Title XVII Supplements on Distributed Energy Projects

Distributed Energy Projects are currently driving innovation and transforming U.S. energy markets. Technologies such as rooftop solar, energy storage, smart grid technology, and methane capture for oil and gas wells can modernize our energy infrastructure, enhance energy reliability, create economic opportunity, and reduce greenhouse gas emissions.

However, many of these distributed technologies currently face market barriers since commercial lenders are often unwilling or unable to take on the risk of a new or innovative technology until it has a solid history of credit performance and commercial operation.

The Department of Energy’s Loan Programs Office (LPO) can help project developers overcome these market barriers to accelerate the deployment of innovative distributed energy technologies by issuing loan guarantees under the loan guarantee program authorized by Title XVII of the Energy Policy Act of 2005, as amended, 42 U.S.C. §§16511-16516 (“Title XVII”). Title XVII addresses the capital constraints associated with innovative technologies in order to accelerate the domestic deployment of such innovative energy technology.

NEW GUIDANCE AND LOAN GUARANTEE AUTHORITY

LPO is announcing the following actions to accelerate the deployment of distributed energy projects and provide guidance to the market regarding the types of project structures Title XVII can and cannot support:

- **$1 billion of Additional Loan Guarantee Authority**: DOE has initiated the process to program $1 billion of loan guarantee authority to support new applications from distributed energy projects. This authority will be split equally between the Advanced Fossil Energy Projects and the Renewable Energy & Efficient Energy Projects solicitations. The loan guarantee authority will be available following a 45-day Congressional notification period.

- **Guidance on Distributed Energy Projects**: LPO is publishing supplements to its existing Advanced Fossil Energy Projects and the Renewable Energy & Efficient Energy Projects solicitations. These supplements provide guidance on the types of project structures, financial terms, and eligible technology DOE can support for distributed energy projects under Title XVII.

- **Guidance on the Eligibility of State-Affiliated Entities**: The supplements also provide guidance that state-affiliated financial entities, including state green banks, may submit applications for eligible projects under Title XVII, including distributed energy projects. In addition, state and state-affiliated entities may be eligible co-lenders, equity providers, off-takers, or other participants in a transaction.

The Distributed Energy Projects supplements and additional information are available on LPO’s website: [www.energy.gov/lpo](http://www.energy.gov/lpo)