plants to help reduce energy costs. This loan financing may be used for various energy-saving investments, including projects such as upgrading insulation, lighting systems, heating and cooling systems, windows and other items that affect your energy use.

Loan recipients benefit from increased occupant comfort in their buildings and reduced energy costs. This loan financing also frees up tax dollars that school districts, higher education facilities and local governments can use for essential services or other capital improvements. Loan recipients repay the loan with money saved on energy costs as a result of implementing the energy-efficiency projects. The loans are not defined as debt, so the loan financing does not count against debt limits or require a public vote or bond issuance.

Since the fund was initiated in 1989, the Division of Energy has loaned more than \$80 million for completed energy-efficiency projects, for more than \$146 million in cumulative energy savings.

2010 Loan Cycles

The Missouri Dept. of Natural Resources will offer zero-interest loans during calendar year 2010 to fund energy efficiency improvements and projects in the public sector.

During calendar year 2010 the department plans to offer a total of \$10 million in two separate competitive loan program cycles. One cycle will be held in the spring and another in the fall. For each cycle, the department plans to make \$5 million available for loan financing of energy-efficiency projects. Each applicant in each cycle may apply for a loan not to exceed \$1 million. The Department reserves the right to revise the amount of total funds offered during calendar year 2010 and reserves the right to establish allocations within the total funds available to various energy-using sectors.

Eligible Applicants

- Public K-12 School Districts
- Public Colleges and Universities
- City Governments
- County Governments

Interest Rates

- During calendar 2010 the loan awards will be made at zero-interest (0%).
- Loan recipients will be charged an origination fee of one point (1%)

Cycle Dates

- **First Loan Cycle**
 - Applications will be accepted beginning immediately
 - Application submittal due date: April 30, 2010
 - Loan awards to be offered by June 30, 2010

- **Second Loan Cycle** - the fall cycle allows another opportunity for applicants to seek funding for projects that may not be ready for submission during the first loan cycle.
 - Applications will be accepted beginning: July 1, 2010
 - Application submittal due date: Oct. 15, 2010
 - Loan awards to be offered by: Dec. 31, 2010

Application Procedures

- Each applicant in each cycle may apply for a loan not to exceed \$1 million.
- To apply for a loan, eligible applicants must submit a completed application form to the department by or before the due date for the cycle.
- Application forms are available on the department's Web site at:
<http://dnr.mo.gov/forms/index.html#Energy>

Award determination

- Loan recipients will be determined on a competitive basis. To determine which applicants will receive funding, applications will be ranked based on project payback, which will be determined by dividing the cost to implement a project by the estimated yearly energy cost savings. Projects with the lowest payback score will be funded until all available funds are allocated. In case of identical payback scores, the eligible applicant with the highest percentage total of BTU savings will receive funding.
- Any applicant with ongoing enforcement issues with the Department of Natural Resources will be disqualified.
- If sufficient funds remain after review of all loan applications and priority ranking of loan applications, the department will consider awarding loans in excess of \$1 million to applicants who may desire larger loans and for which the project is expected to achieve adequate energy savings to support a larger loan.
- Loans will be awarded for a term not to exceed 10 years.

For More Information

For more information regarding the Energy Revolving Fund contact a Division of Energy staff member at one of the following locations:

Telephone:

- Jefferson City: Bernard Thompson, 573-751-3443 or 1-800-361-4827
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