Loan Programs Office
Overview

Appropriation Summary by Program
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	FY 2022 Enacted	FY 2023 Enacted	FY 2024 Request	FY 2024 Request vs FY 2023 Enacted ($)	FY 2024 Request vs FY 2023 Enacted (%)
Advanced Technology Vehicles Manufacturing Loan Program	**5,000**	**9,800**	**13,000**	**+3,200**	**32.7%**
Title 17 Innovative Technology Loan Guarantee Program					
Administrative Expenses	32,000	66,206	70,000	+3,794	5.7%
Title XVII Credit Subsidy	0	-150,000	0	+150,000	NM
Offsetting Collections	-6,288	-52,224	-196,524	-144,300	276.3%
Total, Title 17 Innovative Technology Loan Guarantee Program	**25,712**	**-136,018**	**-126,524**	**+9,494**	-7.0%
Tribal Energy Loan Guarantee Program	**2,000**	**4,000**	**6,300**	**+2,300**	**57.5%**
Total, Loans Programs Office	**32,712**	**-122,218**	**-107,224**	**+14,994**	**-12.3%**

The Loan Programs Office (LPO) FY 2024 Request is -$107,224,000, an increase of $14,994,000 above the FY 2023 Enacted Level, to catalyze innovation and investments across all industries in the U.S. energy sector, to promote technological advances, and increase energy affordability, performance, and efficiency. LPO's FY 2024 Budget Request helps meet the Administration's objectives of a carbon-pollution free electric sector by 2035 and net-zero emissions, economy-wide, by 2050, while helping to achieve the Administration's objectives for placed-based initiatives and Justice40 investments.

Overview
LPO's mission is to catalyze innovation and investments across all industries in the U.S. energy sector, to promote technological advances, and increase energy affordability, performance, and efficiency. LPO is helping the US to build the next generation of energy infrastructure by investing in new technologies to reduce carbon emissions and air pollution and meet the Administration's goals of net-zero emissions, economy-wide, by 2050.

The programs administered by LPO have already accelerated the growth of utility wind and solar and revived nuclear construction in the U.S. and now are being applied to catalyze other new energy technologies that can transform existing energy infrastructure and expand domestic manufacturing of electric vehicles and components, improving the lives of all Americans and creating high quality jobs. LPO can provide access to debt not typically available in the commercial sector. Projects financed by LPO will build and upgrade American energy infrastructure and develop a clean energy economy that will spur well-paying, union jobs and equitable economic growth, accelerate clean technology innovation, commercialization, manufacturing, and deployment, bolster domestic supply chains, and promote globally competitive American clean energy exports.

Title 17 Innovative Technology Loan Guarantee (Title 17) Program – Authorized by Title XVII of the Energy Policy Act of 2005, the program supports the Title 17 Innovative Clean Energy Loan Guarantee Program (Title 17 ICE or Section 1703), and supports, but does not request new appropriations for, the Energy Infrastructure Reinvestment Program (Title 17 EIR or Section 1706).

Title 17 ICE provides loan guarantees for innovative energy projects that include energy efficient and renewable energy systems, advanced nuclear facilities, advanced fossil and carbon capture, sequestration, utilization and storage systems, energy storage, virtual power plants, and various other types of projects. Through Title 17 ICE, LPO provides access to debt capital for high-impact and large-scale energy infrastructure projects and first-time commercial deployments in the United States.

In FY 2024, LPO will support a range of eligible projects through the Title 17 ICE available loan guarantee authority of $76.9 billion as of February 2023. The Department expects to obligate approximately $6.2 billion of Title 17 ICE loan authority in FY 2023 and approximately $20.5 billion in FY 2024. The FY 2024 Budget Request includes $70 million, wholly offset by an estimated $196.5 million in collected fees, for administrative expenses to continue originating loans for the Title 17 Loan Guarantee Program, as well as to effectively monitor the existing portfolio. In FY 2023, LPO will use approximately $10 million in available balances carried forward from prior-year appropriations to cover anticipated loan origination and loan portfolio monitoring activity. An increase of 17 Federal FTEs is included in the request. Finally, the FY 2024 Request supports ongoing implementation of investments authorized under the IIJA and IRA, including projects to finance domestic critical minerals supply chain and state energy financing institution-backed projects through Title 17 ICE, as well as the Energy Infrastructure Reinvestment Program.

Advanced Technology Vehicles Manufacturing Program (ATVM) – Authorized by Section 136 of Energy Independence and Security Act of 2007, P.L. 110-140 as amended, the direct loan program supports reequipping, expanding, or establishing manufacturing facilities in the U.S. for fuel-efficient advanced technology vehicles or qualifying components, or for engineering integration performed in the U.S. for advanced technology vehicles or qualifying components.

The Infrastructure Investment and Jobs Act (IIJA) expanded the definition of advanced technology vehicle to include advanced medium- and heavy-duty vehicles, locomotives, maritime vessels, aircraft, and hyperloop technology. Prior to the passage of the IIJA, ATVM authorities were limited to supporting manufacturing of light-duty vehicles and components. The Inflation Reduction Act (IRA) provided appropriations of $3 billion in credit subsidy to support new ATVM loans and unlocked the IIJA-expanded advanced technology vehicle modes. The Consolidated Appropriations Act, 2023, removed the prohibition on the use of existing authority and appropriated credit subsidy for the expanded eligibilities. LPO believes the expanded authorities provided through IIJA, which LPO provided initial implementing guidance for in FY 2022, can be leveraged by the ATVM program to reduce transportation emissions and create good paying jobs. In addition to providing appropriations, the IRA also removed the $25 billion loan authority cap established under Section 136(d)(1) of the Energy Independence and Security Act of 2007.

To date, projects that have been financed in part by ATVM loans have produced vehicles that are estimated to have saved over 19 billion gallons of gasoline, equivalent to a cumulative 26 million metric tons of carbon dioxide emissions, and created more than 43,000 direct jobs across eight states, LPO's ATVM loan program has played a key role in helping the American auto industry propel the resurgence of manufacturing in the United States.

Tribal Energy Loan Guarantee Program (TELGP) – The LPO Tribal Energy Loan Guarantee Program (TELGP) is authorized by Section 2602 of the Energy Policy Act of 1992, as amended by the Energy Policy Act of 2005. The FY 2024 Budget requests $6.3 million to continue origination and anticipated monitoring related activities for TELGP to provide economic development opportunities and access to lower-cost energy in tribal communities through the development of energy projects.

In the Consolidated Appropriations Act, 2022, Congress enacted a change for that Fiscal Year, which was subsequently made permanent by the Inflation Reduction Act of 2022 (IRA), to broaden TELGP authority to allow applicants to apply for direct loans financed by the United States (U.S.) Treasury Federal Financing Bank and guaranteed by the Department, in addition to partial loan guarantees of other eligible lenders. The IRA also increased the aggregate amount of loans available at any time under TELGP from $2 billion to $20 billion and provided $75 million in appropriations to carry out the program. This change – in addition to other changes in FY 2022 to the TELGP solicitation to clarify ownership requirements, lending obligations, and fees – has increased interest in and accessibility to TELGP loans.

TELGP can provide loans to federally recognized Indian tribes and Alaska Native Corporations for a broad range of conventional and clean energy projects. The program is fully aligned with the Biden Administration's goal that at least 40% of the overall benefits of federal climate investments flow to disadvantaged communities.

CIFIA

Section 40304 of the Infrastructure Investment and Jobs Act of 2021 established the Carbon Dioxide Transportation Infrastructure Finance and Innovation Account (CIFIA) program, consisting of direct loans, loan guarantees, and/or grants to establish a regional network of large scale, common carrier carbon dioxide transportation infrastructure in the U.S. In FY 2022, the Loan Programs Office (LPO), in coordination with the Office of Fossil Energy and Carbon Management (FECM), designed the implementation strategy for CIFIA, which is authorized to begin disbursing loans and grants beginning in FY 2023.

In FY 2022, FECM, in conjunction with LPO, released Guidance to applicants for how to apply for CIFIA loans, began accepting Letters of Interest for loans, and invited potential applicants to request a pre-application consultation. In the Spring of 2022, LPO and FECM participated in a series of Regional Carbon Management Applicant Education Workshops to engage stakeholders on design and implementation of the program. The insights gathered have been carefully considered and incorporated in detailed program Guidance.

