

CIFIA PROGRAM GUIDE



**U.S. Department of Energy
Office of Fossil Energy and Carbon Management
Loan Programs Office**

CIFIA LOANS FOR CARBON DIOXIDE TRANSPORTATION INFRASTRUCTURE

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I. Purpose of Guidance

Eligible parties are invited to apply for secured or “direct” loans or loan guarantees (“CIFIA Loans”) from the U.S. Department of Energy (“DOE”) under the carbon dioxide (“CO₂”) transportation infrastructure finance and innovation (“CIFIA”) program. The CIFIA program was established by Section 40304 of the Infrastructure Investment and Jobs Act (“IIJA”), Public Law 117-58, signed November 15, 2021, also known as the Bipartisan Infrastructure Law (“BIL”).¹ Under CIFIA, a secured loan means a direct loan to an Obligor (also referred to herein as Applicant or Sponsor) or a debt obligation issued by an Obligor and purchased by the Secretary of Energy,² and a loan guarantee means a guarantee by the Secretary of Energy to pay all or part of the principal of, and interest on, a loan made to an Obligor and funded by a Lender.^{3, 4}

The BIL is a once-in-a-generation investment in infrastructure, designed to modernize and upgrade American infrastructure to enhance United States competitiveness, drive the creation of good-paying union jobs, tackle the climate crisis, and ensure stronger access to economic, environmental, and other benefits for disadvantaged communities.⁵ The BIL appropriates more than \$62 billion to DOE⁶ to invest in American manufacturing and workers; expand access to energy efficiency and clean energy; deliver reliable, clean, and affordable power to more Americans; and demonstrate and deploy the technologies of tomorrow through clean energy demonstrations.

As part of and in addition to upgrading and modernizing infrastructure, DOE’s BIL investments will support efforts to build a clean and equitable energy economy that achieves zero carbon electricity by 2035 and puts the United States on the path to achieve net-zero emissions economy-wide by no later than 2050 to benefit all Americans.⁷

The BIL will invest \$2.1 billion to provide Federal Government financing to large capacity Common Carrier⁸ CO₂ transportation infrastructure projects. The \$2.1 billion may be used by

¹ <https://www.congress.gov/117/plaws/publ58/PLAW-117publ58.pdf>

² 42 U.S.C. § 16371(14)

³ All capitalized terms used throughout this Guidance are defined in Attachment A.

⁴ 42 U.S.C. § 16371(8)

⁵ Pursuant to E.O. 14008 and the Office of Management and Budget’s Interim Justice40 Implementation Guidance M-21-28, DOE has developed a definition and tools to locate and identify disadvantaged communities. These resources can be located at <https://energyjustice.egs.anl.gov/>. DOE will also recognize disadvantaged communities as defined and identified by the White House Council on Environmental Quality’s Climate and Economic Justice Screening Tool (“CEJST”), which can be located at <https://screeningtool.geoplatform.gov/>.

⁶ U.S. Department of Energy. November 2021. “DOE Fact Sheet: The Bipartisan Infrastructure Deal Will Deliver for American Workers, Families and Usher in the Clean Energy Future.” <https://www.energy.gov/articles/doe-fact-sheet-bipartisan-infrastructure-deal-will-deliver-american-workers-families-and-0>

⁷ See [Executive Order \(EO\) 14008](#), “Tackling the Climate Crisis at Home and Abroad,” January 27, 2021.

⁸ As defined in Attachment A, “Common Carrier” means “[t]ransportation infrastructure operator or owner that publishes a publicly available Tariff containing the just and reasonable rates, terms, and conditions of nondiscriminatory service, and holds itself out to provide transportation services to the public for a fee.”

DOE as Credit Subsidy to support CIFIA Loans or as Future Growth Grants (see Attachment B for information on Credit Subsidy).

DOE's Office of Fossil Energy and Carbon Management ("FECM") and Loan Programs Office ("LPO") are issuing this guidance document to inform prospective applicants about CIFIA and the application and review process for CIFIA Loans. DOE may issue separate guidance at a later date for parties interested in applying under the Future Growth Grant provision of the CIFIA program.

Carbon management technologies, including carbon capture, utilization, and storage ("CCUS") technologies and direct air capture ("DAC"), must be deployed at a large-scale in the coming decades to meet net-zero goals.⁹ CIFIA will support CCUS and DAC technology deployment by financing projects that build shared CO₂ transport infrastructure. This infrastructure will benefit from economies of scale and help form an interconnected carbon management market.

Common Carrier CO₂ transport infrastructure shares similar barriers to deployment previously faced by other types of critical national infrastructure, such as high capital costs, low to modest economic returns, and chicken-and-egg challenges. Overcoming these barriers requires Federal, state, and local government support along with private investment. CIFIA serves as a key Federal tool to help address these barriers.

As discussed below, the Application process for CIFIA involves Pre-Application Consultations, a Letter of Interest, and an Application. Successful Applicants will be invited into the Due Diligence process where DOE will underwrite the Project and may negotiate a Conditional Agreement with the Applicant that contains terms and conditions of an offered CIFIA Loan. DOE will present Conditional Agreements to approval committees at DOE, as well as to the United States Department of the Treasury ("UST") and the Office of Management and Budget ("OMB"), for review. Upon completion of that process, DOE and the respective Applicant may proceed with Financial Close of the CIFIA Loan based on Conditional Agreement terms and conditions. If an Applicant requests a Master Credit Agreement under CIFIA, the timing and amount of each credit instrument to be provided under that Master Credit Agreement should be described in its Application.

Applicants should expect at least twelve months between submitting a Letter of Interest to DOE and achieving Financial Close on a CIFIA Loan, with ultimate timing based on the level of the Project's development and timing requirements for i) DOE due diligence and ii) completion of the Project's National Environmental Policy Act ("NEPA") review. Executed CIFIA Loans will be administered during construction and operations by LPO's Portfolio Management Division ("PMD"), which currently manages over \$30 billion in large energy project loans.

⁹ [The Long-Term Strategy of the United States, Pathways to Net-Zero Greenhouse Gas Emissions by 2050 \(whitehouse.gov\)](https://www.whitehouse.gov/the-press-office/2021/02/09/long-term-strategy-of-the-united-states)

Projects financed by CIFIA may also support activities under other sections of the BIL:

Section 41004a - \$937 million for large-scale CCUS pilots,

Section 41004b - \$2.5 billion for demonstration scale carbon capture projects,

Section 40308 - \$3.5 billion for regional DAC hubs,

Section 40303 - \$100 million for FEED (“Front-End Engineering Design”) studies for CO2 transport systems,

Section 40305 - \$2.5 billion available for the development and validation of carbon storage infrastructure, and

Section 40314 - \$8 billion for hydrogen hubs including fossil-based H2 with carbon management.

Potential CIFIA Applicants are encouraged to review and determine if there are complementary or synergistic opportunities around linking multiple provisions throughout the CCUS value chain. However, it is important to note that Federal dollars provided from one of the BIL provisions above cannot be used as cost share for another provision.

II. Eligibility

Before beginning the Application process, potential Applicants should assess and confirm they are eligible for CIFIA funding based on the criteria set forth herein. This section discusses eligibility for Projects, Project Costs, Obligors, and Lenders. This section also discusses Priority Considerations that DOE will use to evaluate CIFIA applications.

Project

CIFIA Loans can be made only for projects that satisfy the CIFIA eligibility requirements. An Eligible Project under CIFIA is a Project that:

1. Is a Common Carrier CO₂ transportation infrastructure Project in the United States,¹⁰ with Total Project Costs greater than \$100 million, that will transport CO₂ captured from anthropogenic sources and/or ambient air¹¹ by pipeline, shipping, rail, or other transportation infrastructure for storage or use,^{12, 13}
2. Can attract public and/or private investment to fund Project costs not covered by the CIFIA Loan, as evidenced by binding commitments and/or expressions of interest from other potential funders,^{14, 15}
3. Is reasonably expected to commence the construction contracting process (“Project Readiness”) in no more than ninety days after Financial Close,
4. Will publish a publicly available Tariff¹⁶ with just and reasonable rates, terms, and conditions for nondiscriminatory CO₂ transportation service, and
5. Has a Reasonable Prospect of Repayment of the CIFIA Loan from Project cash flows.

