



DOE Issues Third Round of Loan Guarantee Solicitations

Encourages Diversification and Innovation of U.S. Energy Sources to Reduce Reliance on Foreign Sources of Energy

Today, the Department of Energy has issued a third round of solicitations for DOE's Loan Guarantee program, which encourages the development of new or significantly improved energy technologies and is an important step in promoting the early commercial use of clean energy projects in the United States. The loan guarantee program was authorized in Title XVII of the Energy Policy Act of 2005 (EPAct), which President Bush signed into law on August 8, 2005.

Loan guarantees will enable the Department to share some of the financial risks of projects that use advanced energy technologies to avoid, reduce, or sequester air pollutants or greenhouse gases. They will also pave the way for federal support of clean energy projects and spur further investment.

Projects supported by loan guarantees will help fulfill President Bush's goal to diversify the United States' energy mix, increase energy efficiency, and improve the environment, while also reducing the nation's reliance on foreign sources of energy.

Today's solicitation, which has the potential to provide \$8 Billion in loan guarantees, includes projects within the following two categories:

- Coal-Based Power Generation and Industrial Gasification that incorporates carbon capture and sequestration or other beneficial uses of carbon- \$6 Billion
- Advanced Coal Gasification - \$2 Billion

The primary goal of the solicitation is to support projects that may employ the following technologies:

- Integrated Gasification Combined Cycle and Carbon Capture
- Combined Coal and Biomass to Liquids
- Ultra-supercritical Pulverized Coal Plants
- Coal to Chemicals
- Coal to Methane/Syngas

Applicants are required to submit Part I of the application to the Department by December 22, 2008 and Part II by March 23, 2009.

Today's solicitation builds off of the previous two solicitations issued by DOE, which supported energy efficiency, renewable energy, nuclear energy, and fossil energy projects. DOE is currently reviewing the applications received to date from the previous two solicitations.