Organization

The Loan Programs Office (LPO) currently utilizes seven divisions to originate new loans and proactively monitor the portfolio: Outreach and Business Development Division, Origination Division, Portfolio Management Division, Risk Management Division, Technical and Project Management Division, Legal Division, and Management Operations Division.

The Outreach and Business Development Division is charged with identifying and establishing relationships with potential applicants and other external stakeholders deemed necessary to help meet LPO's strategic objectives.

The Origination Division is responsible for coordinating the assessments of applications and leads the credit underwriting of truncations and the negotiating, closing and first disbursements of loans or loan guarantees.

The Portfolio Management Division (PMD) leads LPO's monitoring functions by approving disbursements, repayments, operating budgets, and long-term forecasts. In the event of non-payment and/or default, PMD leads activities to maximize recoveries either through bankruptcy, note sale, or compromise of the claim.

The Risk Management Division conducts continuous risk assessments of potential new loans as well as the assets in the portfolio to comply with regulatory requirements such as OMB Circular No. A-129 of the Federal Credit Reform Action of 1990.

The Technical and Project Management Division (TPMD) evaluates the technical performance of assets and project management throughout the entire lifecycle of the loan to ensure that the technical requirements of the loan agreement are met. TPMD conducts site visits, provides expertise on project construction status and budget, and identifies potential technical risks that inhibit the borrower's ability to meet requirements and repay the loan. TPMD's Environmental Compliance (EC) team ensures that applicants' projects meet federal environmental regulatory standards by helping applicants navigate through required reviews and consultations prior to loan closing.

The Legal Division supports origination and underwriting of new transactions as well as all on-going monitoring activities, negotiations and documentations of waivers, consents, routine loan amendments, approvals and denials of transfer withdrawals, and legal aspects of any project developments. The division participates in business development and outreach activities and provides support to LPO on regulatory and administrative matters.

The Management and Operation Division is responsible for LPO employee resources, administrating and monitoring LPO administrative and working capital funds, providing enterprise architecture and information technology support, and providing contract administration to obtain services.

INFLATION REDUCTION ACT (IRA/P.L. 117-169)
Activities

Loan Programs Office was appropriated funds through the Inflation Reduction Act of 2022 (IRA). Activities that Loan Programs Office will manage, including those appropriated to other organizations, are itemized below.

	FY 2022 IRA Funding	Managing Organization
Title 17 Innovative Technology Loan Guarantee Program – Sec. 50141		
Credit Subsidy	3,492,000,000	LPO
Administrative Expenses	108,000,000	LPO
Total, Title 17 Innovative Technology Loan Guarantee Program – Sec. 5014	3,600,000,000	
Energy Infrastructure Reinvestment Loan Guarantee Program – Sec. 50144		
Credit Subsidy	4,750,000,000	LPO
Administrative Expenses	250,000,000	LPO
Total, Energy Infrastructure Reinvestment Loan Guarantee Program – Sec. 50144	5,000,000,000	
Advanced Technology Vehicles Manufacturing Loan Program – Sec. 50142		
Credit Subsidy	2,975,000,000	LPO
Administrative Expenses	25,000,000	LPO
Total, Advanced Technology Vehicles Manufacturing Loan Program – Sec. 50142	3,000,000,000	
Tribal Energy Loan Guarantee Program – Sec. 50145		
Credit Subsidy	71,250,000	LPO
Administrative Expenses	3,750,000	LPO
Total, Tribal Energy Loan Guarantee Program – Sec. 50145	75,000,000	

Summary of Investment Goals and Planned FY 2024 Activities

● Title 17 Innovative Technology Loan Guarantee Program – Section 1703 Credit Subsidy: The goal of this investment is to support issuance of new loan guarantees to projects that either were eligible under section 1703 of the Energy Policy Act of 2005 or become eligible due to the Infrastructure Investment and Jobs Act (IIJA) that expanded eligible activities to support projects involving critical minerals processing, manufacturing, and recycling. The IRA provided an additional $40 billion in loan guarantee authority and $3.5 billion to cover the cost of loans. In FY 2023, LPO estimates $322 million of the credit subsidy funding will be obligated in support of $4.6 billion of loan guarantees. In FY 2024, LPO expects to issue seven loan guarantees totaling $9.5 billion under this program, with an estimated combined credit subsidy cost of $934 million.

● Title 17 Innovative Technology Loan Guarantee Program – Administrative Expenses: The goal of this investment is to fund personnel and mission support costs to originate, administer, and monitor loan guarantees under this program. In FY 2024, LPO plans to use $27 million to support 20 federal FTEs and support costs including necessary outside consultants, contractors, information technology, and overhead expenses to continue to implement the Title 17 Innovative Technology Loan Guarantee Program.

● Title 17 Innovative Technology Loan Guarantee Program – Section 1706 Credit Subsidy: The goal of this investment is to support issuance of new loan guarantees under the Energy Infrastructure Reinvestment Program (section 1706) created by the IRA to help retool, repower, repurpose, or replace energy infrastructure that has ceased operations or to improve the efficiency of infrastructure that is currently operating. The IRA provided $5 billion to carry out the new program and up to $250 billion in loan guarantee authority. In FY 2024, LPO expects to issue two loan guarantees totaling $5 billion under this program, with an estimated combined credit subsidy cost of $405 million.

● Title 17 Innovative Technology Loan Guarantee Program – Section 1706 Administrative Expenses: The goal of this investment is to fund personnel and mission support costs to originate, administer, and monitor loan guarantees under this program. In FY 2024, LPO planes to use $32 million to support 20 federal FTEs and support costs including necessary outside consultants, information technology, and overhead expenses to continue to implement investments authorized under the IRA.

● Advanced Technology Vehicles Manufacturing Loan Program Credit Subsidy: The goal of this investment is for the Secretary to issue loans for a range of advanced technology vehicles and their components, including newly authorized uses from the IIJA, which to date had not been funded. Expanded uses include medium- and heavy-duty vehicles, locomotives, maritime vessels including offshore wind vessels, aviation, and hyperloop. The IRA removed the statutory limitation on direct loan authority and provided $3 billion of additional appropriations, including $2.975 billion in credit subsidy. In FY 2023, LPO estimates use $961 million of the credit subsidy funding will be obligated in support of nine loans totaling $14.9 billion. In FY 2024, LPO expects to issue approximately 11 direct loans totaling approximately $16 billion.

● Advanced Technology Vehicles Manufacturing Loan Program Administrative Expenses: The goal of this investment is to fund personnel and mission support costs to originate, administer, and monitor loans under this program. In FY 2024, LPO plans to use $12 million to support 20 federal FTEs and support costs including necessary outside consultants, information technology, and overhead expenses to continue to implement investments authorized under the IRA and in previous legislation.

● Tribal Energy Loan Guarantee Program Credit Subsidy: The goal of this investment is to provide direct loans or partial loan guarantees to federally recognized tribes, including Alaska Native village or regional or village corporations; or a Tribal Energy Development Organization that is wholly or substantially owned by a federally recognized Indian tribe or Alaska Native Corporation. In addition to the access to existing partial loan guarantees, the IRA provided permanent access to eligible borrowers to direct loans through the U.S. Treasury's Federal Financing Bank (FFB). In FY 2024, LPO expects to issue four loan guarantees totaling $1.8 billion in direct loans with an estimated combined credit subsidy cost of $2 million.

● Tribal Energy Loan Guarantee Program Administrative Expenses: The goal of this investment is to fund personnel and mission support costs to originate, administer, and monitor loans and loan guarantees under this program. In FY 2024, LPO plans to use $750,000 to support 2 federal FTEs and support costs including necessary outside consultants, information technology, and overhead expenses to continue to implement investments authorized under the IRA and in previous legislation.

Carbon Dioxide Transportation Infrastructure Finance and Innovation
Infrastructure Investment and Jobs Act Investments

Office of Fossil Energy Carbon Management (FECM) was appropriated funds through the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58). Not all IIJA activities will be managed by the organization to which funds were appropriated. The activity that Loan Programs Office will manage is itemized below.