Project Costs

The maximum amount of a CIFIA Loan is eighty percent of the reasonably anticipated Eligible Project Costs.¹⁷ Eligible Project Costs are amounts substantially all of which are paid by, or for the account of, an Obligor in connection with a Project, including:

¹⁰ 42 U.S.C. § 16372(c)(2)(A)

¹¹ 42 U.S.C. § 16371(12)

¹² 42 U.S.C. § 16372(b)(4)

¹³ 42 U.S.C. § 16372(b)(8)

¹⁴ 42 U.S.C. § 16372(b)(2)(A)

¹⁵ 42 U.S.C. § 16372(b)(2)(B)

¹⁶ An Applicant should demonstrate how it satisfies the definition of “Common Carrier”. If an applicable regulatory body (e.g., a state public utility or pipeline safety commission) has not made a determination that a Project Tariff contains just and reasonable rates, terms, and conditions of nondiscriminatory service, DOE will evaluate a Project’s satisfaction of this eligibility requirement on a case-by-case basis.

¹⁷ 42 U.S.C. § 16373(b)(2)

1. Development-phase activities, such as planning, feasibility analysis, revenue forecasting, environmental review, permitting, preliminary engineering and design work, community engagement, and other preconstruction activities including legal and technical costs,¹⁸
2. Construction, reconstruction, rehabilitation, replacement, and acquisition of real property (including land relating to the Project and improvements to the land), environmental mitigation, construction contingencies, and acquisition and installation of equipment (including labor),¹⁹
3. Reasonably required Reserve Accounts, capitalized interest, and other Carrying Costs during construction,²⁰ and
4. Transaction costs associated with financing the Project, including legal and technical consultants.²¹

Examples of ineligible costs include:

1. Fees and commissions charged to Borrower, including finder's fees, for obtaining Federal or other funds,
2. Parent corporation or other affiliated entity's general and administrative expenses, and non-Eligible Project related parent corporation or affiliated entity assessments, including organizational expenses,
3. Goodwill, franchise, trade, or brand name costs,
4. Dividends and profit sharing to stockholders, employees, and officers,
5. Research, development, and demonstration costs of readying any technology used by the Project for deployment,
6. Costs that are excessive or are not directly required to carry out the Project, as determined by DOE,
7. Expenses incurred after startup, commissioning, and shakedown of the facility, or, in DOE's discretion, any portion of the facility that has completed startup, commissioning, and shakedown, and

¹⁸ 42 U.S.C. § 16371(4)(A)(i)

¹⁹ 42 U.S.C. § 16371(4)(A)(ii)

²⁰ 42 U.S.C. § 16371(4)(A)(iii)

²¹ 42 U.S.C. § 16371(4)(B)

8. Operating costs.

Obligor

An eligible Obligor (also generally referred to as Applicant or Sponsor, except as provided below) under CIFIA will oversee Project development, construction, and operations (including repayment of the CIFIA Loan) and may be a:

1. Corporation, partnership, joint venture, or trust,
2. Governmental entity, agency, instrumentality, or public authority, or
3. Public-private partnership between a private party and a state or local government, agency, instrumentality, or public authority, under which the public entity is the Applicant to CIFIA, and the selected or to-be-selected private party is the Obligor.²²

Priority Considerations

Eligible Projects may receive Priority Consideration from DOE for a CIFIA Loan if they:

1. Clearly demonstrate demand for the Project's CO₂ transport infrastructure by associated projects that capture CO₂ from anthropogenic sources or ambient air (e.g., documents such as counterparty expressions of interest, contracts with terms and Tariff rates, market data showing long-term viability of proposed sources of CO₂, and similar materials),
2. Enable geographic diversity in associated projects that capture CO₂ from anthropogenic sources or ambient air, with the goal of enabling projects in all major CO₂ emitting regions of the United States,
3. Are sited within, or adjacent to, existing pipeline or other linear infrastructure corridors, in a manner that minimizes environmental disturbance and other siting concerns (i.e., existing right of way, voluntary easements, etc.), and
4. Demonstrate a strong Community Benefits Plan (see Attachment C).²³

Prior to making a CIFIA Loan, DOE must also determine that the financial assistance for the applicable Project will i) attract public or private investment for the Project, ii) enable the Project to proceed at an earlier date than the Project would otherwise be able to proceed, and iii) reduce the lifecycle costs (including debt service costs) of the Project compared to other sources of financing.²⁴

²² 42 U.S.C. § 16371(10)

²³ 42 U.S.C. § 16372(c)(2)

²⁴ 42 U.S.C. § 16372(b)(7)

III. Terms and Conditions

A CIFIA Loan will include such terms and conditions and contain such covenants, representations, warranties, and requirements (including requirements for audits) as the Secretary of Energy determines to be appropriate.²⁵ CIFIA Loans may be used to:

1. Finance Eligible Project Costs of an Eligible Project,
2. Refinance interim construction financing of Eligible Project Costs of an Eligible Project, or
3. Refinance long-term project obligations or Federal credit instruments, if the refinancing provides additional funding capacity for the completion, enhancement, or expansion of an Eligible Project.²⁶

For secured or “direct” loans, the Lender will be the Federal Investments and Borrowings Branch of the Bureau of the Fiscal Service at the UST. For loan guarantees provided by DOE, the lender must be a qualified institutional buyer (as defined in section 230.144A(a) of title 17, Code of Federal Regulations, commonly known as Rule 144A(a) of the Securities and Exchange Commission and issued under the Securities Act of 1933 (15 U.S.C. 77a et seq.), or a successor regulation), that is not a Federal qualified institutional buyer.²⁷ Prior to making a loan guarantee under CIFIA, DOE must determine that the Budgetary Cost of the loan guarantee is substantially the same as, or less than, that of a direct loan.²⁸ For guaranteed loans, the guaranteed loan and any prepayment features will be negotiated between the Obligor and the Lender, with the consent of DOE.²⁹

The terms and conditions of CIFIA Loans will be included in a Conditional Agreement and will be informed by the following parameters.

Maximum Financing

The total amount of a CIFIA Loan for a Project may not exceed eighty percent of the reasonably anticipated Eligible Project Costs.³⁰ The actual negotiated amount of financing offered by DOE will be determined by Due Diligence and expected Project cash flows over the CIFIA Loan tenor under reasonable forecast scenarios.

Interest Rate

The interest rate on CIFIA Loans shall be set in accordance with Section 999C of the CIFIA subtitle of the IIJA (42 U.S.C. 16373(b)(4)) and as set forth in the Conditional Agreement.

²⁵ 42 U.S.C. § 16373(b)(1)

²⁶ 42 U.S.C. § 16373(a)(1)

²⁷ 42 U.S.C. § 16372(6)

²⁸ 42 U.S.C. 16373(e)(1)

²⁹ [42 U.S.C. § 16373\(e\)\(2\)](#)

³⁰ [42 U.S.C. § 16373\(b\)\(2\)](#)

Final Maturity Date

The Final Maturity Date of a CIFIA Loan will be the earlier of the date that is thirty-five years after the date that the Project reaches Substantial Completion and the date that is the end of the useful life of the asset, as validated by DOE's independent engineer.³¹

Repayment Schedule

DOE will establish a loan amortization schedule for each CIFIA Loan based on the projected cash flow from Project revenues and other repayment sources over the duration of the CIFIA Loan.³² Scheduled loan repayments of principal or interest must commence not later than five years after the date of Substantial Completion of the Project.³³

Prepayments

Any excess revenues that remain after satisfying scheduled debt service requirements on the Project obligations and CIFIA Loan and all deposit requirements under the terms of any trust agreement, bond resolution, or similar agreement securing Project obligations may be applied annually to prepay the CIFIA Loan, without penalty.³⁴ A CIFIA Loan may be prepaid at any time without penalty from the proceeds of refinancing from non-Federal funding sources.³⁵

Davis-Bacon Act

Each laborer or mechanic employed by a contractor or subcontractor for a Project financed, in whole or in part, by a CIFIA Loan shall be paid wages at rates not less than those prevailing on the same type of work on similar construction projects in the applicable locality, as determined by the Secretary of Labor under subchapter IV of chapter 31 of part A of subtitle II of title 40, United States Code (commonly referred to as the 'Davis-Bacon Act').³⁶

Cargo Preference Act

All Projects that receive a CIFIA Loan must comply with the Cargo Preference Act of 1954, which establishes certain requirements for the use of U.S.-flagged vessels in the movement of cargo in international waters. These requirements may apply to shipments contracted for or made prior to receiving a CIFIA Loan. DOE urges Applicants to contact the Maritime Administration directly to ensure that relevant Project agreements provide for compliance with the Cargo Preference Act.³⁷

³¹ [42 U.S.C. § 16373\(b\)\(5\)](#)

³² [42 U.S.C. § 16373\(c\)\(1\)](#)

³³ [42 U.S.C. § 16373\(c\)\(2\)](#)

³⁴ [42 U.S.C. § 16373\(c\)\(4\)\(A\)](#)

³⁵ [42 U.S.C. § 16373\(c\)\(4\)\(B\)](#)

³⁶ [42 U.S.C. § 18851\(a\)](#)

³⁷ General information on cargo preference can be found at the Maritime Administration's web site: <https://www.maritime.dot.gov/ports/cargo-preference/cargo-preference>. Questions on cargo preference may also be addressed by contacting the Maritime Administration's Office of Cargo Preference and Domestic Trade at (202) 366-4610 or via email to cargo.marad@dot.gov.

