







# Information on Pennsylvania's Alternative and Clean Energy Program

# The Purpose:

The Alternative and Clean Energy Program (the Program) provides financial assistance in the form of grants and loan funds that will be used by eligible applicants for the utilization, development and construction of alternative and clean energy projects in the Commonwealth. The Program is administered jointly by the Department of Community and Economic Development (DCED) and the Department of Environmental Protection (DEP), under the direction of the Commonwealth Financing Authority (CFA).

# Are you Eligible?

Eligible Applicants include:

- A Political Subdivision A municipality, county, or school district
- A Business A corporation, partnership, sole proprietorship, limited liability company, business trust or other commercial entity approved by the CFA. The term shall also include not-for-profit entities
- An Economic Development Organization A nonprofit corporation or association whose purpose is the enhancement of economic conditions in their community

## Eligible Project Cost are:

- Costs associated with the construction or renovation of a High Performance Building including: building construction costs; acquisition of land and buildings, rights-of-way, and easements; the clearing and preparation of the land; planning, designing, and modeling work; registration and certification of the project; commissioning and enhanced verification of building performance. (See Attachment I for High Performance Building Standards)
- Installation of equipment for use by an eligible applicant to facilitate or improve energy conservation or
  energy efficiency (including but not limited to heating, lighting, and cooling equipment). Energy Star rated
  equipment is required if the type or class of equipment being installed is rated under the Energy Star
  Program (refer to <a href="https://www.energystar.gov">www.energystar.gov</a>). The Authority may participate in establishing pools of funding
  by leveraging investments from private sector financial institutions to help accomplish the CFA's energy
  conservation goals.
- Replacement or enhancement of an existing energy system that utilizes non-renewable energy with an energy system that utilizes alternative energy (as defined in these guidelines).
- Preparation of plans, specifications, studies, surveys, and energy audits necessary or incidental to facilitating or developing an eligible project.
- Administrative cost of the applicant to administer a Program grant. Administrative costs include advertising, legal and audit costs, as well as documented staff expenses. Administrative costs shall not exceed 3% of the Program grant or loan. Ineligible costs include, but are not limited to fees for securing other financing, interest on borrowed funds, refinancing of existing debt, and cost incurred prior to the approval of CFA financing.

# Requirements:

Matching Funds Requirement:

Eligible applicants must provide evidence of a commitment of matching funds at the project site. The amount of the matching investment required must be at least \$1 for every \$1 of Program funds awarded by the CFA.

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#### Fees:

The Commonwealth Financing Authority charges a \$100 non-refundable application fee. Application fees are due at the time of submission. There is a commitment fee of 1% of all approved loan amounts, capped at \$10,000 on all approved loans.

## The Details:

#### Loans:

# Amount:

The maximum amount of any loan for any project shall not exceed \$5 million or 50% of the total project cost, whichever is less. The maximum loan amount for a geothermal system will not exceed \$3 per square foot of space to be served by the system or \$5 million for projects that will significantly impact the Authority's goals to leverage private sector investments and to encourage alternative energy production and energy conservation in the Commonwealth.

# Repayment Terms:

Loans may be amortized over a period not to exceed 25 years or the useful life of the asset, whichever is less and will be repaid over a period not to exceed 10 years. Loans for energy conservation or energy efficiency projects as defined in the guidelines will have a 10 year amortization.

#### Interest Rate:

- · Fixed at the time of approval of the loan
- Energy conservation or energy efficiency projects is 1%
- · Other eligible projects are subject to change based on market conditions

Current interest rate is posted at www.newPA.com

#### Grants:

- Maximum amount for alternative energy production or clean energy project shall not exceed \$2 million or 50% of the total project cost, whichever is less.
- Requests over \$2 million will be considered for projects that significantly impact the Authority's goal to leverage private investment and encourage alternative energy production and energy conservation in the Commonwealth.

#### Application Process:

To apply for funding, the applicant must submit the electronic on-line Department of Community and Economic Development Single Application for Assistance located at <a href="https://www.esa.dced.state.pa.us">www.esa.dced.state.pa.us</a>. Once submitted:

- Print ten (10) copies of the application and send with the required supplemental information (see Appendix I of the guidelines) via US mail along
  with the signature page
- Reference Web ID number on any documents sent with the signature page
- Applications must be received at least 60 days prior to the next scheduled Authority meeting at which Alternative and Clean Energy program
  applications will be considered

# Relationships Matter.

L.R. Kimball has teamed up with County Line Advisors, LLC to help guide your district through the application process. The firm has over 50 years of experience in architecture, engineering and communications technology for educational, governmental and private clients. County Line Advisors, LLC ownership has over 30 years of governmental experience on the federal, state and county levels of government, grant writing and established relationships throughout Pennsylvania.

For more information contact:

Chuck Pryor 412.201.4900

chuck.pryor@lrkimball.com

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