

Transmission

Loan Guarantees



Technology Spotlight: Transmission

Through its **Title 17 Innovative Energy Loan Guarantee Program** and **Tribal Energy Loan Guarantee Program**, LPO can finance transmission projects at commercial scale with up to **\$5 billion** of available loan guarantees.

Contact LPO today to schedule a pre-application consultation: LPO@hq.doe.gov

The Value of Working With LPO

LPO provides borrowers access to capital, flexible financing, and expert project support to help reinvest, advance, and transform America's energy infrastructure.

Access to Capital

LPO can provide first-of-a-kind projects and other high-impact, energy-related ventures with access to debt capital that private lenders cannot or will not provide. LPO has approved more than \$30 billion of loans and loan guarantees for more than 30 projects.

Flexible Financing

LPO can provide flexible, custom financing to meet the specific needs of individual borrowers. LPO works closely with industry to bridge gaps in the commercial debt market when innovative technologies may not be well understood by the private sector.

A Committed Project Partner

LPO can engage with projects early in development and remains involved for the entire lifetime of the loan. Projects are supported by an in-house team of experienced financial, technical, legal, risk mitigation, portfolio management, and environmental professionals.



Transmission Areas of Interest

The *Transmission Projects Ready to Go* report identified how upgrading and expanding the nation's electric grid can solve the growing challenge of transmission congestion and effectively integrate new sources of clean electricity generation. The growth of renewable electricity from solar and wind and the increased electrification of the transportation sector have created near-term opportunities and significant market demand that supports the business case for new transmission infrastructure. This market demand provides LPO an opportunity to potentially finance transmission projects.

While not limited to these technologies, \$3 billion in loan guarantees is available for projects utilizing innovative technology, including high-voltage direct current (HVDC) systems, offshore wind transmission, and systems sited along rail and highway routes that follow Department of Transportation (DOT) guidelines.

Additionally, up to \$2 billion in partial loan guarantees is available for projects that are wholly or majority owned by a federally recognized tribe or Alaska Native Corporation under the Tribal Energy Loan Guarantee Program.

Basic Project Eligibility Requirements

All projects must be located in the United States and have a reasonable prospect of repayment.

Title 17 Innovative Energy Loan Guarantee Program

A project must utilize innovative technology and avoid, reduce, or sequester greenhouse gas or air pollutant emissions.

Tribal Energy Loan Guarantee Program

A project must be wholly or majority owned by a federally recognized tribe or Alaska Native Corporation.



Title 17 Innovative Energy Loan Guarantee Program

Project Spotlight

Loan Application Process

- 1 Pre-Application Consultation**
 Engage with LPO for a no-fee, pre-application consultation to review project technology areas and basic eligibility requirements.
- 2 Formal Application Process**
 Submit a Part I application to LPO to determine basic eligibility, and then submit the in-depth Part II application to determine project viability. There is no fee due at the submission of Part I or Part II applications.
- 3 Due Diligence & Term Sheet Negotiation**
 Enter due diligence, negotiate term sheet, and receive a conditional commitment offer.
- 4 Loan Closing & Project Monitoring**
 Negotiate and execute loan documents. An origination fee will be charged to the applicant only upon financial close of the loan guarantee.

One Nevada Line

In February 2011, the Department of Energy issued a \$343 million loan guarantee to finance the One Nevada Transmission Line (ON Line) project, a 235-mile, 500 kV AC transmission line capable of carrying 600 megawatts of power to the grid running north-south between Ely and greater Las Vegas, Nevada.

The project also includes the new Robinson Summit Substation, interconnection to the Harry Allen Substation, expansion of the Falcon-Gonder Substation, and new telecommunication facilities.

One Nevada Line is part of the transmission backbone that will bring growing wind and solar power generation in Wyoming, Idaho, and Nevada to California and other major-load areas. One Nevada Line also integrates northern and southern Nevada, which is critical to ensure the reliability and integrity of the Western grid for decades to come.

The project started commercial operations in January 2014.

Contact Us & Learn More

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Learn more about LPO at: energy.gov/LPO

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