

Loan Approval

We usually approve loans of up to \$100,000 within two to three weeks. Larger loans usually take at least 60 days to approve and are reviewed by the program's citizen advisory committee.

Oregon Business Energy Tax Credit

Applicants for the Energy Loan Program may also qualify for the Business Energy Tax Credit administered by the Oregon Department of Energy.

The Business Energy Tax Credit is available for Oregon businesses that invest in energy conservation, recycling, renewable energy resources or less-polluting transportation fuels. The tax credit covers a percentage of eligible project costs — the incremental cost of the system or equipment that is beyond standard practice.

For More Information

Energy Loan Program loan officers and technical experts will be happy to discuss your project with you. Call the loan program at 503-378-5048 or toll-free in Oregon at 1-800-221-8035. You can also visit our Web site listed below for more information.



OREGON
DEPARTMENT OF
ENERGY

Oregon Department of Energy

625 Marion St. N.E., Salem, OR 97301-3737
(503) 378-4040 • Toll-free: 1(800) 221-8035

Fax: (503) 373-7806

Web site: www.oregon.gov/energy



Oregon Energy Loans

Loans for:

- Energy conservation
- Renewable energy
- Recycling projects
- Alternative fuels

OREGON
DEPARTMENT OF
ENERGY

ENERGY LOAN DOLLARS AT WORK

◀ UNIVERSITY OF OREGON, LILLIS BUSINESS COMPLEX

The Lillis Business Complex design surpasses all standards for energy efficiency and environmental sustainability. Features include solar electric panels, water-conserving fixtures, and occupancy sensors for lights. The facility uses about 40% less energy than a similar building using conventional methods. The Energy Loan Program was pleased to provide a \$1 million loan for this sustainable building.



AGRIPLAS, INC. ▶

Every year, the agriculture industry generates millions of pounds of plastic waste. AgriPlas collects and processes these plastics that are later made into new products. A state loan allowed the recycling facility to install three new buildings to handle the volume of recyclables and keep them out of our landfills.



◀ SEQUENTIAL BIOFUELS

Biodiesel is a renewable, biodegradable, non-toxic fuel made from vegetable oil. Biodiesel replaces conventional petroleum diesel in almost any application. SeQuential-Pacific Biofuels used their energy loan to build Oregon's first biodiesel production plant in Salem. SeQuential-Retail built a public fueling station in Eugene with their loan.





One of the best ways to ensure that Oregon has clean and affordable energy in the future is to conserve the energy we use now. That's why the Legislature created the state Energy Loan Program (SELP) in 1979. It offers low-interest, fixed-rate, long-term loans for qualified Oregon projects that invest in energy conservation, renewable energy, and alternative fuels, or create products from recycled materials.

The program is self-supporting and uses no tax dollars for administration. Oregon general obligation bonds provide funds for the loans. Borrowers pay back the full cost of their loans, which cover bond payments and program costs. Most loans are structured so that energy savings cover the loan payment. Some applicants see additional savings above their loan payments. Once the loan is paid off, energy savings can be applied toward other needs.

The program has made more than 700 loans for more than \$345 million. These loans have financed projects that together have saved enough electricity, natural gas and oil to heat more than 150,000 Oregon homes each year.

Who Can Apply?

Individuals, businesses, municipal corporations, federal agencies, public corporations created by the state or federal governments, tribes, state agencies, schools and non-profit organizations may apply.

What Projects Qualify?

Eligible projects must be in Oregon and generally fall into one of four categories: energy conservation; producing energy from renewable resources such as water, geothermal, wind, solar, or biomass; using recycled materials to create new products; or promoting alternative fuels.

Examples of Previous Projects Include:

- lighting improvements
- weatherization
- solar and geothermal heating
- wind and solar electric systems
- motors and motor controls
- building management and control systems
- district heating
- HVAC systems
- methane gas recovery
- central steam plants
- cogeneration and hydroelectricity
- water heating improvements
- irrigation system improvements
- recycling projects
- alternative fuels for transportation

Eligible Costs

Loans can cover most energy-related project costs: engineering and design, permits, loan fees, project management, building commissioning and general project construction. They may also be applied as matching funds for grants. Applicants with multiple projects or facilities can bundle them together under one loan process to create more flexibility and reduce costs.

Loan Terms

Loans can be as small as \$20,000 or as large as \$20 million. Terms can range from five to 20 years or longer and are based on the type of project, the amount of energy saved, and other financial considerations. Loans are usually structured so that repayment is made from energy savings or income produced by the project.



Loan Rates

Interest rates are based on bond rates and are fixed for the full term of each loan. The bonds sell at favorable rates because they are backed by the State of Oregon and, in some cases, the interest earned by bond buyers is tax exempt.

Pre-Application Help

Loan officers and technical staff are available to meet with potential borrowers before they apply to discuss their energy projects and ensure a thorough and sound application. When we receive a loan application, we review the project's technical feasibility.

Technical Help

The program's staff often works with project engineers and designers early in the design phase, long before the loan process begins. The engineer reviews project reports and other documents to find ways to save energy, often suggesting ideas or technologies that may have been overlooked.

In addition, public facilities may qualify for a free preliminary on-site energy audit to help make the decision on whether to apply for a loan. If the results are positive, many facilities undergo a larger-scale, comprehensive energy study. The cost can be included in the loan.

Loan Fees

Loan fees and closing costs vary with each project. An application and underwriting fee is charged at the time of the application. A loan fee is charged at the time of closing. The loan fee can be paid out of loan funds.