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Appropriated Funding Organization	FY 2022 IIJA Funding	FY 2023 IIJA Funding	FY 2024 IIJA Funding	Managing Organization
Fossil Energy Carbon Management				
CIFIA – Sec. 40304	3,000	2,097,000	0	LPO
Total, LPO IIJA Coordination	**3,000**	**2,097,000**	**0**	

Summary of Investment Goals and Planned FY 2024 Activities

- Section 40304 of the IIJA established the Carbon Dioxide Transportation Infrastructure Finance and Innovation (CIFIA) program, consisting of direct loans, loan guarantees, and/or grants to establish a regional network of large scale, common carrier carbon dioxide transportation infrastructure in the U.S. In FY 2022, FECM, in conjunction with LPO, released guidance to applicants for how to apply for CIFIA loans, began accepting Letters of Interest for loans, and invited potential applicants to request a pre-application consultation. The FY 2024 Budget does not request new appropriations for the CIFIA program.

- The CIFIA program can provide large scale, common carrier carbon dioxide transportation projects, including pipelines, rail, shipping, and trucking, with access to equity and debt capital that the private sector cannot or will not provide. The LPO, which has developed a credible expertise resulting from more than a decade of experience administering several financing programs to support the deployment of large-scale energy infrastructure projects, is a committed partner in the early stages of development and throughout the lifetime of the project while monitoring the funds provided. Carbon dioxide transportation projects supported by CIFIA will contribute to the reduction of carbon emissions by enhancing access to high-purity carbon dioxide for utilization or permanent sequestration and create new job opportunities with a free and fair choice to join a union.

- The CIFIA program is authorized to provide long-term, low-interest rate debt capital to companies for development of large scale, common carrier carbon dioxide transportation infrastructure, as well as Future Growth Grants to cover a portion of the cost differential between the base case and an expansion case associated with predicted future increase in demand for carbon dioxide transportation by a pipeline. Utilizing a combination of both loans or loan guarantees and grants will allow the Administration to future-proof pipeline capacity and drastically reduce land-use requirements, costs, and the environmental and societal impact of the buildout of carbon dioxide transportation infrastructure.

Title 17 Innovative Technology Loan Guarantee Program
Proposed Appropriation Language

Such sums as are derived from amounts received from borrowers pursuant to section 1702(b) of the Energy Policy Act of 2005 under this heading in prior Acts, shall be collected in accordance with section 502(7) of the Congressional Budget Act of 1974: Provided, That for necessary administrative expenses of the Title 17 Innovative Technology Loan Guarantee Program, as authorized, [$66,206,000]*$70,000,000* is appropriated, to remain available until September 30, [2024]*2025* Provided further, That up to [$66,206,000]*$70,000,000* of fees collected in fiscal year [2023]*2024* pursuant to section 1702(h) of the Energy Policy Act of 2005 shall be credited as offsetting collections under this heading and used for necessary administrative expenses in this appropriation and shall remain available until September 30, [2024]*2025*: Provided further, That to the extent that fees collected in fiscal year [2023]*2024* exceed [$66,206,000,]*$70,000,000*, those excess amounts shall be credited as offsetting collections under this heading and available in future fiscal years only to the extent provided in advance in appropriations Acts: Provided further, That the sum herein appropriated from the general fund shall be reduced (1) as such fees are received during fiscal year [2023]*2024* (estimated at [$35,000,000]*$196,524,000*) and (2) to the extent that any remaining general fund appropriations can be derived from fees collected in previous fiscal years that are not otherwise appropriated, so as to result in a final fiscal year [2023]*2024* appropriation from the general fund estimated at $0: Provided further, That the Department of Energy shall not subordinate any loan obligation to other financing in violation of section 1702 of the Energy Policy Act of 2005 or subordinate any Guaranteed Obligation to any loan or other debt obligations in violation of section [609.10]*609.8* of title 10, Code of Federal Regulations.

[Of the unobligated balances from amounts made available in the first proviso of section 1425 of the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (Public Law 112-10) for the cost of loan guarantees under section 1703 of the Energy Policy Act of 2005, $150,000,000 are hereby permanently rescinded: Provided, That, subject to section 502 of the Congressional Budget Act of 1974, commitments to guarantee loans for eligible projects under title XVII of the Energy Policy Act of 2005, shall not exceed a total principal amount of $15,000,000,000, to remain available until committed: Provided further, That the amounts provided under this paragraph are in addition to those provided in any other Act: Provided further, That for amounts collected pursuant to section 1702(b)(2) of the Energy Policy Act of 2005, the source of such payment received from borrowers may not be a loan or other debt obligation that is guaranteed by the Federal Government: Provided further, That none of such loan guarantee authority made available under this paragraph shall be available for commitments to guarantee loans for any projects where funds, personnel, or property (tangible or intangible) of any Federal agency, instrumentality, personnel, or affiliated entity are expected be used (directly or indirectly) through acquisitions, contracts, demonstrations, exchanges, grants, incentives, leases, procurements, sales, other transaction authority, or other arrangements, to support the project or to obtain goods or services from the project: Provided further, That the preceding proviso shall not be interpreted as precluding the use of the loan guarantee authority provided under this paragraph for commitments to guarantee loans for: (1) projects as a result of such projects benefitting from otherwise allowable Federal income tax benefits; (2) projects as a result of such projects benefitting from being located on Federal land pursuant to a lease or right-of-way agreement for which all consideration for all uses is: (A) paid exclusively in cash; (B) deposited in the Treasury as offsetting receipts; and (C) equal to the fair market value as determined by the head of the relevant Federal agency; (3) projects as a result of such projects benefitting from Federal insurance programs, including under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210; commonly known as the "Price-Anderson Act"); or (4) electric generation projects using transmission facilities owned or operated by a Federal Power Marketing Administration or the Tennessee Valley Authority that have been authorized, approved, and financed independent of the project receiving the guarantee: Provided further, That none of the loan guarantee authority made available under this paragraph shall be available for any project unless the Director of the Office of Management and Budget has certified in advance in writing that the loan guarantee and the project comply with the provisions under this paragraph.]

Energy and Water Development and Related Agencies Appropriations Act, 2023.)

Explanation of Changes

The FY 2024 Budget Request includes $70 million, wholly offset by an estimated $196.5 million in collected fees, for administrative expenses to continue originating loans for the Title 17 Innovative Technology Loan Guarantee Program, as well as to effectively monitor the existing portfolio. A correction to the Code of Federal Regulations reference is also included.

Public Law Authorizations

- P.L. 109-58, Energy Policy Act of 2005, as amended
- P.L. 110-5, Revised Continuing Appropriations Resolution, 2007
- P.L. 111-5, American Recovery and Reinvestment Act of 2009
- P.L. 111-8, Omnibus Appropriations Act, 2009
- P.L. 112-10, Department of Defense and Full-Year Continuing Appropriations Act, 2011
- P.L. 117-58, Infrastructure Investment and Jobs Act
- P. L. 117-169, Inflation Reduction Act of 2022
- P.L. 117-328, Consolidated Appropriations Act, 2023

Title 17 Innovative Technology Loan Guarantee Program
($K)

FY 2022 Enacted	FY 2023 Enacted	FY 2024 Request
25,712	-136,018	-126,524

Overview

The Budget Request for the Loan Programs Office (LPO) Title 17 Innovative Technology Loan Guarantee Program (Title 17) supports the Title 17 Innovative Clean Energy Loan Guarantee Program (Title 17 ICE), and supports, but does not request new appropriations for, the Energy Infrastructure Reinvestment Program (Title 17 EIR) created by the Inflation Reduction Act (IRA). Title 17 ICE supports efforts to address the climate crisis and achieve a net-zero carbon emission economy by no later than 2050 by accelerating the deployment of innovative projects to help launch new clean energy markets, reduce greenhouse gas emissions, and drive American economic growth by providing flexible, custom financing and access to debt capital that helps to meet specific project needs. Title 17 ICE provides loan guarantees for innovative energy projects that include energy efficient and renewable energy systems, advanced nuclear facilities, advanced fossil and carbon capture, sequestration, utilization and storage systems, energy storage, virtual power plants, and various other types of projects. Through Title 17 ICE, LPO provides access to debt capital for high-impact and large-scale energy infrastructure projects and first-time commercial deployments in the United States. These projects must avoid, reduce, or sequester air pollutants or anthropogenic emissions of greenhouse gases; employ new or significantly improved technologies compared to commercial technologies in service in the United States at the time the guarantee is issued; and offer a reasonable prospect of repayment of the principal and interest on the guaranteed obligation. In addition, Title 17 ICE provides loan guarantees to eligible supply chain projects, and to non-innovative projects provided financial support or credit enhancements by eligible State Energy Financing Institutions (SEFIs). Through Title 17 EIR, LPO can support up to $250 billion in loan guarantees for energy infrastructure-related projects that will reinvest in energy infrastructure that has ceased operations, or for projects proposing to make operating energy infrastructure more efficient.

