

INVESTING *in* AMERICAN ENERGY



U.S. DEPARTMENT OF ENERGY

LOAN PROGRAMS OFFICE

ADVANCED TECHNOLOGY VEHICLES MANUFACTURING LOAN PROGRAM

energy.gov/lpo

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EXPANDING U.S. ADVANCED VEHICLE & COMPONENT MANUFACTURING

\$25 BILLION DIRECT LOAN PROGRAM

Advanced Technology Vehicles Manufacturing (ATVM) loans can finance domestic manufacturing of advanced technology vehicles and associated components



Achieving Rising Fuel Economy Standards



Creating & Preserving American Manufacturing Jobs



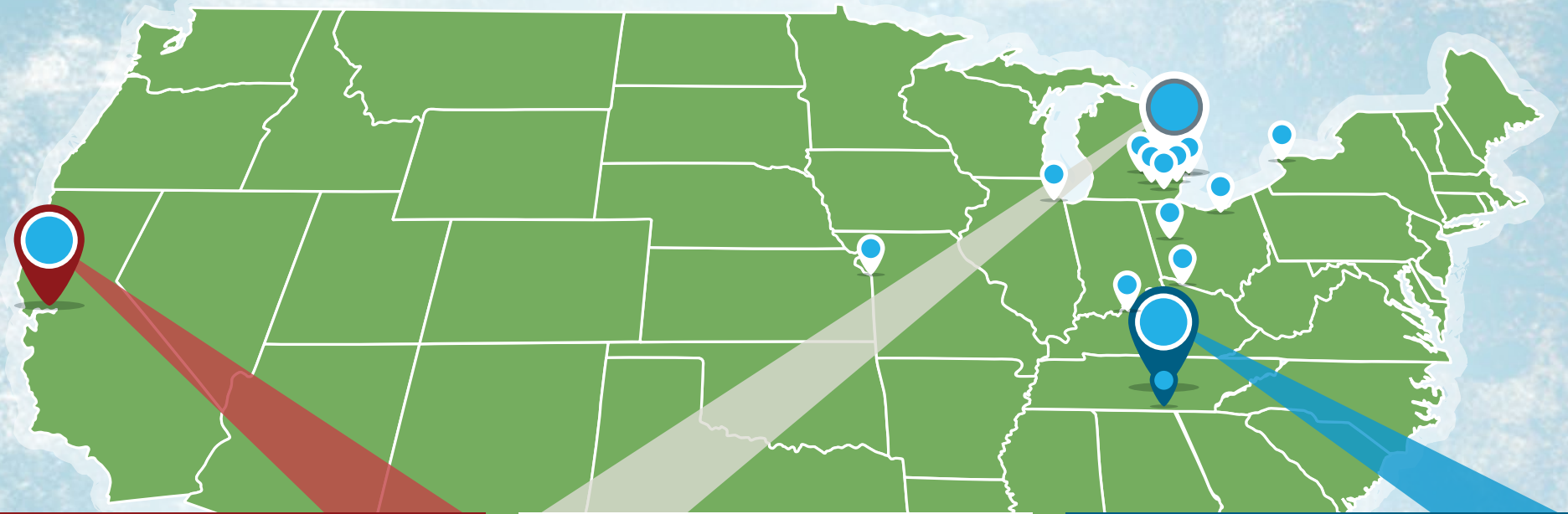
Expanding Domestic Manufacturing



Deploying New Technology

WHERE WE HAVE BEEN:

\$8 BILLION INVESTED IN AMERICAN AUTO MANUFACTURING



TESLA

- \$465 million loan issued in 2010
- Financed the engineering and design of the all-electric Model S, battery manufacturing, and the renovation and modernization of a shuttered auto plant in California.



FORD

- \$5.9 billion loan issued in 2009
- Modernized 13 facilities in 6 states to manufacture fuel-efficient vehicles and components, including the EcoBoost™ engine.



NISSAN

- \$1.45 billion loan issued in 2010
- Financed the construction of Nissan's new all-electric Leaf vehicle assembly line, a battery facility, and electric motor manufacturing facility in Tennessee.

WHERE WE ARE GOING: DEPLOYING REMAINING LOAN AUTHORITY



LOW INTEREST RATES

Interest rates on loans are set at U.S. Treasury rates.



LONG TENOR

Loans are set at the useful life of the asset, as determined by DOE, and can extend up to 25 years.