Use of American Iron, Steel, and Manufactured Goods

In general, no CIFIA Loan will be provided to a Project unless all iron, steel, and manufactured goods used in the Project are produced in the United States.³⁸ See Attachment D for details, including information on requesting a waiver of these requirements.

NEPA

Prior to Financial Close of a CIFIA Loan, Projects must receive an environmental record of decision, a finding of no significant impact, or a categorical exclusion under NEPA.³⁹

Expectations for NEPA, including when to begin the NEPA process, the amount of time required for completion, options for a Programmatic NEPA Review, and the relationship between NEPA and a Project's Community Benefits Plan can be discussed between the Obligor and DOE during Pre-Application Consultations.

Credit Subsidy

Before Conditional Agreement of a CIFIA Loan, an appropriate Credit Subsidy amount will be determined for each CIFIA Loan, taking into account all relevant factors, including creditworthiness.⁴⁰ The Credit Subsidy will be paid by appropriated funds under the CIFIA program, subject to certain limitations. Credit Subsidy is further described in Attachment B.

Financing Fee

At Financial Close, the Obligor will wire a \$3 million Financing Fee⁴¹ to a specified UST account.

Exclusions

The provision of a CIFIA Loan shall not i) relieve any recipient of the assistance of any Project obligation to obtain any required state or local permit or approval with respect to the Project, ii) limit the right of any unit of state or local government to approve or regulate any rate of return on private equity invested in the Project, and iii) otherwise supersede any state or local law (including any regulation) applicable to the construction or operation of the Project.⁴²

³⁸ [42 U.S.C. § 16372\(e\)\(1\)](#)

³⁹ [42 U.S.C. § 16372\(d\)\(2\)](#)

⁴⁰ [42 U.S.C. § 16373\(a\)\(2\)](#)

⁴¹ [42 U.S.C. § 16373\(a\)\(7\)\(A\)](#)

⁴² [42 U.S.C. § 16376](#)

IV. Application Process

Potential Applicants with Projects that may be eligible for CIFIA can begin the Application Process, which involves three steps – 1) Pre-Application Consultation, 2) Letter of Interest, and 3) Application.

Pre-Application Consultation

Potential Applicants to CIFIA may request free, informal Pre-Application Consultations with DOE by visiting the CIFIA webpage at www.energy.gov/lpo/cifia or by sending an email to CIFIA@hq.doe.gov.

During Pre-Application Consultations, DOE will:

1. Evaluate Project eligibility for CIFIA,
2. Determine whether the Project is Ready to Proceed with a CIFIA Application,
3. Discuss the phases of the process to get a CIFIA Loan, and
4. Answer questions that the potential Applicant may have.

Based on the Pre-Application Consultations, DOE may invite potential Applicants with Projects deemed Ready to Proceed to submit a Letter of Interest.

Letter of Interest

A Letter of Interest is the first formal step in applying to CIFIA. Letters of Interest should include high level written summaries of the following:

1. Project details.
 - a. Type, location/route, volume, and cost of the proposed CO₂ transport infrastructure.⁴³
 - b. Development status, including:
 - i. Expected CO₂ sources and their status of development,
 - ii. Expected CO₂ sequestration and/or utilization site(s) and their status of development, and
 - iii. Status of permits (Federal, state, and local), rights of way, and contracts for the Project and the Project's CO₂ sources and sequestration or utilization site(s).
 - c. Timeline for key milestones including:
 - i. Financial Close on the CIFIA Loan,
 - ii. Commencement of Construction,

⁴³ [42 U.S.C. § 16371\(7\)\(A\)](#)

- iii. Substantial Completion,
- iv. Commercial Operation Date,
- v. Loan Amortization Start Date, and
- vi. Final Maturity Date.

2. Obligor details.⁴⁴

- a. Legal entity or entities responsible for overseeing Project development, construction, and operation,
- b. Organizational chart of the Obligor's management team and brief description of experience and qualifications of respective management team members,
- c. Organizational structure of the Project company showing relationship to Obligor and other key Project counterparties (e.g., construction contractor, operations company, CO₂ suppliers and offtakers, etc.), and
- d. Status and nature of contractual relationships between Obligor and key Project counterparties.

3. Financial details.⁴⁵

- a. Requested sources and uses of CIFIA funding broken into appropriate categories, distinguishing between eligible and ineligible costs, and listing all expected sources of Federal funds,
- b. Requested terms of the CIFIA Loan including percentage of Total Project Costs supported by the CIFIA Loan, tenor, interest rate, debt service coverage ratio (minimum, average, maximum), reserve accounts (e.g., debt service, O&M, major maintenance), and other material items,
- c. Plan for and status of financing of Eligible Project Costs that are not covered by the CIFIA Loan and for other needs such as working capital lines and letters of credit, and
- d. Estimated Project cash flows for the tenor of the CIFIA Loan including a description of how the Tariff rate will be determined and applied in a nondiscriminatory fashion and how forecasted capacity utilization is estimated for the entire CIFIA Loan term.

⁴⁴ [42 U.S.C. § 16373\(1\)\(B\)](#)

⁴⁵ [42 U.S.C. § 16371\(B\)](#)

4. Eligibility, Priority Consideration, and other details.⁴⁶
 - a. Evidence that the Project is Ready to Proceed with Due Diligence for a CIFIA Loan,
 - b. Evidence that there is demonstrated market demand for the proposed CO₂ transport infrastructure,
 - c. Proximity to and/or use of existing infrastructure/rights of way,
 - d. Proximity to and ability to transport CO₂ from existing and proposed industrial hubs,
 - e. Plan to use U.S. made iron, steel, and manufactured goods (see Attachment D), and
 - f. Details of a Community Benefits Plan (see Attachment C).

Letters of Interest should be no more than ten pages long and can be submitted as a single PDF document via LPO's Application Intake Portal. The Letter of Interest should be organized according to the four sections and respective subsections listed above.

DOE will review Letters of Interest to determine if the Project appears eligible for CIFIA, has a Reasonable Prospect of Repayment, is Ready to Proceed, and supports Priority Consideration factors. DOE seeks to review and respond to Letters of Interest within thirty days of receipt.

Potential Applicants that submit Letters of Interest to DOE that are favorably reviewed will be invited, in writing, to submit an Application. Letters of Interest that are not favorably reviewed will receive written notification from DOE along with i) an explanation of why an Application is not being invited and ii) information on options for the potential Applicant to withdraw the Letter of Interest, appeal DOE's decision not to invite an Application, or potentially submit a revised Letter of Interest.

Application⁴⁷

Applications should be submitted to CIFIA via the Application Intake Portal in a separate PDF document for each of the following four sections – Project Summary, Business Information, Technical Information, and Legal and Regulatory Information. Each PDF should have subsections corresponding to the information requests laid out in Attachment E. Each PDF should contain a table of contents with internal links to the relevant sections, subsections, and attachments (e.g., CO₂ supply agreements, engineer's report, permits). Files that are not easily attached to the respective PDF section, like financial models or documents that create file size problems, may be submitted as separate files but should be labeled clearly to indicate which

⁴⁶ [42 U.S.C. § 16371\(7\)\(D\)](#)

⁴⁷ [42 U.S.C. § 16372\(b\)\(3\)](#)

Application section they belong to and should be referenced in the respective section’s table of contents.

Prior to submitting an Application, potential Applicants must:

1. Obtain a North American Industry Classification System (“NAICS”) code;⁴⁸ and
2. Register with the Federal government’s System for Award Management (“SAM”) and obtain a Unique Entity ID.⁴⁹

DOE will provide a written Notice of Complete Application to an Applicant within thirty days after receipt of a complete Application.⁵⁰ If an Application is not complete, DOE will provide a written Notice of Incomplete Application to the Applicant within thirty days detailing what is missing from the Application.⁵¹ DOE will re-start the thirty-day review clock for incomplete Applications when all missing items are received.

DOE will notify Applicants within sixty days of a Notice of Complete Application whether they will receive an Invitation to Due Diligence.⁵² If an Applicant is not selected to begin the Due Diligence and Approval Process, a written notice will be provided to the Applicant with an explanation of i) why the Application was rejected and ii) information on options for the Applicant to withdraw the Application, appeal the rejection, or potentially submit a revised Application.