In the Consolidated Appropriations Act, 2023, Congress converted $150 million in existing Title 17 ICE credit subsidy appropriations to $15 billion in additional Title 17 ICE loan guarantee authority, open to a range of eligible technologies. As of the end of January 2023, the Department had over $91 billion in requested applications under Title 17 ICE across eligible technologies, with another approximately $24 billion in loan applications expected to enter the application pipeline by the third quarter of FY 2023. Inclusive of loan authority provided for Title 17 ICE by the IRA, LPO has a total of approximately $77 billion in Title 17 ICE loan authority available. The Department expects to obligate approximately $6.2 billion of Title 17 ICE loan authority in FY 2023 and approximately $20.5 billion of this authority in FY 2024. The Department will continue to ensure that Congress is informed of the amount and timing of the anticipated application pipeline as LPO works to obligate available resources.

The Budget requests $70 million, wholly offset by an estimated $196.5 million in collected fees, for administrative expenses to allow LPO to continue originating loans for the Title 17 Loan Guarantee Program, as well as to effectively monitor the existing portfolio, assist applicants in achieving project milestones and overcoming issues that may arise, and provide guidance and risk mitigation for the long-term success of projects.

In addition, the FY 2024 Request for Title 17 supports the ongoing implementation of the expanded authority under the Infrastructure Investment and Jobs Act (IIJA). This includes supporting eligible projects that bolster the domestic critical minerals supply chain, in line with addressing critical supply chain vulnerabilities as identified in Executive Order 14017, America's Supply Chains, and the subsequent 100-Day Reviews. The Request also supports IIJA's expansion of Title 17 to eligible projects supported by SEFIs, including State, Tribal, and Alaska Native corporation-backed energy projects. This new authority, which LPO provided initial implementing guidance for in FY 2022, would allow for smaller, distributed energy resource (DER) projects to access LPO financing more readily through aggregation, such as through state Green Bank or equivalent programs, including projects that employ already commercially available technologies that meet air pollutant and emissions requirements, as well as other Title 17 criteria.

While the FY 2024 Budget does not request new appropriations for the Energy Infrastructure Reinvestment program created by the IRA, LPO will continue implementing EIR through the Request period. This builds on early implementation of

EIR, including initial implementing guidance released publicly in FY 2022, and over a dozen listening sessions held on the program to date. An implementing rulemaking planned for FY 2023 for Title 17, including EIR and expanded ICE authorities under the IIJA, will provide further direction on newly authorized or amended programs under Title 17.

The FY 2024 Request continues to ensure that Federal funding no longer directly subsidizes fossil fuels, as required in Section 209 of Executive Order 14008, Tackling the Climate Crisis at Home and Abroad. The Loan Programs Office will ensure that the Title 17 program is only encouraging projects that help achieve a carbon-pollution free electric sector by 2035 and net-zero emissions, economy-wide, by 2050.

History
Section 1703 of the Energy Policy Act of 2005 authorized DOE to provide loan guarantees for innovative energy projects in categories including advanced nuclear facilities, coal gasification, carbon sequestration, energy efficiency, renewable energy systems, and various other types of projects. Projects supported by DOE loan guarantees must avoid, reduce, or sequester pollutants or anthropogenic emissions of greenhouse gases; employ new or significantly improved technologies compared to commercial technologies in service in the United States at the time the guarantee is issued; and offer a reasonable prospect of repayment of the principal and interest on the guaranteed obligation. Section 406 of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5 amended Title 17 of the Energy Policy Act of 2005 by establishing Section 1705 as a temporary program for the rapid deployment of renewable energy and electric power transmission projects, as well as leading edge biofuels projects. The authority to enter into new loan guarantees under Section 1705 expired on September 30, 2011, but the program continues to administer and monitor the portfolio of loan guarantees obligated prior to the expiration date.

The passage of the IIJA in 2021 expanded Title 17 ICE authorities. For example, IIJA expanded the ability of LPO to support critical minerals processing, manufacturing, and recycling projects. In addition, IIJA allowed for projects that are receiving financial support by a state energy financing institution – state energy authorities, green banks, and others – to be exempt from Title 17 section 1703 innovation requirements, allowing projects that incorporate already commercial technologies, such as virtual power plants (VPPs) and aggregation of smaller projects, to be eligible for LPO loan guarantees.

The Inflation Reduction Act appropriated an additional $40 billion of loan authority for projects eligible for loan guarantees under section 1703 of the Energy Policy Act of 2005, to remain available through September 30, 2026. IRA also appropriated $3.6 billion in additional credit subsidy to support the cost of those loans and sets aside a percentage of these amounts for administrative expenses to help carry out the program, including monitoring and originating new loans. IRA also added a new loan program, the Energy Infrastructure Reinvestment (EIR) Program, to guarantee loans to projects that retool, repower, repurpose, or replace energy infrastructure that has ceased operations, or enable operating energy infrastructure to avoid, reduce, utilize, or sequester air pollutants or anthropogenic emissions of greenhouse gases. IRA appropriated $5 billion through September 30, 2026, to carry out EIR, with a total cap on loans of up to $250 billion.

Over the past decade, LPO has issued 38 Title 17 loan guarantees totaling more than $27.8 billion at initial closing, with $24.8 billion disbursed. To date, borrowers have repaid nearly $7 billion in principal and over $3 billion in interest. Meanwhile, the program has recorded less than $1 billion in losses due to default, or 3.5% of funds disbursed. Of the 38 Title 17 loan guarantees, 32 were issued between 2009 and 2011 under Section 1705. By providing access to debt capital and flexible financing that private lenders cannot or will not provide, the Title 17 ICE program has allowed the U.S. to keep pace with other nations' clean energy sector growth.

Among its recent achievements, the Title 17 ICE program, in FY 2022, closed on a $504.4 million loan guarantee to the Advanced Clean Energy Storage project in Utah, marking the first loan guarantee for a new clean energy technology project since 2014. The loan guarantee will help finance construction of the largest clean hydrogen storage facility in the world, capable of providing long-term low-cost, seasonal energy storage, and furthering grid stability. The project is expected to create up to 400 construction and 25 operations jobs, as well as advance President Biden's climate and clean energy deployment goal of net-zero emissions, economy-wide, by 2050. This builds on the FY 2021 conditional commitment to guarantee a loan of up to $1.04 billion to Monolith Nebraska, LLC to expand the borrower's existing production facility in Hallam, Nebraska, to build the United States' the first-ever commercial-scale facility to deploy methane pyrolysis technology, which converts natural gas into carbon black and hydrogen.

Together, Title 17 ICE projects have supported tens of thousands of good-paying jobs across 11 states, collectively avoided almost 40 million tonnes of carbon emissions to-date, and will bolster clean power generation and industrial processes for decades to come. These are figures that steadily increase annually and with each new loan guarantee that is finalized.

Portfolio Project Data	*Title 17 Innovative Clean Energy Loan Guarantee Program (ICE) – 1/31/2023*
Total Number of Active Projects	15[1]
Number of Projects in Construction	2
Number of Projects in Operation	13
Generation Capacity (MW)	3,963
Electricity Generated (GWh, Cum.)	>90,000
CO_2 Avoided (Mtons, Cum.)	>40

This FY 2024 Request will allow LPO to continue Outreach and Business Development activities, including developing marketing materials, engaging in stakeholder outreach, and ensuring that LPO's unique value proposition is widely known in the innovative energy technology market. LPO outreach efforts will focus on attracting quality applications into the Title 17 applicant pipeline and moving these applications through conditional commitment to financial close.

As part of its business development activities, LPO provides guidance and feedback to potential applicants through in-house financial, technical, environmental, and legal staff on how to submit successful Title 17 applications. This Budget will allow LPO to continue providing this valuable function.

