

## What is the Clean Energy Development Fund?

The Clean Energy Development Fund (CEDF) was established in 2005 through ACT 74 and is funded through proceeds due to the state under the terms of two memoranda of understanding between the DPS and Entergy Nuclear VT and Entergy Nuclear Operations, Inc. (Vermont Yankee). The CEDF will receive payments from \$4-7 million annually from Entergy through 2012. Starting in 2009, additional funding was made available through the American Recovery and Reinvestment Act of 2009.

The purpose of the CEDF is to promote the development and deployment of cost-effective and environmentally sustainable electric power resources – primarily with respect to renewable energy resources, and the use of combined heat and power (CHP) technologies – for the long-term benefit of Vermont electric customers.

The CEDF is housed at the Vermont Department of Public Service, which provides administrative support to the CEDF. A nine-member Board directs final funding decisions.

## Application Process

1. Contact DPS for application instructions or download from: [www.publicservice.vermont.gov/energy/ee\\_cleanenergyfund.html](http://www.publicservice.vermont.gov/energy/ee_cleanenergyfund.html)
2. Applications are due by the second Wednesday of every month
3. The CEDF staff reviews applications and will either send applications on for underwriting or will reject application
4. Underwriting is performed by the VT Economic Development Authority (VEDA)
5. CEDF Board reviews staff and VEDA recommendations and makes final determination of loan requests

The typical review period will be 45 days for **complete** applications. If applications are **incomplete** or unforeseen circumstances arise, the review period could be longer.

### *For more information contact:*

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# Vermont Clean Energy Development Fund (CEDF)

## *Loan Program*

*Vermont Department of Public Service (DPS)*

112 State Street  
Montpelier, VT 05620-2601

(802) 828-2811 or  
(800) 642-3281

[www.publicservice.vermont.gov](http://www.publicservice.vermont.gov)



## Eligible Projects

The CEDF Loan Program is available to fund a wide variety of clean and/or renewable energy projects. Eligible technologies include, but are not limited to: solar photovoltaic (PV); wind energy; farm, landfill, and sewer methane recovery; combined heat & power (CHP) systems; solar thermal, biomass thermal and geothermal generation systems; small hydroelectric systems; thermal energy efficiency; and emerging energy-efficient technologies. Eligible projects must be over 15 kW in AC rated capacity; over 1 million Btu per day for solar thermal or per hour for combustion; or over 15 tons of capacity (geothermal).

The CEDF will make direct loans to individuals and organizations for projects that meet the Fund's objectives and advance the overall goals of the Fund as more specifically set forth in 10 V.S.A §6523 and the CEDF Strategic Plan (see:

## Eligible Borrowers

Individuals, sole proprietorships, partnerships, limited liability companies, corporations, non-profit corporations, Subchapter S corporations, municipalities, and foreign corporations with Vermont subsidiaries/affiliates are eligible for funding.

## Borrowing Limitations

Loans cannot be used for more than 90% of the cost of a project. At least 10 % of the project must be financed with equity.

Minimum loan: \$50,000

Maximum loan: \$750,000 per project

## Project Evaluation Criteria

In addition to a credit underwriting process, the following project evaluation criteria will be considered in the approval of loans. Any additional criteria deemed relevant may also be considered.

### **Energy Available to VT Ratepayers:**

The amount the project will contribute to an increase in renewable energy generation or CHP capacity available to ratepayers.

### **Financial Leverage:**

The degree of financial leverage obtained from the federal government, private investors, companies and consumers, etc.

### **Economic Impact:**

The extent of additional economic value created by a project, including the number of well-paying jobs the applicant expects to create or retain.

### **Market Impact:**

The degree to which the project reduces barriers to market entry or creates new markets in Vermont.

### **Public Benefit:**

Projects that benefit public buildings or that will be located in constrained areas may receive preference.

### **Environmental Benefits:**

How much the project will contribute to a reduction in use of fossil fuels, greenhouse gases, and other air pollutants.

## Use of Funds

Funds can be used for the following:

- Purchasing land and buildings (when specific to project)
- Purchasing and installing machinery and equipment

All financing must be used for activities or assets directly related to the project.

## Loan Rates & Terms

Interest rate fixed at 2%

Term: 3 to 10 years

Term for real estate loans is 10 years, amortized on a 15-year basis

Term for project loans is 7 to 10 years

Term for machinery and equipment loans is a maximum of 7 years

## Fees

Borrowers must pay an application fee of 1% on the loan amount, which is capped at \$1,500, once the loan is approved. Borrowers are responsible for paying all closing costs.

## Application Instructions

For Loan Application Instructions, call CEDF or see the CEDF website for complete details:

[www.publicservice.vermont.gov/energy/ee\\_cleanenergyfund.html](http://www.publicservice.vermont.gov/energy/ee_cleanenergyfund.html)