DOE will review CIFIA Applications on a rolling basis. Key factors in the Application review will be the Eligible Project and Priority Consideration factors in Section II of this guidance document and a qualitative assessment of the materials submitted in the Business Information, Technical Information, and Legal and Regulatory Information sections of the Application. A fair and competitive scoring system will be used to select between Projects that i) are competing for CIFIA funds, ii) are in a region with a disproportionately high number of CIFIA applications, iii) are competing for the same right of way, or iv) some other similar consideration. The scoring methodology may be issued in an addendum to this guidance document.

Application requirements for CIFIA are provided in Attachment E.

⁴⁸ See <https://www.census.gov/naics/> to request or search for a NAICS code.

⁴⁹ See www.sam.gov to register with SAM.

⁵⁰ [42 U.S.C. § 16372\(f\)\(1\)\(A\)](#)

⁵¹ [42 U.S.C. § 16372\(f\)\(1\)\(B\)](#)

⁵² [42 U.S.C. § 16372\(f\)\(2\)](#)

V. Due Diligence and Approval Process

The Due Diligence and approval process has three steps – 1) Due Diligence, 2) Conditional Agreement approval, and 3) Financial Close.

Due Diligence

DOE will conduct Due Diligence on approved Applications to thoroughly evaluate the prospects for successful Project construction and operation. Due Diligence will include technical, business/financial, environmental, and legal reviews, supported by third-party advisors (paid for by DOE), and a detailed analysis of risks to Project success. The Due Diligence will inform DOE's decisions on if and how to offer a CIFIA Loan to the proposed Project. During this time, DOE and the Applicant may negotiate a Conditional Agreement.

Conditional Agreement

The Conditional Agreement sets forth the negotiated loan terms and conditions for a CIFIA Loan to a Project, including conditions precedent and standard covenants, representations, and warranties. Key financing terms that will be in the Conditional Agreement are listed in Section III of this guidance document.

The Conditional Agreement will be presented to DOE's Credit Review Board ("CRB") for approval and then to the Secretary of Energy for signature. Presentation, review, approval, and signature may take thirty to forty-five days. Upon signature, CIFIA funds are obligated to the Project but are not available for use until Financial Close (subject to terms and conditions).

Financial Close

Financial Close requires converting the terms of the Conditional Agreement into executable financing documents, completing deferred Due Diligence and negotiations, and satisfying conditions precedent and other requirements. Just prior to Financial Close, the Obligor will be required to wire a \$3 million Financing Fee to the UST.⁵³

After Financial Close, responsibility for managing the CIFIA Loan will transfer to LPO's Portfolio Management Division ("PMD"). PMD will manage the CIFIA Loan from construction through the life of the CIFIA Loan and will charge a Maintenance Fee to the Project of up to \$500,000 per year. PMD will also appoint a Collateral Agent to assist with loan servicing and to act as DOE's agent in certain matters. Fees charged by the Collateral Agent will be paid by the Project. PMD may also, from time to time, maintain advisors such as Lender's engineer and counsel, environmental and permitting specialists, and market and financial advisors. Such costs may also be required to be paid by the Project.

⁵³ [42 U.S.C. § 16373\(7\)\(A\)](#)

VI. Additional Provisions

Restrictions on Disclosure and Use of Information

CIFIA authorizes the collection of the information requested in this Guidance document. This information will aid DOE in its review of Applications for CIFIA Loans.

Confidential business information shared with the LPO is subject to Federal laws, regulations, and DOE policies. As a matter of policy, LPO and its Federal employees do not enter into Non-Disclosure Agreements. Application materials may become Federal records and subject to disclosure statutes such as the Freedom of Information Act. To the extent practicable DOE will protect confidential business information from public release.

Patentable ideas, trade secrets, proprietary and confidential commercial or financial information, disclosure of which may harm the Applicant, should be included in an Application only to the extent that such information is necessary to convey an understanding of a Project. The use and disclosure of such data will be restricted, to the extent consistent with applicable law, provided the Applicant specifically identifies and marks such data in accordance with 10 CFR 600.15, as described below:

Include the following legend as an Attachment when submitting a Letter of Interest⁵⁴ or Application (be sure to specify the section number(s) from the Letter of Interest or Application that contain(s) such data):

“Applicant submits this material based on DOE’s assurance that the Application will be kept confidential to the extent consistent with applicable law. Applicant hereby certifies that Section(s) [___] of this Application contain(s) trade secrets or commercial or financial information that is privileged or confidential and is exempt from public disclosure. Such information shall be used or disclosed only for evaluation purposes or in accordance with the loan or loan guarantee agreement, if any, entered in response to this Application. If Applicant is issued a loan or loan guarantee under CIFIA, as amended, as a result of, or in connection with, the submission of this Application, DOE shall have the right to use or disclose the data contained herein, other than such data that have been properly declared in the loan or loan guarantee agreement to be trade secrets or commercial or financial information that is privileged or confidential and is exempt from public disclosure.”

Include the following legend on the first or cover page of each document or electronic file submitted that contains such data (be sure to specify the page numbers from such document or electronic file that contains such data):

“Notice of Restriction on Disclosure and Use of Data Pages [___] of this document contain trade secrets or commercial or financial information that is privileged or confidential and is exempt from public disclosure. Such information shall be used or

⁵⁴ Such attachment will not count toward the ten-page limit for Letters of Interest.

disclosed only for evaluation purposes or in accordance with a financial assistance or a loan or loan guarantee agreement between the submitter and the Government. The Government may use or disclose any information that is not appropriately marked or otherwise restricted, regardless of source.”

Include the following legend on each page containing trade secrets or commercial or financial information that is privileged or confidential: “Contains trade secrets or commercial or financial information that is privileged or confidential and exempt from public disclosure.”

In addition, each line or paragraph containing trade secrets or commercial or financial information that is privileged or confidential should be marked with brackets or other clear identification, such as highlighting.

For more guidance regarding the treatment of confidential information, please refer to the [Treatment of Confidential Materials](#) fact sheet and DOE’s regulations implementing the Freedom of Information Act (10 C.F.R. 1004)

Commitment of Public Funds

DOE shall not be bound by oral representations made before or during the Application stage or during any negotiations. No binding commitment, agreement, obligation, or right of any kind may be assumed or enforced by any Applicant or Project Sponsor against DOE other than in accordance with a duly and validly executed Conditional Agreement.

Procurement or Financial Assistance Award

Neither a procurement action under Title 48 of the CFR nor a financial assistance award under 10 CFR Part 600 is contemplated by this guidance document which only relates to the CIFIA Loans under the CIFIA program. Further guidance will be forthcoming on Future Growth Grants available under CIFIA.⁵⁵

Burden Disclosure Statement

This data is being collected by DOE for the purpose of evaluating the eligibility of Projects seeking CIFIA Loans. Applying for such benefit is voluntary, but if you choose to apply, your Application must include the data described in this guidance.

Public reporting hour burden for this collection of information is estimated to be 132.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Office of the Chief Information Officer, Enterprise Policy Development and Implementation Office, IM-22, Paperwork Reduction Project OMB Control Number 1910-5134, U.S. Department of Energy, 1000 Independence Ave. SW, Washington, DC, 20585-1290; and to the Office of Management

⁵⁵ Section 40304 (42 U.S.C. 16374), available at <https://www.congress.gov/117/plaws/publ58/PLAW-117publ58.pdf>.

and Budget, OIRA, Paperwork Reduction Project OMB Control Number 1910-5134, Washington, DC, 20503.

A three-year extension of the foregoing Office of Management and Budget (“OMB”) control number is pending with OMB. 87 Fed. Reg. 17077 (March 25, 2022) <https://www.federalregister.gov/documents/2022/03/04/2022-04595/agency-information-collection-extension>. Comments may be submitted as described above. While the extension is pending, LPO is authorized to, and is accepting applications without interruption.

Notwithstanding any other provisions of the law, no person is required to respond to, nor shall any person be subject to penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB control number.

Statements of Entries Generally

It is a crime to knowingly make false statements to a Federal agency. Misrepresentation of material facts may be the basis for denial of an Application for a CIFIA Loan guarantee. Penalties upon conviction may include fine and imprisonment. For details, please refer to 18 U.S.C. §1001.

Questions

Questions regarding this guidance document can be sent by email to CIFIA@hq.doe.gov.

Attachment A – Defined Terms

Applicant: Entity applying for a CIFIA Loan. Also, may be referred to as an Obligor or a Sponsor.