Title 17 Innovative Clean Energy Loan Guarantee Program (ICE) Applications as of Feb. 28, 2022

	Total loan authority requested	*Available loan authority*
Tile 17 ICE	$91.9 billion	$76.9 billion

Strong applicant interest in Title 17 ICE, as well as LPO's efforts to identify and evaluate new applicants and originate new loans, is expected to continue to impact available loan authority in FY 2024 and beyond. Based on the current applicant pipeline, LPO anticipates obligating approximately $6.2 billion of Title 17 ICE loan authority in FY 2023 and approximately $20.5 billion of loan authority in FY 2024.

Highlights and Major Changes in the FY 2024 Budget Request

In FY 2024, LPO will support a range of eligible projects through the Title 17 ICE available loan authority of $76.9 billion as of February 2023. The FY 2024 Budget Request includes $70 million, wholly offset by an estimated $196.5 million in collected fees, for administrative expenses to continue originating loans for the Title 17 Loan Guarantee Program, as well as to effectively monitor the existing portfolio. In FY 2023, LPO will use approximately $10 million in available balances carried forward from prior-year appropriations to cover anticipated loan origination and loan portfolio monitoring activity. An increase of 17 Federal FTEs is included in the request. Finally, the FY 2024 Request supports ongoing implementation of investments authorized under the IIJA and IRA, including projects to finance domestic critical minerals supply chain and state energy financing institution-backed projects through Title 17 ICE, as well as the Energy Infrastructure Reinvestment Program.

[1] The number of loan guarantees and projects are different because multiple loan guarantees may be issued for a project.

Title 17 Innovative Technology Loan Guarantee Program
$K

	FY 2022 Enacted	FY 2023 Enacted	FY 2024 Request	FY 2024 Request vs FY 2023 Enacted ($)	FY 2024 Request vs FY 2023 Enacted (%)
Title 17 Innovative Technology Loan Guarantee Program					
Administrative Expenses	32,000	66,206	70,000	+3,794	5%
Offsetting Collections	-6,288	-52,224	-196,524	-144,300	276%
Rescission of Prior Year Balances	0	-150,000	0	+150,000	NM
Total, Title 17 Innovative Technology Loan Guarantee Program	**25,712**	**-136,018**	**-126,524**	**+9,494**	**7%**

Title 17 Innovative Technology Loan Guarantee Program
Explanation of Major Changes ($k)

	FY 2024 Request vs FY 2023 Enacted
Administrative Expenses:	**+3,794**
Increase is needed to support a total of 119 FTEs, an increase of 17 from FY2023, and to pay for the costs of contractor, outside advisors and overhead expenses.	
Offsetting Collections:	**-144,300**
LPO anticipates receiving $6.7 million in maintenance fees from the current and anticipated portfolio and $196.5 million in fees associated with the use of $25.5 billion guaranteed loan authority FY 2024. Fees associated with the Energy Infrastructure Reinvestment (EIR) Program will be credited as offsetting collections in addition to the fees from Title 17 ICE.	
Rescission of Prior Year Balances	**+150,000**
A recission of prior year balances is not requested for FY 2024.	
Total, Title 17 Innovative Technology Loan Guarantee Program	**+9,494**

Administrative Expenses
$K

	FY 2022	FY 2023	FY 2024	FY 2024 Request vs FY	FY 2024 Request vs FY
Administrative Expenses					
Salaries & Benefits	16,903	21,797	26,418	+ 4,621	21%
Travel	171	439	481	+ 42	10%
Support Services	10,811	36,377	34,661	- 1,716	-5%
Other Related Expenses	4,115	7,593	8,440	+ 847	11%
Total, Administrative Expenses	**32,000**	**66,206**	**69,700**	+ 3,794	6%
Federal FTEs					
LPO	77	100	115	+ 15	15%
Office of the General Counsel	1	1	1	0	0%
Office of Management	1	1	3	+ 2	200%
Total, Federal FTEs	**79**	**102**	**119**	+ 17	17%
Support Services					
Management and Professional Support Services					
Mission Support	10,811	27,679	25,900	- 1,779	-6%
IT Support	0	8,698	8,761	+ 63	1%
Total, Management and Professional Support Services	10,811	36,377	34,661	- 1,716	-5%
Total, Support Services	10,811[2]	36,377	34,661	- 1,716	-5%
Other Related Expenses					
Communication and Misc. Charges Related to IT	254	280	340	+ 60	21%
Other Services	40	850	890	+ 40	5%
Working Capital Fund	2,823	2,643	3,240	+ 597	23%
Operation and Maintenance of Facilities	330	3,000	3,000	0	0%
Supplies, Subscriptions and Publications	639	590	600	+ 10	2%
Equipment	29	230	370	+ 140	61%

[2] $10,811,000 does not include $18,639,349 in Support Services funded by available unobligated balance carried over from prior fiscal years.

Total, Other Related Expenses	4,115	7,593	8,440	+ 847	11%

$K

Activities and Explanation of Changes

FY 2023 Enacted	FY 2024 Request	Explanation of Changes FY 2024 Request vs FY 2023 Enacted
Salaries and Benefits		
21,797	**26,418**	**+4,621**
· Provided salaries and benefits expenses, including a 4.6% raise effective January 1, 2023, for 102 full-time equivalent employees in support of the Title 17 program across the Loans Programs Office.	· Provides for salaries and benefits of 119 full-time equivalent employees across the Loans Programs Office. Estimate includes 5.2% raise effective January 1, 2024.	· Funds 17 additional FTEs to support enhanced loan activity.
Travel		
439	**481**	**+42**
· Supported the travel of staff to attend meetings, conferences, and site visits if needed.	· Supports the travel of staff to attend meetings, conferences, and site visits if needed.	· Increase is due to the travel of additional staff and continued normalization from the restrictions imposed by the COVID-19 pandemic.
Support Services		
36,377	**34,661**	**-1,716**
· Supported a range of contract services including administrative support, training, subject matter experts, legal services, information technology, credit analysis, and market assessments. The total information technology cost for LPO is $10,036,000 in FY23; $8,698,000 is included within Title 17.	· Supports a range of contract services including administrative support, training, all aspects of loan guarantee origination activities, including, subject matter experts, legal services, information technology, credit analysis, and market assessments. The total information technology costs for LPO is $10,231,000; $8,761,000 is included within Title 17.	· A reduction in contractor-provided support is planned as federal staff is increased.
Other Related Expenses		
7,593	**8,440**	**+847**

FY 2023 Enacted	FY 2024 Request	Explanation of Changes FY 2024 Request vs FY 2023 Enacted
· Supports DOE Working Capital Fund, software expenses, equipment, other services including conferences attendance fees, and publications. The total LPO WCF estimate for FY 2023 is $3,109,000, $2,643,000 is included within Title 17.	· Supports DOE Working Capital Fund, software expenses, equipment, other services including conferences attendance fees, and publications. The total LPO WCF estimate for FY 2024 is $3,820,000, $3,240,000 is included within Title 17.	· Increase reflects the overhead expenses required to support the additional federal FTEs relative to FY 2023.

Advanced Technology Vehicles Manufacturing Loan Program
Proposed Appropriation Language

For Department of Energy administrative expenses necessary in carrying out the Advanced Technology Vehicles Manufacturing Loan Program, [$9,800,000] *$13,000,000*, to remain available until September 30, [2024] *2025*.

(Energy and Water Development and Related Agencies Appropriations Act, 2023.)

Explanation of Changes

The FY 2024 Budget requests $13 million to continue to support the increased loan origination and portfolio monitoring activities under the Advanced Technology Vehicles Manufacturing Loan Program (ATVM). The proposed language above shows changes from the Energy and Water Development and Related Agencies Appropriations Act, 2023.

Public Law Authorizations

- P.L. 110-140, Energy Independence and Security Act of 2007, as amended
- P.L. 110–329, Consolidated Security, Disaster Assistance, and Continuing Appropriations Act of 2009
- P.L. 117-58, Infrastructure Investment and Jobs Act
- P.L. 117-169, Inflation Reduction Act of 2022
- P.L. 117-328, Consolidated Appropriations Act, 2023

Overview
The Budget proposes $13 million to originate ATVM direct loans and continue the program's portfolio monitoring responsibilities. While the FY 2024 Budget Request does not request new loan authority, LPO anticipates obligating an estimated $14.9 billion in loans in FY 2023, and $15.9 billion in FY 2024. The proposed increase in administrative expenses in FY 2024 would support this increase in anticipated ATVM loan origination.

