



## Energy Loan Fund for Small Businesses

### OVERVIEW:

The Ohio Department of Development's (Development) Office of Energy is providing low-cost loans that support energy-efficiency and renewable energy improvements for small businesses that have up to 500 employees. This program provides financing for eligible projects that reduce energy usage and associated costs, lower fossil fuel emissions, and/or create or retain jobs.

Loan funds awarded to an eligible applicant for a project in an amount not to exceed 80 percent of total eligible project costs up to \$250,000.

### ELIGIBILITY:

#### Eligible Entities:

Small businesses that have up to 500 employees and own or operate facilities located in Ohio are eligible for this program.

Any businesses that operate under the following industry codes are **not** eligible but may be eligible for assistance through the Energy Efficiency Program for Manufacturers (EPPM):

- SIC Code Major Group: 10, 12, 14, 20-39;
- NAICS Code: 212, 31-33, 42442, 49312; or
- Other codes as determined by Development.

Information on the EPPM is available at:

<http://www.development.ohio.gov/Energy/Efficiency/Industrial/Manufacturers.htm>.

Applicants can be partnerships, corporations, limited liability companies, and limited partnerships and must be registered with the Ohio Secretary of State either as an Ohio entity or as a foreign (non-Ohio) entity qualified to do business in the State of Ohio.

#### Eligible Projects:

Generally, the loan program will target energy efficiency retrofits of existing buildings, but may be used to finance cost efficient and effective distributed energy generation systems. However, energy efficiency potential (based on energy efficiency audit) of each application must be demonstrated or included when seeking financial assistance through this program. A copy of the energy audit report for each project must be included. An ASHRAE-II audit must be provided or equivalent that is certified by an engineer/architect duly licensed to practice in the State of Ohio.

Specific activities eligible under this loan program include:

- **Energy efficiency retrofits (including energy saving performance contracting):** Energy efficiency retrofits **MUST** be for existing occupied buildings or facilities adding energy efficient equipment. Activities include: green energy techniques including computer aided modeling of green buildings, insulation, installation of light emitting diodes (LED) lighting, energy efficient lighting technologies including day-lighting techniques, energy management demand control systems and occupancy sensors, heating, venting and air conditioning (HVAC) upgrades, installation of high-efficiency boilers, weather sealing, the

purchase and installation of permanently fixed ENERGY STAR appliances, and replacement of windows and doors.

Retrofits do not include new construction and expansions of buildings or facilities. For historic structures, it may be necessary for the retrofits to maintain the building's historic character (e.g., replacement of windows and doors with appropriate designs). This will be determined through consultation with the State Historic Preservation Office.

- **Distributed Energy Generation:** Entities may implement distributed energy resource technologies that significantly increase energy efficiency, including but not limited to:
  - District heating and cooling systems;\*
  - Combined heat and power systems (systems sized to boilers appropriate to the buildings in which they are located);\*
  - Cogeneration systems;\*
  - Energy storage systems;
  - Absorption chillers;\*
  - Desiccant humidifiers;\*
  - Micro turbines;
  - Biomass systems that include gas generation for internal use or electric generation as byproducts;\* and
  - Renewable Energy\*: (develop, implement, and install onsite renewable energy technology that generates electricity from renewable resources, including solar, wind, bio-energy or other non-depletable sources of energy.

\*If selected for financial assistance with federal funds, applicants must comply with certain size restrictions on installed technologies and must adhere to federal requirements such as Buy American, Davis Bacon Act, Historic Preservation, National Environmental Policy Act, and Waste Stream Compliance along with all reporting and monitoring requirements. Details will be provided to those applicants selected for assistance with federal funds.

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**Project Restrictions:** Funding **cannot** be used:

- For any work related to the construction of a new building, an addition, or an expansion project;
  - To conduct or purchase equipment to conduct research, development or demonstration of energy efficiency or renewable energy techniques and technologies not commercially available;
  - For non-energy-related alteration or upgrades or repair of a building or structure;
  - For any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool if federal funds are used;
  - To subsidize utility rate demonstrations or state tax credits for energy conservation or renewable energy measures;
  - To purchase land, a building or structure, or any interest therein.
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## **MONITORING AND REPORTING**

Selected applicants are required to submit project and financial reports on a monthly and/or quarterly basis. Reports submitted before and during the completion of the project will be required on a monthly or quarterly basis depending on the source of funds.

All selected applicants must adhere to regular reporting requirements on their project and submit the following reports on a monthly and/or quarterly basis:

- Progress reports before and during installation that describe the log of activities and work completed during the reporting period, work remaining to be completed, actual project costs, project variances, project successes, and/or project changes which would result in a change of project scope of work or would affect the energy output of the project, and publicity conducted for the project;
- Post-installation reports must be submitted on a quarterly basis for one year after the installation or completion of the project that describe the energy saved and/or energy production from technologies installed and operational, emissions avoided, submission of quarterly utility bills, downtime and/or maintenance issues with the installed equipment, and any publicity for the project;
- Financial data reports with support documentation such as invoices, financial statements, bills, receipts and proof of payments of the actual project expenses incurred;
- If projects are financed with federal funding: verification of payment for Davis Bacon compliance and any other information as required by the U.S. Department of Energy; and
- Close out report summarizing the results and outcomes of the project due at the end date of the loan.

Selected applicants must provide access to the site upon 48 hour notice of intent by Development to visit the job site. Additional requirements may be added to ensure the transparency and accountability of funds.

## **CHANGES TO ELIGIBILITY GUIDELINES**

Development reserves the right to adjust the dates listed above for whatever reasons it deems appropriate without prior notice. Development also reserves the right to request additional information to assist in the review process, to reject any and all applications and make no awards under this program, to make fewer and smaller awards than anticipated, or to fund partial projects.