FEES & COSTS

The program does not charge application fees. Applicant pays for costs of DOE's external advisors. At closing, applicant pays a closing fee of 0.1% of loan principal amount.



BROAD APPLICABILITY

Eligible projects can include vehicle and component manufacturing, as well as engineering integration.



ELIGIBLE PROJECTS

ATVM can provide loans for eligible vehicle and component manufacturing projects in the U.S. that can include:

- ✓ Building new facilities in the U.S.
- ✓ Reequipping, modernizing, or expanding existing facilities in the U.S.
- ✓ Engineering integration

ADVANCED TECHNOLOGY VEHICLES ELIGIBLE LIGHT-DUTY VEHICLES

MY2005

MY2015+



LIGHT-DUTY

25%

MORE FUEL EFFICIENT

COMPARED TO MODEL YEAR
2005 BASELINE



ADVANCED TECHNOLOGY VEHICLES

ELIGIBLE ULTRA-EFFICIENT VEHICLES



ULTRA-
EFFICIENT

75MPG

MINIMUM EQUIVALENT

AND CARRY AT LEAST
2 PASSENGERS



ELIGIBLE COMPONENTS INSTALLED IN ADVANCED TECHNOLOGY VEHICLES TO INCREASE FUEL ECONOMY PERFORMANCE

Advanced Engine Technologies

- Variable Valvetrain Control
- Direct Injection
- Turbocharging
- Start/Stop

Electronics

- Advanced EV Controllers
- Electric Power Steering
- Power Electronics
- Battery Systems

Fuel Efficient Tires

Advanced Powertrain Technologies

- Increased Number of Gear Ratios
- Hybrid / EV Powertrain Integration

Light-Weighting Technologies

- Advanced High Strength Steels
- Aluminum, Magnesium, or Other Alloys
- Plastics, Carbon Fiber, & Composite Materials

Improved Aerodynamics



Qualifying projects may include—but are not limited to—these technologies

ATVM FINANCIAL EXAMPLE: GLOBAL AUTOMAKER, INC.

PROJECT COST:
\$1 BILLION

Loan Amount: \$750 Million

Loan as % of Project: 75%

Credit Rating: BBB



COMMERCIAL BANK

Interest Rate: 4.00%
Loan Tenor: 5 years
Amortization: Bullet
Total Interest: \$150 Million



ATVM LOAN

Interest Rate*: 2.03%
Loan Tenor: 15 years
Amortization: Straight-Line
Total Interest: \$116.3 Million

TOTAL INTEREST SAVED: \$33.7 million

Amortized over an additional ten years

*Single effective rate based on yield curve data as of 12/1/14

ATVM FINANCIAL EXAMPLE: AMERICAN COMPONENT CO.

PROJECT COST:
\$500 MILLION

Loan Amount: \$300 Million
Loan as % of Project: 60%
Credit Rating: BB



COMMERCIAL BANK

Interest Rate: 5.50%
Loan Tenor: 4 years
Amortization: Bullet
Total Interest: \$66 Million



ATVM LOAN

Interest Rate*: 1.34%
Loan Tenor: 7 years
Amortization: Straight-Line
Total Interest: \$14.6 Million

TOTAL INTEREST SAVED: \$51.4 million

Amortized over an additional three years

*Single effective rate based on yield curve data as of 12/1/14

ATVM FINANCIAL EXAMPLE: U.S. SPECIALTY SUPPLIER CO.

PROJECT COST:
\$100 MILLION

Loan Amount: \$50 Million
Loan as % of Project: 50%
Credit Rating: Unrated



COMMERCIAL BANK

Interest Rate: 8.00%
Loan Tenor: 3 years
Amortization: Bullet
Total Interest: \$12 Million



ATVM LOAN

Interest Rate*: 1.70%
Loan Tenor: 10 years
Amortization: Straight-Line
Total Interest: \$4.4 Million

TOTAL INTEREST SAVED: \$7.6 million

Amortized over an additional seven years

* Single effective rate based on yield curve data as of 12/1/14

APPLICATION PROCESS

01

PRE-APPLICATION CONSULTATIONS

- Non-Binding

02

SUBMIT APPLICATION

- Eligibility Determination
- Due Diligence & Underwriting

03

CONDITIONAL COMMITMENT

04

LOAN ISSUANCE

Apply online *at*
energy.gov/lpo/apply



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Schedule a pre-application consultation:

atvmloan@hq.doe.gov

Questions?

atvmloan@hq.doe.gov

For more information,
and to apply online,
please visit:

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