ATVM provides loans for the cost of re-equipping, expanding, or establishing manufacturing facilities in the United States (U.S.) to produce advanced technology vehicles or qualified components and for associated engineering integration costs. Through ATVM, LPO can provide advanced technology vehicle and supply chain projects and other high-impact ventures access to debt capital that private lenders cannot or will not provide, given the lack of history with new technology that is considered cutting edge. LPO is a committed partner in the early stages of development and throughout the lifetime of the project while monitoring the loans provided. The advanced technologies being proposed and developed will contribute to the reduction of carbon emissions and create new domestic manufacturing job opportunities with a free and fair choice to join a union.

The program has been key in propelling the resurgence of the American auto manufacturing industry and accelerating U.S. electric vehicle (EV) manufacturing, and the budget requested will allow LPO to continue growing the portfolio of this crucial program. This Request allows LPO to help achieve the Administration's goal of reaching net-zero emissions, economy-wide, by 2050. This includes providing access to capital for domestic manufacturers revitalizing U.S. manufacturing, creating good-quality jobs producing electric vehicles and components, securing domestic supply chains from raw materials to parts, and retooling factories to compete globally.

The Infrastructure Investment and Jobs Act (IIJA) expanded the definition of advanced technology vehicle to include advanced medium- and heavy-duty vehicles, locomotives, maritime vessels, aircraft, and hyperloop technology. Prior to the passage of the IIJA, ATVM authorities were limited to supporting manufacturing of light-duty vehicles and components. The Inflation Reduction Act (IRA) provided appropriations of $3 billion in credit subsidy to support new ATVM loans and unlocked the IIJA-expanded advanced technology vehicle modes. The Consolidated Appropriations Act, 2023, removed the prohibition on the use of existing authority and appropriated credit subsidy for the expanded eligibilities. LPO believes the expanded authorities provided through IIJA, which LPO provided initial implementing guidance for in FY 2022, can be leveraged by the ATVM program to reduce transportation emissions and create good paying jobs that provide the free and fair choice to join a union. In addition to providing appropriations, the IRA also removed the $25 billion loan authority cap established under Section 136(d)(1) of the Energy Independence and Security Act of 2007.

The FY 2024 Request also continues LPO's efforts to ensure that Federal funding no longer directly subsidizes fossil fuels, as required in Section 209 of Executive Order 14008, Tackling the Climate Crisis at Home and Abroad. LPO will ensure that ATVM is encouraging projects that support the transition to zero-emission vehicles and not directly subsidizing fossil fuels by excluding projects that manufacture gas-only light duty vehicles, and by including zero-emission or highly efficient fossil fueled medium- and heavy- duty vehicle manufacturing projects, as well as other clean transportation modes as authorized by IIJA.

History
Section 136 of the Energy Independence and Security Act of 2007, as amended, authorizes the Advanced Technology Vehicles Manufacturing Loan Program (ATVM), consisting of direct loans to support the manufacturing of advanced technology vehicles and qualifying components in the U.S. The ATVM program has issued 7 total loans, and over $13 billion has been committed to borrowers including Redwood Materials, Rhyolite Ridge, Syrah Technologies, Ultium Cells, Tesla, Nissan, and Ford. Together, these borrowers have repaid a collective $6 billion in principal, plus $1 billion in interest. Tesla and Nissan previously repaid their loans in full and in FY 2022, Ford completed repayment of their loan.

In FY 2022, DOE announced the first new ATVM loan in more than a decade, providing $102.1 million to Syrah Technologies LLC for the expansion of its Syrah Vidalia Facility – a processing facility that produces graphite-based active anode material. This was the first ATVM loan exclusively for a supply chain manufacturing project and the first loan to support a critical mineral project. Also, in early FY 2023, LPO issued a loan to Ultium Cells LLC (Ultium), a joint venture between General

Motors and LG Energy Solution, for a $2.5 billion loan to help finance the construction of new lithium-ion battery cell manufacturing facilities in Ohio, Tennessee, and Michigan. The project will manufacture large format, pouch-type cells that use a state-of-the-art nickel-cobalt-manganese-aluminum chemistry to deliver more range at less cost. Those cells can be arranged in different combinations to provide clean, reliable energy for all vehicles on the road today, including cars, busses, and medium- and heavy-duty work trucks. Ultium is expected to create more than 10,000 good-paying jobs—6,000 in construction jobs and 5,100 in operations—across the three facilities.

To date, projects that have been financed in part by ATVM loans have produced vehicles that are estimated to have saved over 19 billion gallons of gasoline, equivalent to a cumulative 26 million metric tons of carbon dioxide emissions. Projects supported by the program have supported 21.6 million low-emission vehicles since the program's inception, and have created and supported 43,000 permanent jobs across 8 states.

Portfolio Project Data	*ATVM – 09/30/2022**
Total Number of Active Projects	0
Number of Projects in Construction	0
Number of Projects in Operation	0
Production Capacity (Million vehicles/year)	0.06
Vehicles Produced (Millions, Cum.)	21.6
CO_2 Avoided (Mtons, Cum.)	26

** Most recent available data based on company reporting cycles*

The ATVM program provides long-term, low-interest rate debt capital to companies seeking to manufacture a range of advanced technology vehicles and associated components in the United States, including advanced medium- and heavy-duty vehicles, locomotives, maritime vessels, aircraft, and hyperloop technology.

The FY 2024 Request will allow LPO to continue Outreach and Business Development activities, including developing marketing materials, engaging in stakeholder outreach, and ensuring that LPO's unique value proposition is widely known across the entire advanced technology vehicles manufacturing supply chain. LPO outreach efforts will focus on attracting quality applications into ATVM's applicant pipeline and moving those applications through conditional commitment to financial close.

As part of its business development activities, LPO provides guidance and feedback to potential applicants through in-house financial, technical, environmental, and legal staff on how to submit successful applications under the ATVM loan program. The FY 2024 Budget will allow LPO to continue providing this valuable function. Because of LPO Outreach and Business Development's efforts to cultivate a pipeline of quality applicants, as well as the Origination Division's efforts to evaluate and process applications in FY 2021 and FY 2022, LPO was able to offer its first conditional commitments under ATVM since 2011 in FY 2022.

ATVM Applications as of Jan. 31, 2023	
Total loan authority requested	$27.8 billion

Estimated Available loan authority[1]	$55.1 billion

Strong applicant interest in ATVM, as well as LPO's efforts to identify and evaluate new applicants and originate new loans, is expected to continue to use available credit subsidy in FY 2023 and FY 2024. Based on the current applicant pipeline, LPO anticipates closing approximately $14.9 billion in loans in FY 2023 and $15.9 billion in FY 2024.

Finally, DOE remains an active participant in all stages of the project through completion. LPO has developed a strong and unique set of capabilities and expertise to manage the ATVM loan program, making it ideally positioned to bring advanced vehicle and component manufacturing projects to market and invigorate economic growth.

Highlights and Major Changes in the FY 2024 Budget Request

In FY 2024, LPO requests $13 million to originate ATVM direct loans and monitor the program's portfolio as more loans reach financial close. The increase in the request for Administrative Expenses supports an anticipated increase in origination activities in FY 2023 and FY 2024. To support the increase in expected loan activity, 18 additional Federal full-time equivalent (FTE) positions are planned (17 FTEs will be funded by available balances appropriated in IRA), raising the staffing at the end of FY 2024 to 49 FTEs from the current level of 31 FTEs.

[1] The IRA removed the $25 billion loan authority cap established under Section 136(d)(1) of the Energy Independence and Security Act of 2007. This estimate is based on the amount of direct loans that would be supported by available credit subsidy assuming an average subsidy rate. The figure listed here as "estimated available authority" is a best estimate based on credit subsidy available.