Application: Substantive package of materials consistent with what an investment bank would require for a similar project finance. Applications should be submitted to CIFIA via the Application Intake Portal in separate PDF documents for each of the four sections – Project Summary, Business Information, Technical Information, and Legal and Regulatory Information. Each PDF should have subsections corresponding to the information requests laid out in Appendix E.

Application Intake Portal: The Application Intake Portal for Letters of Interest and Applications will be hosted on the CIFIA page of the LPO website. A link to the Application Intake Portal will be sent to Obligors invited to submit Letters of Interest and Applications. All Letter of Interest and Application files should be submitted to DOE via the Application Intake Portal.

Application Process: Pre-Application Consultation, Letter of Interest, and Application.⁵⁶

Associated Equipment: Equipment required for the successful functioning of the CO₂ transportation infrastructure asset such as pumps, feeder lines, and transfer equipment for pipelines and storage tanks and pump houses for train, maritime, or road transport of CO₂. The costs of Associated Equipment are Eligible Project Costs under CIFIA.

Budgetary Costs: The Credit Subsidy of a CIFIA Loan.

Capitalized Interest: Interest accrued on disbursed CIFIA Loan funds prior to the Loan Amortization Start Date. This accrued interest is added to the interest-bearing principal of the CIFIA Loan. Capitalized Interest is an Eligible Project Cost under CIFIA.⁵⁷

Carrying Costs: Fees and related costs required to secure financing, such as letters of credit.

CIFIA Loan: A direct loan or loan guarantee made by DOE under the CIFIA program.

Closing Documents: Legal documents common to project finance agreements including a Loan or Loan Guarantee Agreement, Accounts Agreement, and Intercreditor Agreements.

Collateral Agent: A financial services firm retained by DOE to manage Project accounts. The Collateral Agent will require a fee for services and this fee will be paid by the Project.

Commercial Operations Date: The date on which the Project's CO₂ transportation infrastructure begins moving volumes of CO₂ at a commercial target quantity and at a commercial target tariff price.

⁵⁶ [42 U.S.C. § 16372\(b\)\(3\)](#)

⁵⁷ [42 U.S.C. § 16371\(4\)\(A\)\(iii\)](#)

Commencement of Construction: The beginning of material construction activities including a formal notice to proceed to the construction contractor and a concurrence from DOE's independent engineer that material construction activities on the Project have begun.

Common Carrier: Transportation infrastructure operator or owner that publishes a publicly available Tariff containing the just and reasonable rates, terms, and conditions of nondiscriminatory service,⁵⁸ and holds itself out to provide transportation services to the public for a fee.⁵⁹

Community Benefits Plan: See Attachment C.

Conditional Agreement: The conditional agreement for a CIFIA Loan to a Project and the point at which Federal funds are obligated and committed to the Project.

Contracting Process: See Commencement of Construction.

Credit Subsidy: The net present value of cash flows to and from the government over the term of a Federal credit instrument. Determined at Conditional Agreement of selected Projects in accordance with the Federal Credit Reform Act of 1990.

Credit Subsidy Rate: The percentage of the CIFIA Loan that reflects the cost of a loan guarantee (as defined in section 502(5)(C) of the Federal Credit Reform Act of 1990), which is the net present value, at the time the loan guarantee agreement is executed, of the following estimated cash flows, discounted to the point of disbursement: i) payments by the Government to cover defaults and delinquencies, interest subsidies, or other payments less ii) payments to the Government including origination and other fees, penalties, and recoveries, including the effects of changes in loan or debt terms resulting from the exercise by the borrower, eligible Lender, or other holder of an option included in the loan guarantee agreement.

Due Diligence: Standard lender review of Application materials, which may generate questions and requests from DOE for the Applicant and will inform DOE's underwriting and negotiation of a Conditional Agreement and documents leading to Financial Close.

Eligible Project: See Section II of this guidance document.

Eligible Project Costs: See section II of this guidance document and Associated Equipment definition above.

Final Maturity Date: The date on which the CIFIA Loan is fully repaid.

Financial Close: The time at which all legal documents for the CIFIA Loan, and any other debt/bond/equity instruments used to fund the Project, are officially signed and executed.

⁵⁸ [42 U.S.C. § 16372\(f\)\(1\)\(B\)](#) Excluding cement and cementitious materials, aggregates such as stone, sand, or gravel, or aggregate binding agents or additives.

⁵⁹ [42 U.S.C. § 16371\(2\)\(B\)](#)

Financing Fee: A \$3 million fee due to the Federal government from the Obligor at Financial Close.⁶⁰

Future Growth Grants: Grant funds from CIFIA that may be provided to cover the Eligible Project Costs for infrastructure needed for potential future volumes of CO₂.⁶¹ DOE may issue separate guidance at a later date for parties interested in applying under the Future Growth Grant provision of the CIFIA program.

Invitation to Due Diligence: Written notice sent from DOE to Applicants who have submitted a successfully reviewed Application. DOE seeks to send this notice to successful Applicants within sixty days of issuing a Notice of Complete Application.⁶²

Lender: See Section III of this guidance document.

Letter of Interest: A letter of no more than ten pages that is the first formal step in applying to CIFIA and includes written summaries of Project, Obligor, financial plan, and Priority Consideration details⁶³ as explained in Section IV of this guidance document.

Loan Amortization Start Date: The date on which the first scheduled principal and interest payment on the CIFIA Loan is made.

Maintenance Fee: A fee up to \$500,000 per year after Financial Close to cover DOE's cost to administer the CIFIA Loan.

Master Credit Agreement: See 42 U.S. Code § 16371 (9).

Notice of Complete Application: Written notice sent to Applicants with complete Applications within thirty days of Application submittal.⁶⁴

Notice of Incomplete Application: Written notice to Applicants with incomplete Applications within thirty days of Application submittal.⁶⁵

Obligor: Entity that will oversee Project development, construction, and operations of a CIFIA Project and who may be referred to in this guidance document as an Applicant or Sponsor. An Obligor may be a corporation, partnership, joint venture, or trust; a governmental entity, agency, instrumentality, or public authority; or a public-private partnership between a private party and a state or local government, agency, instrumentality, or public authority, under which the public entity is the Applicant to CIFIA, and the selected or to-be-selected private party is the Obligor.⁶⁶

⁶⁰ [42 U.S.C. § 16373\(b\)\(7\)\(A\)](#)

⁶¹ [42 U.S.C. § 16374](#)

⁶² [42 U.S.C. § 16372\(f\)\(2\)](#)

⁶³ [42 U.S.C. § 16371\(7\)](#)

⁶⁴ [42 U.S.C. § 16372\(f\)\(1\)\(A\)](#)

⁶⁵ [42 U.S.C. § 16372\(f\)\(1\)\(B\)](#)

⁶⁶ 42 U.S.C. § 16371(10)

Pre-Application Consultation: One or more discussions between DOE and a potential CIFIA Applicant with a CO₂ transportation infrastructure Project, upon which DOE determines whether to invite the potential Applicant to submit a Letter of Interest.

Priority Consideration: Factors that may increase the likelihood of a Project being selected to negotiate a Conditional Agreement. See Section II of this guidance document for the list of Priority Consideration factors.

Project: An Eligible Project under CIFIA.⁶⁷

Project Readiness: A Project's ability to promptly commence construction activities following Financial Close.

Ready to Proceed: In a stage of Project development such that the Obligor can promptly begin Conditional Agreement negotiations with DOE and the Project Readiness can occur within ninety days after Financial Close.⁶⁸

Reasonable Prospect of Repayment: Evidence that cash flows to the Project are reasonably likely to be sufficient to repay the CIFIA Loan by the scheduled Final Maturity Date or that there are funds available to pre-pay the CIFIA Loan ahead of the Final Maturity Date if cash flows are not forecasted to be sufficient to cover debt service for the full life of the CIFIA Loan.⁶⁹

Reserve Accounts: Types of accounts common to project finance transactions including for debt service, operations and maintenance, major maintenance, and liquidity.

Sponsor: Entity applying for a CIFIA Loan. Also, may be referred to as an Applicant or an Obligor.

Substantial Completion: The date on which the Project commences transportation of CO₂, or a comparable event as determined by DOE and set forth in the Conditional Agreement.⁷⁰

Tariff: The transparent and non-discriminatory fee charged by the Project to transport CO₂, as appropriate for Common Carrier infrastructure.

Total Project Costs: The combination of eligible and ineligible project costs. See Section II of this guidance document for a list of Eligible Costs and the definition above for Associated Equipment. All other project costs are ineligible.

