DOE TRIBAL ENERGY LOAN PROGRAMS

Supporting Tribal Energy Innovation and Economic Development

John Lushetsky, Senior Advisor

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Financing American Energy Infrastructure

The Department of Energy’s Loan Programs Office (LPO) was established for borrowers seeking access to debt financing for energy infrastructure projects.

With over $40 billion in available debt capital, LPO programs finance high-impact projects and first-time commercializations, partnering with borrowers to customize deal structures.

Access to Debt Capital that private lenders cannot or will not provide.

Flexible Financing customized for the specific needs of individual borrowers.

A Committed Partner offering expertise to borrowers for the lifetime of the project.
Over $35 Billion in Energy Deals Financed

More than 30 projects of broadly distributed technologies across the United States.

**Renewables Innovation**
*Financed* large-scale, innovative wind, geothermal, and transmission projects across the West.

**Utility-Scale Solar**
*Financed* 11 utility-scale solar projects across the Southwest, catalyzing the industry in the U.S.

**Advanced Auto Manufacturing**
*Financed* the upgrade of advanced auto manufacturing facilities across the Midwest, creating tens of thousands of jobs.

**Advanced Nuclear Energy**
*Financed* the construction of the first new nuclear reactor in the U.S. in 30 years.
# Energy Market Project Finance Discussion

## Renewable Energy Project Finance Requirements

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
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</thead>
<tbody>
<tr>
<td><strong>Power Purchase Agreement</strong></td>
<td>A PPA with an investment grade entity. Historically, this has been with a utility. Recently, there are more “corporate” PPAs with investment grade entities like Microsoft, Alphabet, Facebook, Walmart, etc.</td>
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<tr>
<td><strong>Interconnection Agreement</strong></td>
<td>This agreement needs to not only document that the power generated has an outlet, but that all the costs associated with getting power to the buyer are identified, including curtailment.</td>
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| **Contracts and Permits**         | Turbine/Panel Supply and Major Equipment Contracts  
• Required Permits: This includes local, state and federal permits for construction, conditional use, environmental issues and wildlife.  
• Construction Contracts: Engineering, Procurement and Construction (EPC), Balance of Plant (BOP), and Transmission/Sub-station Contracts. |
| **Financial Model and Feasibility Reports** | Model that sizes the debt based on the financing parameters for wind or solar projects. We look at P50 generation and P99 generation cash flows in sizing the debt for a project.  
• Independent Engineer and Insurance Consultant Reports |
| **Equity Commitments**            | Generally requires 10-15% cash equity from the sponsor that is invested before loan funds are advanced. |
## $40 Billion in Available Debt Capital

LPO offers project financing across energy sectors through three distinct loan programs.

<table>
<thead>
<tr>
<th>Program</th>
<th>Description</th>
<th>Available Debt Capital</th>
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<tbody>
<tr>
<td><strong>TELGP</strong></td>
<td>Partial Loan Guarantees</td>
<td>Up to $2 Billion</td>
</tr>
<tr>
<td><strong>TITLE 17</strong></td>
<td>Innovative Energy Loan Guarantees</td>
<td>$8.5 Billion</td>
</tr>
<tr>
<td><strong>ATVM</strong></td>
<td>Direct Loans</td>
<td>Up to $4.5 Billion</td>
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<td></td>
<td>Tribal Energy Projects</td>
<td>$10.9 Billion</td>
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<td></td>
<td>Advanced Fossil Energy</td>
<td>$8.5 Billion</td>
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<tr>
<td></td>
<td>Advanced Nuclear Energy</td>
<td>$10.9 Billion</td>
</tr>
<tr>
<td></td>
<td>Renewable Energy &amp; Efficient Energy</td>
<td>$4.5 Billion</td>
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<tr>
<td></td>
<td>Advanced Technology Vehicle Manufacturing</td>
<td>$17.7 Billion</td>
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## Tribal Energy Projects

**Up to $2 Billion** in Partial (90%) Loan Guarantees Available

LPO supports all-of-the-above energy development projects and activities through its Tribal Energy Loan Guarantee Program (TELGP)

### Financing

LPO provides access to long-term (up to 30 years) debt capital for tribal ownership of energy projects and activities that support economic development and tribal sovereignty.