Advanced Technology Vehicles Manufacturing Loan Program
$K

	FY 2022 Enacted	FY 2023 Enacted	FY 2024 Request	FY 2024 Request vs FY 2023 Enacted ($)	FY 2024 Request vs FY 2023 Enacted (%)
Advanced Technology Vehicles Manufacturing Loan Program					
Administrative Expenses	5,000	9,800	13,000	+3,200	32.7%
Total, Advanced Technology Vehicles Manufacturing Loan Program	**5,000**	**9,800**	**13,000**	**+3,200**	**32.7%**

Advanced Technology Vehicles Manufacturing Loan Program
Explanation of Major Changes ($K)

	FY 2024 Request vs FY 2023 Enacted
Administrative Expenses:	**+3,200**
The request of $13 million will support 29 FTEs, an increase of 1 from FY 2023, and additional contractors and DOE laboratory efforts to support increased loan origination, portfolio monitoring, and related administrative expenses.	
Total, Advanced Technology Vehicles Manufacturing Loan Program	**+3,200**

Administrative Expenses
$K

	FY 2022 Enacted	FY 2023 Enacted	FY 2024 Request	FY 2024 Request vs FY 2023 Enacted ($)	FY 2024 Request vs FY 2023 Enacted (%)
Administrative Expenses					
Salaries & Benefits	3,553	5,984	6,438	+ 454	8%
Travel	33	124	132	+ 8	6%
Support Services[2]	717	2,788	4,830	+ 2,042	73%
Other Related Expenses	697	904	1,600	+ 696	77%
Total, Administrative Expenses	**5,000**	**9,800**	**13,000**	+ 3,200	33%
Federal FTEs	18	28	29	+ 1	4%
Support Services					
Management and Professional Support Services					
Mission Support	84	1,690	3,730	+ 2,040	121%
IT Support	633	1,098	1,100	+2	0%
Total, Management and Professional Support Services	717	2,788	4,830	+ 2,042	73%
Total, Support Services	717[2]	2,788	4,830	+ 2,042	73%
Other Related Expenses					
Communication and Misc. Charges Related to IT	35	30	40	+ 10	33%
Other Services	3	0	0	0	0%
Working Capital Fund	246	404	440	+ 36	9%
Operation and Maintenance of Facilities	300	360	1,000	+ 640	178%
Supplies, Subscriptions and Publications	106	100	110	+ 10	10%
Equipment	7	10	10	0	0%
Total, Other Related Expenses	697	904	1,600	+ 696	77%

[2] The FY 2022 enacted Support Services amount of $717,000 does not include $4,022,197 in Support Services funded with available unobligated balance carried over from prior fiscal years.

Activities and Explanation of Changes

FY 2023 Enacted	FY 2024 Request	Explanation of Changes FY 2024 Request vs FY 2023 Enacted
Salaries and Benefits **$5,984**	**$6,438**	**+$454**
• Provided salaries and benefits, including a 4.6% raise effective January 1, 2023, for 28 full-time equivalent employees across the Loans Programs Office.	• Provides for salaries and benefits of 29 full-time equivalent employees across the Loans Programs Office. Estimate includes 5.2 % raise effective January 1, 2024. An increase of staff is necessary to continue origination activities and to monitor the expected additions to the ATVM portfolio both in FY23 and FY24.	• Funds 1 additional FTE to support enhanced loan activity.
Travel **$124**	**$132**	**+$8**
• Supports the travel of staff to attend meetings, conferences, and site visits if needed.	• Supports the travel of staff to attend meetings, conferences, and site visits if needed.	• Increase is due to the continued normalization of travel from the restrictions imposed by the COVID-19 pandemic.
Support Services **$2,788**	**$4,830**	**+$2,042**
• Supports a range of contract services including administrative support, training, subject matter experts, legal services, information technology, credit analysis, and market assessments. The total information technology cost for LPO is $10,036,000 in FY23; $1,098,000 is included within the ATVM budget.	• Supports a range of contract services including administrative support, training, all aspects of loan guarantee origination activities, including, subject matter experts, legal services, information technology, credit analysis, and market assessments. The total information costs for LPO is $10,231,000; $1,100,000 is included within the ATVM request.	• Support service funding increases by $2,042,000 in FY 2024 compared to FY 2023. The increase is needed to meet rising IT costs and additional support service contractors to support the increase in loan activity.
Other Related Expenses **$904**	**$1,600**	**+$696**
• Supports DOE Working Capital Fund, software, equipment, other services including conferences attendance fees, and publications. The total LPO WCF estimate for FY 2023 is $3,109,000, $404,000 is included here. Technical Support provided by DOE laboratories to LPO is $3,360,000, $360,000 is included within the ATVM budget.	• Supports DOE Working Capital Fund, software, equipment, other services including conferences attendance fees, publications and work at DOE national laboratories. The total LPO WCF estimate for FY 2024 is $3,820,000, $440,000 is included here. Technical Support provided by DOE laboratories to LPO is $4,000,000, $1,000,000 is included within the ATVM request.	• Support service funding increases by $696,000 in FY 2024 compared to FY 2023, $36,000 is for WCF and $640,000 is for technical support provided by DOE laboratories.

Tribal Energy Loan Guarantee Program
Proposed Appropriation Language

For Department of Energy administrative expenses necessary in carrying out the Tribal Energy Loan Guarantee Program, [$2,000,000] $*6,300,000*, to remain available until September 30, [2024]*2025*[: Provided, That in this fiscal year and subsequent fiscal years, under section 2602(c) of the Energy Policy Act of 1992 (25 U.S.C. 3502(c)), the Secretary of Energy may also provide direct loans, as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a): Provided further, That such direct loans shall be made through the Federal Financing Bank, with the full faith and credit of the United States Government on the principal and interest: Provided further, That any funds previously appropriated for the cost of loan guarantees under section 2602(c) of the Energy Policy Act of 1992 (25 U.S.C. 3502(c)) may also be used, in this fiscal year and subsequent fiscal years, for the cost of direct loans provided under such section of such Act: Provided further, That for the cost of direct loans for the Tribal Energy Loan Guarantee Program as provided for in the preceding three provisos and for the cost of guaranteed loans for such program under section 2602(c) of the Energy Policy Act of 1992 (25 U.S.C. 3502(c)), $2,000,000, to remain available until expended: Provided further, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a)].

(Energy and Water Development and Related Agencies Appropriations Act, 2023.)

Explanation of Changes

The FY 2024 Budget requests $6.3 million to allow the Tribal Energy Loan Guarantee Program (TELGP) to continue outreach and originating activities and to monitor its expected portfolio. The Request supports recently enacted changes to the program, including the ability for tribal borrowers to apply for direct loans from the Federal Financing Bank via TELGP, which have greatly increased interest and accessibility to the program. An increase of 7 Federal FTEs is included in the request. The proposed language above shows changes from the Consolidated Appropriations Act, 2023.

Public Law Authorizations

- P.L.102-486, Energy Policy Act of 1992, as amended
- P.L. 117-103, Consolidated Appropriations Act of 2022
- P.L. 117-169, Inflation Reduction Act of 2022
- P.L. 117-328, Consolidated Appropriations Act, 2023

Tribal Energy Loan Guarantee Program
(K)

	FY 2022 Enacted	FY 2023 Enacted	FY 2024 Request
Tribal Energy Loan Guarantee Program	2,000	4,000	6,300

Overview

The Tribal Energy Loan Guarantee Program (TELGP) is authorized by Section 2602 of the Energy Policy Act of 1992, as amended by the Energy Policy Act of 2005, to support energy development by Indian tribes, Alaska Native corporations, and other qualified entities. TELGP was first appropriated in FY 2017. The FY 2024 Budget requests $6.3 million to continue origination and monitoring related activities for TELGP to invigorate economic opportunities in tribal communities through the development of energy projects.

The $6.3 million in funding will support achieving the Administration's objectives of a carbon-pollution free electric sector by 2035 and net-zero emissions, economy-wide, by 2050. It also supports place-based initiatives and Justice40 investments. Specifically, TELGP provides debt capital for energy projects that lead to economic development and reduction of energy costs in some of the Nation's most vulnerable communities.

In FY 2022, The Inflation Reduction Act (IRA) included language to make permanent the ability for TELGP applicants to apply for direct loans via the U.S. Department of Treasury Federal Financing Bank (FFB), guaranteed by the Department of Energy (DOE), obviating the need for a previous partial guarantee of a commercial lender. This builds on Congress's efforts to authorize access to the FFB under the Consolidated Appropriations Act of 2022, which was set to expire at the end of FY 2022. This change – in addition to other changes in FY 2022 to the TELGP solicitation to clarify ownership requirements, lending obligations, and fees – has increased interest in and accessibility to TELGP loans. To provide greater clarity for how the Loan Programs Office (LPO) will consider direct loans and to reflect changes from recent legislation, LPO issued new TELGP solicitation supplements in FY 2022.