⁶⁷ 42 U.S.C. § 16371(12)

⁶⁸ 42 U.S.C. § 16371(b)(8)

⁶⁹ 42 U.S.C. § 16372(b)(2)(B)

⁷⁰ 42 U.S.C. § 16371(16)

Attachment B – Credit Subsidy and Future Growth Grants

Congress provided \$2.1 billion to DOE to cover the costs to the Federal government of CIFIA Loans (i.e., Credit Subsidy), Future Growth Grants, and DOE costs to administer the program.

Credit Subsidy, the net present value of cash flows to and from the Government over the term of a Federal credit instrument, will be determined at Conditional Agreement of selected Projects in accordance with the Federal Credit Reform Act of 1990.⁷¹ The total amount of loan authority for CIFIA Loans enabled by \$2.1 billion in Credit Subsidy is a function of i) the amount of authority remaining after any funds are used for Future Growth Grants and administrative costs and ii) the Credit Subsidy Rate applied to respective CIFIA Loans.

For illustrative purposes only, if the entire \$2.1 billion were used for Credit Subsidy, and if the Credit Subsidy Rate on selected projects averaged ten percent, then a total of \$21 billion in CIFIA Loans would be enabled. A five percent average Credit Subsidy Rate on CIFIA Loans would enable \$42 billion in CIFIA Loan funding if all \$2.1 billion were used for that purpose. If the entire \$2.1 billion were used for Future Growth Grants, the total grant funding under CIFIA would be \$2.1 billion and loan funding would be \$0.⁷²

⁷¹ If the subsidy amount of a Federal credit instrument is re-estimated, the cost increase or decrease of the re-estimate shall be borne by, or benefit, the general fund of the Treasury, consistent with section 504(f) of the Congressional Budget Act of 1974 (2 U.S.C. 661c(f)).

⁷² This illustrative example does not account for the authorized allocation of administrative expenses from the \$2.1 billion appropriated, which is approximately \$39 million, but subject to inflation.

Attachment C – Community Benefits Plan

CIFIA Applicants are required to submit a Community Benefits Plan as an attachment to the Business Information section of their Application. The Community Benefits Plan should discuss how the Obligor will engage with stakeholders potentially affected by the proposed CIFIA Project. Applicants will be evaluated on and prioritized by the quality of their Community Benefits Plan, including the extent to which the Plan includes specific, measurable actions and outcomes.

Guidance on the contents of a strong Community Benefits Plan is available on the CIFIA page of the DOE website (www.energy.gov/lpo/cifia). DOE can discuss and provide feedback on Community Benefit Plans with potential CIFIA Applicants during Pre-Application Consultations. Applications with incomplete or otherwise inadequate Community Benefits Plans will not be invited to proceed to Due Diligence.

In general, an Applicant’s Community Benefits Plan should explain how the proposed CIFIA Project will support i) community and labor engagement, ii) quality jobs, iii) diversity, equity, inclusion, and accessibility, and iv) environmental justice (as addressed through the Justice40 Initiative⁷³). Each of these components is discussed below.

Community and Labor Engagement: Describe the Applicant’s plan, and actions to date, to engage with community stakeholders such as labor unions, local governments, Tribal governments, and community-based organizations. Describe the Applicant’s plans to negotiate agreements such as a Community Benefits Agreement, Good Neighbor Agreement, Project Labor Agreement, Community Workforce Agreement, and/or other collective bargaining or similar agreement.

Quality Jobs: Describe the Applicant’s plan to attract, train, and retain a skilled and well-qualified workforce for construction and operations activities. Include details on how the Applicant will support strong labor standards; creation of good-paying jobs with the free and fair choice to join a union; wages, benefits, and other worker supports; workforce education and training, especially registered apprenticeships, and quality pre-apprenticeships; and efforts to engage employees in the design and execution of workplace safety and health plans. A collective bargaining agreement, project labor agreement, labor-management partnership, or other similar agreement would provide evidence of such a plan.

Diversity, Equity, Inclusion, and Accessibility (“DEIA”): Describe the Applicant’s plan to partner with businesses, educational institutions, and training organizations that serve underrepresented workers who face barriers to accessing high-quality jobs.

⁷³ The Justice40 initiative, created by E.O. 14008, establishes a goal that forty percent of the overall benefits of certain federal investments flow to disadvantaged communities. <https://www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf>

Justice40 Initiative: Describe how the Applicant’s CIFIA Project advances DOE’s equity, environmental and energy justice priorities, including DOE’s commitment to the Justice40 Initiative and DOE’s commitment to energy communities.⁷⁴ Describe the Applicant’s plan to identify and engage with affected communities and to measure, track, and address the potential benefits (e.g., jobs) and impacts (e.g., environmental degradation) of the Project to these communities.

Benefits may align with DOE’s energy justice policy priorities for disadvantaged communities, which include decreasing environmental exposure and burdens, increasing access to low-cost capital, increasing clean energy enterprise creation and contracting, increasing clean energy jobs (including job pipeline and training), and increasing energy resiliency.

Strong Justice40 Initiative plans should include:

1. An energy and environmental justice assessment of impacted communities and groups, including disadvantaged communities, that will be affected by the Project,
2. An assessment of project benefits and where they flow, and an assessment of project negative impacts, and any other impacts not included as “benefits”,
3. A summary of research methods and data sources used to identify and conduct the assessment of affected communities and to quantify potential benefits and impacts,
4. A timeline and milestones for collecting, analyzing, and responding to information received from research and data sources,
5. A description of the Project’s personnel and/or contractor(s) working on the Justice40 plan, including qualifications for and experience with this type of work,
6. A description of community partners collaborating with the Project on the Justice40 plan, and
7. An estimate of the financial resources committed by the Applicant to develop and implement the Justice40 plan.

⁷⁴ [Home - Energy Communities](#)

Attachment D – Use of American Iron, Steel, and Manufactured Products

In accordance with section 999B(e) of the CIFA subtitle of the IJA,⁷⁵ no Federal credit instrument or grant provided under the CIFA program may be available for a Project unless:

1. All iron and steel used in the Project are produced in the United States⁷⁶--this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
2. All manufactured products used in the Project are produced in the United States⁷⁷—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than fifty-five percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
3. All construction materials are manufactured in the United States. Construction materials include articles, materials, or supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. This requirement also does not apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

These requirements apply to all Applicants, including for-profit entities, non-profit entities, and state or municipal entities. The requirements listed above must flow down to all sub-awards, all contracts, subcontracts and purchase orders for work performed under the proposed project.

In limited circumstances, DOE may waive the application of these requirements where DOE determines that:

1. Applying the requirements would be inconsistent with the public interest;⁷⁸
2. The types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a

⁷⁵ DOE interprets the domestic content requirements in Section 999B(e) as consistent with the requirements of, and guidance for implementing, the Build America Buy America Act in IJA Please refer to the [Office of Management and Budget Guidance](#) regarding the IJA Build America, Buy America Act implementation for more details regarding these requirements.

⁷⁶ 42 U.S.C. § 16372(e)(1)

⁷⁷ 42 U.S.C. § 16372(e)(1)

⁷⁸ 42 U.S.C. § 16372(e)(2)(A)

satisfactory quality;⁷⁹ or

3. The inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall Project by more than twenty-five percent.⁸⁰

If an Applicant seeks a waiver of these requirements, it must include a written waiver request as an attachment to Section 4 of its CIFIA Application. A waiver request must include:

1. A list and description of iron or steel item(s), manufactured goods, and construction material(s) the Applicant seeks to waive from the Buy America requirement, including name, cost, country(ies) of origin (if known), and relevant PSC and NAICS code for each,
2. A detailed justification for the use of “non-domestic” iron, steel, manufactured products, or construction materials to include an explanation as to how the non-domestic item(s) is essential to the project and a summary of due diligence performed by the Applicant to support this conclusion (e.g., market research, industry outreach),
3. A certification that the Applicant made a good faith effort to solicit bids for domestic products supported by terms included in requests for proposals, contracts, and nonproprietary communications with potential suppliers, and
4. Anticipated impact to the Project if no waiver is issued.

DOE may require additional information before considering the waiver request. Waiver requests are subject to public comment periods of no less than fifteen days⁸¹ and must be reviewed by the Made in America Office. There may be instances where an award qualifies, in whole or in part, for an existing waiver described at <https://www.energy.gov/management/financial-assistance>.

The Applicant has no right to appeal DOE’s decision concerning a waiver request.