### Eligibility

LPO can consider tribal energy projects that:

1. Are owned by a tribe or entity that is majority tribally owned and controlled.
2. Are located in the U.S. (project may be single site or distributed portfolio and on non-tribal land).
3. Are financially viable.
4. No innovation requirement, though projects employing commercial technology are preferred.

### Technologies

Technology areas of interest include, but are not limited to:
- Fossil Energy
- Renewable Energy
- Transmission Infrastructure & Energy Storage
- Transportation of Fuels

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**Authorization**

Section 2602(c) of the Energy Policy Act of 1992, as amended (25 USC Section 3502(c))
Offering Flexible Financing Solutions

LPO can provide affordable, custom financing to meet the specific needs of individual borrowers.

- **Loan Type** | Partial guarantee of up to 90% of commercial debt.
- **Competitive Pricing** | Pricing negotiated by lender and borrower; partial guarantee includes a risk-based fee.
- **Long Tenor** | Tenor of up to 30 years or 90% of projected useful life of assets financed.
- **Flexible Deal Structures** | Structures may include project finance, structured corporate, corporate or warehousing lines.
- **Debt Amount Determination** | Debt amount based on credit profile, business plan, technology, cash flows, project risk allocation and other relevant factors.
- **Acquisition Financing** | May be eligible if the substantial improvement or modification of existing facilities is involved.
- **Viability Standard** | Emphasis placed on certainty of cash flow to the project during initial financial viability review and during subsequent due diligence.
Renewable Energy & Efficient Energy

Up to $4.5 Billion in Loan Guarantees Available

LPO helps bring renewable & efficient energy projects to commercial scale through its Title 17 Innovative Energy Loan Guarantee Program.

**Financing**
LPO provides access to debt capital for energy projects using innovative technology when commercial lenders cannot or will not provide financing.

**Eligibility**
LPO can consider renewable & efficient energy projects that:
1. Use innovative technology.
2. Reduce, avoid, or sequester greenhouse gas emissions.
3. Are located in the U.S.
4. Provide reasonable prospect of repayment.

**Technologies**
Technology areas of interest include, but are not limited to:
- Advanced Grid Integration & Storage
- Advanced Hydro and Pumped Hydro Storage
- Alternative Fuel Vehicle Infrastructure
- Distributed Energy Projects
- Efficiency Improvements
- Offshore Wind & Related Infrastructure
- Waste-To-Energy
Offering Flexible Financing Solutions
LPO can provide affordable, custom financing to meet the specific needs of individual borrowers.

✓ **Loan Type**  |  Direct loan from U.S. Treasury’s Federal Financing Bank (FFB) backed by 100% DOE guarantee or DOE partial guarantee of commercial loans.

✓ **Affordable Debt**  |  Senior secured, fixed or floating rate debt.

✓ **Competitive Pricing**  |  Equal to U.S. Treasury-equivalent yield curve plus a credit risk premium, typically ranging from 37.5 to 200 basis points.

✓ **Long Tenor**  |  Tenor of up to 30 years or 90% of projected useful life of assets financed.

✓ **Flexible Deal Structures**  |  Structures may include project finance, structured corporate, corporate or warehousing lines.

✓ **DOE Role**  |  Can serve as sole lender or as a co-lender.

✓ **Debt Amount Determination**  |  Debt amount based on credit profile, business plan, market risk, technology, cash flows, project risk allocation and other relevant factors, up to 80% of total project costs.

✓ **Viability Standard**  |  Emphasis placed on certainty of cash flow to the project during initial financial viability review and during subsequent due diligence.
Let’s Talk About Your Project

Contact LPO to see what financing options may be available for your project:

Call or write to schedule a no-fee, pre-application consultation:

- 202-586-8336 | lpo@hq.doe.gov

Learn more about LPO and all of its lending programs at: energy.gov/LPO

John Lushetsky
Senior Advisor
john.lushetsky@hq.doe.gov
202-586-2678

U.S. DEPARTMENT OF ENERGY