In addition to providing tribal borrowers the ability to apply for direct loans from the FFB, the IRA increased the aggregate amount of loans available at any time under TELGP from $2 billion to $20 billion. It also provided $75 million in appropriations to carry out the program.

LPO looks forward to working with Congress, tribal borrowers and developers, and other stakeholders to highlight and publicize these important improvements to the program, in addition to continuing to communicate the availability of loan authority and information about the benefits of the program and its application process to all potential borrowers and stakeholders. LPO will continue to work diligently to utilize the $20 billion in aggregate loan authority previously provided by Congress to ultimately deliver important energy and economic benefits to Indian tribes, consistent with the Administration's Justice40 objectives.

Outreach and Business Development

The FY 2024 Request will allow LPO to continue Outreach and Business Development Division activities started in FY 2018 with the release of the first TELGP solicitation. These activities have included active outreach to tribal leaders to make them aware of the program and the potential value to their tribes in developing energy projects as an economic development opportunity and solution to address issues of energy access and cost for tribal members. In addition, LPO engages with investors, project developers, and technology providers to encourage participation in tribal energy projects through the TELGP program. As part of its business development activities, LPO provides guidance and feedback to potential applicants through in-house financial, technical, environmental, and legal staff on how to submit successful applications under the TELGP loan program. This includes tribal advisors, attorneys, and accountants, to address project suitability, eligibility, ownership, and access to LPO financing.

In FY 2022, LPO held 843 (297 initial and 546 follow-ups) outreach meetings, including follow-up, structuring, and relationship development discussions, to disseminate information on the availability, benefits, and application process of TELGP to potential applicants and interested parties. For the first 3 months of FY 2023, 270 (123 initial and 147 follow-ups) outreach meetings have been held and four applications have been officially submitted in FY 2023.

This budget will allow LPO to continue to conduct robust outreach activities and process anticipated applications submitted to the TELGP program. LPO has a goal of increasing awareness of TELGP and having three to six applications officially submitted in FY 2024.

The request also supports LPO’s ongoing close collaboration with the Department's Office of Indian Energy Policy and Programs (IE) and outreach to tribal members. This has included ongoing communication with tribal leaders to solicit feedback about the proposed design of TELGP, one-on-one meetings with tribal leaders, and participating in tribal energy annual summits and events. In April 2021, LPO and IE organized a virtual listening session to discuss funding and financing of tribal energy projects. The listening session welcomed more than 350 participants, who provided valuable feedback on making Department programs more effective for Indian Country to meet tribal economic development and energy resilience needs. LPO will continue to solicit feedback as appropriate to better serve tribes' needs, consistent with LPO’s authority.

Highlights and Major Changes in the FY 2023 Budget Request

In FY 2024, LPO requests $6.3 million to continue outreach, origination, and monitoring activities for TELGP to invigorate economic opportunities in tribal communities through the development of energy projects. The Request supports recently enacted changes to the program, including the ability for tribal borrowers to apply for direct loans from the Federal Financing Bank via TELGP, which have greatly increased interest and accessibility to the program. An increase of 6 Federal FTEs is included in the request. Finally, the FY 2024 Request allows LPO to continue outreach activities to Indian tribes and Alaska Native Corporations to highlight and publicize important improvements to the program, in addition to continuing to communicate the availability of loan authority and information about the benefits of the program and its application process to all potential borrowers and stakeholders.

Tribal Energy Loan Guarantee Program
($K)

	FY 2022 Enacted	FY 2023 Enacted	FY 2024 Request	FY 2024 Request vs FY 2023 Enacted ($)	FY 2024 Request vs FY 2023 Enacted (%)
Tribal Energy Loan Guarantee Program					
Administrative Expenses	2,000	2,000	6,300	+4,300	215.0%
Guaranteed Loan Subsidy	0	2,000	0	-2,000	-100.0%
Total, Tribal Energy Loan Guarantee Program	**2,000**	**4,000**	**6,300**	**+2,300**	**57.5%**

Tribal Energy Loan Guarantee Program
Explanation of Major Changes ($k)

	FY 2024 Request vs FY 2023 Enacted
Administrative Expenses:	
The request of $6.3 million is needed to support increased loan origination and related administrative expenses.	+4,300
Tribal Energy Loan Guarantee Credit Subsidy:	
No additional appropriated credit subsidy is requested in FY 2024 due to the funding provided by the Inflation Reduction Act in FY 2022 and the Consolidated Appropriations Act, 2023.	-2,000
Total, Tribal Energy Loan Guarantee Program	**+2,300**

Administrative Expenses
($K)

	FY 2022 Enacted	FY 2023 Enacted	FY 2024 Request	FY 2024 Request vs FY 2023 Enacted ($)	FY 2024 Request vs FY 2023 Enacted (%)
Administrative Expenses					
Salaries & Benefits	523	1,069	2,442	+ 1,373	128%
Travel	2	19	48	+ 29	153%
Support Services	1,209	680	3,280	+ 2,600	382%
Other Related Expenses	266	232	530	+ 298	128%
Total, Administrative Expenses	**2,000**	**2,000**	**6,300**	+ 4,300	215%
Federal FTEs	2	5	11	+ 6	120%
Support Services					
Management and Professional Support Services					
Mission Support	907	440	2,910	+ 2,470	561%
IT Support	302	240	370	+ 130	54%
Total, Management and Professional Support Services	1,209	680	3,280	+ 2,600	382%
Total, Support Services[1]	**1,209**	**680**	**3,280**	+ 2,600	382%
Other Related Expenses					
Communication and Misc. Charges Related to IT	14	50	110	+ 60	120%
Other Services	3	40	80	+ 40	100%
Working Capital Fund	211	62	140	+ 78	126%
Printing Supplies and Materials	37	40	110	+ 70	175%
Equipment	1	40	90	+ 50	125%
Total, Other Related Expenses	**266**	**232**	**530**	**+ 298**	**128%**

Activities and Explanation of Changes

[1] Support Services obligation of $1,209,000 in FY 2022 excludes $301,818 funded by unobligated balances carried over from prior fiscal years. FY 2023 Support Services funding of $680,000 excludes the planned use of $845,000 from balances carried over from prior fiscal years.

FY 2023 Enacted	FY 2024 Request	Explanation of Changes FY 2024 Request vs FY 2023 Enacted
Salaries and Benefits **$1,069**	**$2,442**	**+$1,373**
• Provided for salaries and benefits, including a 4.6% raise effective January 1, 2023, of 5 full-time equivalent employees in support of the TELGP program across all LPO divisions.	• Provides for salaries and benefits of 11 full-time equivalent employees across all of the LPO divisions. Estimate includes 5.2 % raise effective January 1, 2024.	• Increase reflects an increase of 6 full-time equivalent employees.
Travel **$19**	**$48**	**+$29**
• Supports the travel of staff to attend meetings, conferences, and site visits if needed.	• Supports the travel of staff to attend meetings, conferences, and site visits if needed.	• Increase is due to the travel of additional staff and continued normalization from the restrictions imposed by the COVID-19 pandemic.
Support Services **$680**	**$3,280**	**+$2,600**
• Supports a range of contract services including administrative support, training, subject matter experts, legal services, information technology, credit analysis, and market assessments. The total information technology cost for LPO is $10,036,000 in FY23; $240,000 is included within TELGP.	• Supports a range of contract services including administrative support, training, all aspects of loan guarantee origination activities, including, subject matter experts, legal services, information technology, credit analysis, and market assessments. The total information costs for LPO is $10,231,000; $370,000 is included within TELGP.	• Increase is due to the increase in full-time federal staff, increase in loan origination activities and anticipated loan monitoring.
Other Related Expenses **$232**	**$530**	**+$298**
• Supports DOE Working Capital Fund (WCF), software, equipment, other services including conferences attendance fees, and publications. The total LPO WCF estimate for FY 2023 is $3,109,000; $62,000 is included within TELGP.	• Supports DOE Working Capital Fund, software, equipment, other services including conferences attendance fees, and publications. The total LPO WCF estimate for FY 2024 is $3,820,000, $140,000 is included within TELGP.	• Increase is due to an increase in the FTE and the cost of overhead expenses.