⁷⁹ 42 U.S.C. § 16372(e)(2)(B)

⁸⁰ 42 U.S.C. § 16372(e)(2)(C)

⁸¹ 42 U.S.C. § 16372(e)(3)(B)

Attachment E – Application Requirements

Applications to CIFIA should include the following sections and information:

1. Project Summary.
 - a. One paragraph Project description, including transport method, location, volume, distance, sources, and delivery points for transported CO₂,
 - b. One paragraph describing the status of land rights, pore space rights, rights of way, and permits for the Project, CO₂ sources, and sequestration and/or utilization site(s),
 - c. One paragraph describing the Project structure and management team, including qualifications/capabilities to build and operate the proposed CO₂ transport infrastructure project and experience working together as a team,
 - d. One paragraph describing the Project financial plan, including sources of funds, cash flow forecasts over the requested loan tenor, and Applicant base case debt service coverage ratios (minimum, average, and maximum),
 - e. A table and one paragraph description of Sources and Uses of funds for the Project,
 - f. One paragraph describing the Project construction plan including the status of agreements with key contract counterparties for construction and equipment supply,
 - g. One paragraph describing the Project's operations plan including labor requirements, maintenance schedules, and monitoring procedures,
 - h. One paragraph describing the greenhouse gas emissions from the Project, including any emissions associated with the use of CO₂,
 - i. One paragraph describing how the Project will address Use of American Iron, Steel, and Manufactured Goods requirements (see Attachment D),
 - j. One paragraph describing the Project's Community Benefits Plan (see Attachment C),
 - k. A table of target dates for Financial Close, Commencement of Construction, Substantial Completion, Commercial Operations Date, Loan Amortization Start

Date, and Final Maturity Date, and

1. Letters of support for the Project from local/state government, industry counterparties, community groups, labor groups, investors, etc., if available.
2. Business Information
- a. Summarize the business plan and highlight strengths/weaknesses and risks/mitigants,
 - b. Describe the Project's Community Benefits Plan (see Attachment C), providing details on past and future stakeholder engagements and summary information on the type and number of stakeholders engaged and lessons learned (attach a full copy of the Project's Community Benefits Plan as an attachment to the Business Information section of the Application),
 - c. Analyze the total addressable CO₂ capture market that can be served by the proposed transport infrastructure Project,
 - d. Describe the targeted sources of CO₂ for the Project, with details including:
 - i. Company names, locations, sizes, and industry,
 - ii. Expected CO₂ volumes and capture costs,
 - iii. Technical requirements for installing and operating capture equipment at target plants,
 - iv. Local emissions and/or other pollution impacts from technology used by targeted sources,
 - v. Financial and permitting requirements for and status of carbon capture equipment installation at respective industrial facilities,
 - vi. Nature, status, details, and timing of contractual agreements between CO₂ sources and the Project,
 - vii. Evidence of these companies' commitment to use the Project's CO₂ transport infrastructure for the tenor of the CIFIA Loan (e.g., contract, MOU, LOI, press release) and if such evidence is not available, an explanation of the plan for ensuring financial viability for the Project until the CIFIA Loan's Final Maturity Date, and
 - viii. Business case for and risks to continued CO₂ supply from these companies.
 - e. Describe the proposed CO₂ transportation infrastructure, including:
 - i. Method by which the CO₂ will be transported by the Project and benefits of this method relative to alternatives,
 - ii. The Project's proposed CO₂ transport route and:
 1. Benefits of this route relative to alternatives,

2. Challenges to this route and how they will be addressed,
 3. Proximity to and use of existing infrastructure and rights of way (including the positive and/or negative community and environmental impacts of extending, repurposing, or altering existing infrastructure), and
 4. Proximity to and ability to serve CO₂ sources at existing and/or proposed industrial hubs (e.g., petrochemical, hydrogen, DAC).
- iii. Status and timing of securing land rights, rights of way, permits, and community support for the proposed Project,
 - iv. Transport system safety features, first responder training and notification plans, and community advance notification plans,
 - v. Construction plan, cost, and timing,
 - vi. Operating and maintenance plan, cost, and financials (including basis for setting Common Carrier Tariff rate),
 - vii. Business case for and risks to the proposed CO₂ transport infrastructure Project, and
 - viii. Capabilities and experience of Obligor and key Project counterparties (e.g., construction contractor) to build, own, and operate the proposed CO₂ transportation infrastructure.
- f. Describe the proposed CO₂ delivery point(s) for the Project, including:
- i. Location(s) of and method(s) by which CO₂ transported by the Project will be sequestered and/or used,
 - ii. Company name(s) and corporate details of counterparty, or counterparties, responsible for sequestering and/or using the transported CO₂,
 - iii. Status and timing of development, land rights, pore space rights, permitting, financing, etc., for the site(s) where the CO₂ will be sequestered and/or used,
 - iv. Local emissions or other pollution impacts from technology used for CO₂ use or sequestration,
 - v. Evidence of respective sequestration or use counterparty commitment to take CO₂ from the Project for the life of the CIFIA Loan (e.g., contract, MOU, LOI, press release), and
 - vi. Business case for respective CO₂ sequestration and/or use companies.
- g. Discuss the Project's financial plan, including:
- i. List Total Project Costs in accordance with generally accepted accounting principles and practices, including:
 1. A break down by phase (i.e., development, financing, construction), cost category, and year of expenditure,
 2. A description of the methodology and key assumptions used to estimate Total Project Costs,

3. An indication of how firm the cost estimates are and estimates for escalation and contingencies,
 4. An indication of which costs are eligible and ineligible, and
 5. An estimate of and basis for annual operating and maintenance costs during the life of the Project.
- ii. List all sources of expected funding (e.g., debt, bond, equity) by provider, type, and aggregate amount, and:
1. To the extent available, provide copies of all material agreements, whether entered into or proposed, relevant to the investment and financing of the Project,
 2. Include anticipated short-term financing or credit facilities required for on-going operations of the Project, such as working capital facilities, performance bonds and similar forms of financing,
 3. Describe the nature of the security or collateral to be made available to respective financing parties,
 4. Summarize each tranche of funding (e.g., source, amount, maturity, fixed or floating rate, amortization schedule, and amount guaranteed by DOE), and
 5. Confirm that the CIFIA Loan will not be subordinated to the claims of any holder of Project obligations in the event of bankruptcy, insolvency, or liquidation of the Obligor, or request a waiver of the non-subordination pursuant to the IJA.
- iii. List all uses of funds for the Project and:
1. Break uses into appropriate categories and distinguish between eligible and ineligible costs, and
 2. Include cost assumptions based on compliance with the Davis-Bacon Act, the use of U.S. produced iron and steel, and the Cargo Preference Act, as applicable.
- iv. Provide a dynamic financial model with:
1. Major assumptions and requested loan terms in a separate worksheet within the model that is dynamically linked to the other model worksheets,
 2. Detailed and linked income statement, balance sheet, cash flow statement, and waterfall statement,
 3. Financial ratios including debt service coverage ratio, loan life coverage ratio, debt-to-capital ratio, and working capital ratio,
 4. Monthly calculations up to the Commercial Operations Date plus two years and quarterly calculations for the balance of the proposed guaranteed loan tenor plus two years, and
 5. Sensitivity analyses that demonstrate the Project's performance under appropriate stress scenarios, including reduced CO₂ volumes and Tariff rates, higher O&M costs, and unexpected outages.

- v. Analyze the expected financial performance of the Project over the life of the CIFIA Loan and:
 - 1. Explain and demonstrate why the Project's revenue from a non-discriminatory Tariff presents a Reasonable Prospect of Repayment of the CIFIA Loan,
 - 2. Explain plan for maintaining sufficient volumes of CO₂ in the transportation infrastructure, which may include sustained volumes from initial CO₂ sources and/or new volumes of CO₂ from new sources, and
 - 3. Discuss risks that could impair the Project's ability to meet debt service obligations through the Final Maturity Date and mitigants to those risks.

- h. Describe the Project's proposed insurance coverage, ideally including a report from an insurance company opining on the appropriateness and adequacy of such coverage.

- i. Provide a project employment estimate detailing:
 - i. The number of workers employed directly by the Applicant to execute this project,
 - ii. The number of employees of contractors and sub-contractors working on the project, and
 - iii. The total number of employees on the project hired directly and hired through a third party.

- j. Provide unaudited financial statements for the Applicant or majority Project Sponsor for the three immediately preceding fiscal years (or since inception if the Applicant or majority Project Sponsor has not been in existence for at least three years), prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP").

- k. Provide a listing, description, and value of all assets associated, or to be associated, with the Project and any other assets that will serve as collateral for the CIFIA Loan, including any intellectual property necessary for the operation of the Project. Valuations must be supported by independent, third-party appraisals for existing assets and commercial cost substantiation for assets to be constructed for the purpose of the Project, and in all cases acceptable to DOE. An appraisal of real property must be performed by a licensed or certified appraiser consistent with the Uniform Standards of Professional Appraisal Practice promulgated by the Appraisal Standards Board of the Appraisal Foundation. The appraisal should include information on the useful life of all physical assets expected to serve as collateral, including a depreciation schedule (prepared in accordance with U.S.

GAAP).

3. Technical Information

- a. Project Site and Route:
 - i. Describe the Project site and rights-of-way, easements, and logistical considerations (e.g., roads, water, highway, and rail) if applicable,
 - ii. Provide the status and milestones for site access and, as appropriate, purchase or lease terms, zoning approvals or operating restrictions, and
 - iii. Describe required improvements for the Project (e.g., utility access).

- b. Key Contracts and Agreements: Provide and describe key term sheets, contracts, and agreements (whether draft or signed) relevant to the design, engineering, construction, startup commissioning, operations and maintenance of the Project, and Project sales, including, as applicable:
 - i. Project development contracts such as Front-End Engineering and Design (“FEED”) studies,
 - ii. Land right and right of way contracts,
 - iii. Engineering, procurement, and construction (“EPC”) contract and equipment/input supply contract(s),
 - iv. Operating and maintenance contract(s),
 - v. CO₂ supplier and storage and/or utilization site(s) contracts, and
 - vi. Any additional relevant contracts or commitments.

- c. Workforce Continuity Plan: The Applicant may provide certification that the Project includes a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)). If the Applicant does not provide such certification, the Applicant must provide a workforce continuity plan, detailing:
 - i. How the Applicant will ensure the project has ready access to a sufficient supply of appropriately skilled and unskilled labor to ensure high-quality construction throughout the life of the project, including a description of any required professional certifications and/or in-house training,
 - ii. How the Applicant will minimize risks of labor disputes and disruptions that would jeopardize timeliness and cost-effectiveness of the Project,
 - iii. How the Applicant will provide a safe and healthy workplace that avoids delays and costs associated with workplace illnesses, injuries, and fatalities, including descriptions of safety training, certification, and/or licensure requirements for all relevant workers (e.g., OSHA 10, OSHA 30),

- iv. Whether workers on the Project will receive wages and benefits that will secure an appropriately skilled workforce in the context of the local or regional labor market, and
 - v. Whether the Project prioritizes local hires and maintains sufficient records to substantiate this information upon request.
- d. Design and Construction Plan: Provide a description of each of the following:
- i. Describe prior successful implementation of similar project plans for projects of this scale by the Applicant, any Project Sponsor, and/or key contract counterparties (e.g., construction contractor, equipment supplier, operator).
 - 1. Applicants that are not able to include examples of successful implementation of similar project plans for projects of this scale should provide a description of the prior and related experience that they believe are sufficient to demonstrate to DOE that they and/or their key contract counterparties have the expertise that would be evidenced in examples of successful implementation of similar project plans for projects of this scale.
 - ii. Describe the proposed design and construction processes including:
 - 1. Fully sourced or cited material and energy balance, including system simulation for processes, using industry standard software,
 - 2. Unique equipment requirements,
 - 3. Rights or licenses necessary to use processes proposed and acquisition status,
 - 4. An integrated schedule or Project work plan that encompasses time periods for design, procurement (including long-lead procurements), construction (including mobilization, testing, and start-up), and commissioning and that identifies any Project external dependencies such as regulatory approvals or scheduling (e.g., interconnection), land-use agreements, environmental permits, licenses, or site improvements (e.g., utility service),
 - 5. Project cost analysis including analysis based on minimum design specifications coupled to process flow diagrams and cost estimates,
 - 6. Project management plan and use of tools, such as Gantt charts, Monte-Carlo and other variance analysis, resource-based scheduling, or other methods to assess and track progress,
 - 7. Staffing plans, including identification of costs and resources to design, engineer, and construct the Project,
 - 8. Project risks and mitigation strategies, including risks related to construction cost and schedule, scale-up and commissioning, procurement, obtaining skilled labor and avoiding labor strife, etc. and the potential Project impact and mitigation of such risks, and
 - 9. Contingency plans to address cost overruns and schedule slippage.

- iii. Describe the Project's plan for sourcing materials to build the CO₂ transportation infrastructure Project including:
 - 1. Details of planned counterparties for input materials such as technical and financial capacity to deliver the volume of materials required by the Project,
 - 2. The track record of the counterparties' materials being used in infrastructure transport for CO₂, or a similar product, and
 - 3. Counterparties' plan to provide iron, steel, and manufactured goods made in the U.S. (see Attachment D).

- e. Operations and Maintenance Plan
 - i. The plan for project operations, proposed providers, expected staffing requirements, anticipated parts inventory and acquisition plans, major maintenance schedules and procedures, estimated annual downtime and any performance guarantees and related liquidated damages provisions,
 - ii. The plans for commissioning and initial operations (taking into account the construction schedule, the establishment of CO₂ supply chains, the hiring and training of management and operating personnel, logistics, potential bottlenecks and delays, and financing for contingencies and working capital) and information concerning the management experience of each officer or key person associated with the Project,
 - iii. Any plans for expanding capacity over initial operations and the Applicant or the Project Sponsor's experience with comparable ramp-ups,
 - iv. Plans for safety measures, monitoring, and emergency response plans, incorporating the latest guidance from the Department of Transportation's Pipeline and Hazardous Materials Safety Administration ("PHMSA") and including details of the operating company's capacity to respond to an incident should one occur, and
 - v. A summary of the Project's plans for risk management and response as well as measurement, reporting and verification.

- f. Decommissioning Plan: Provide a description of the Project decommissioning, including anticipated costs and arrangements that have been made to ensure that funding will be available as necessary.

- g. Engineers Report: Provide an independent engineer's report that includes review, evaluation, analysis, and recommendations in the following areas:
 - i. Base infrastructure technology appropriateness for large volume CO₂ transport,
 - ii. Engineering and design approach,
 - iii. Integrated Project schedule, including the schedule for Substantial Completion,
 - iv. Cost estimates and technical input to the financial model,

- v. Contractual requirements and arrangements,
- vi. Proposed supply chain,
- vii. Project construction and operating risks, including mitigation activities and milestones,
- viii. Direct labor requirements during construction and operations,
- ix. Siting and permitting,
- x. Testing and commissioning,
- xi. Operation and maintenance, and
- xii. Decommissioning plan and costs.

4. Legal and Regulatory Information

- a. Permits and Approvals:
 - i. Provide as a table the status and timelines for application and expected completion or receipt of all required Federal, state, or local permits, approvals, or reviews, including as to environmental matters.
- b. Background and Legal Structure:
 - i. Provide a current Project organizational chart showing the direct and indirect owners of the Project and the Applicant's relationship to each Project Sponsor, the Project, and to any subsidiaries or affiliates.
 - 1. Include the legal structure (e.g., corporation, partnership, or LLC) of each entity listed in the organizational chart.
 - 2. Include a short narrative description of the chart indicating the status and plans, if any, to create any entity.
 - ii. Litigation and/or Conflicts:
 - 1. Disclose any current, threatened (in writing), or pending litigation involving the Applicant, a Project Sponsor, or, to the Applicant's knowledge, any other relevant party, related to permitting, public involvement, environmental issues, construction defects, fraud, securities fraud, conflict of interest, failure to perform under a local, state or Federal contract, or other charges which may reflect on the Applicant's, or any Project Sponsor's reputation, financial position or ability to complete the Project.
- c. Lobbying, Debarment, and Related Certifications and Assurances
 - i. In submitting an Application for a CIFIA Loan, Applicants must provide certain certifications and assurances contained in the form entitled "Certifications for Use with Applications for Department of Energy CIFIA Loans under the CIFIA provision of the Infrastructure Investments and Jobs Act of 2021" which form may be downloaded from the CIFIA

Program website at www.energy.gov/lpo/cifia.

- d. Applicant Validation Statement
 - i. Provide a written statement and supporting analysis attesting that, based on the information provided to DOE, there is a reasonable prospect that all debt of the Project (including the CIFIA Loan) will be repaid on time and in full (including interest) from cash flow generated by the Project and in accordance with the terms proposed in the Application.
 - ii. As part of the Project evaluation process, DOE may require that Applicants provide additional certifications or supporting documentation.

- e. Penalty of Perjury Statement
 - i. The following certification must be included with each Application:
 - 1. “The undersigned certifies that the data and information submitted, and the representations made in this Application and any attachments to this Application are true and correct, to the best of the Applicant’s knowledge and belief after due diligence, and the Applicant has not omitted any material facts. The undersigned further certifies that [s]he has full authority to bind the Applicant.”