



Arkansas Energy Technology Loan (AETL) - Capital Improvements

The AETL Program – *Capital Improvements Loan* finances energy related cost reduction retrofits and green energy implementation for business located in Arkansas. The program encourages Borrowers to make investments in clean technology and improve the energy efficiency of their facilities and processes. Low interest rate loans are provided through the Arkansas Energy Office to assist those Borrowers in financing their energy cost reduction efforts. The AETL's revolving loan mechanism allows Borrowers to repay loans through the stream of cost savings realized from the projects.

Project Activities

A wide range of project activities may be funded as part of the mission of the AETL-Capital Improvements Loan. For example some of the Energy Efficiency Measures (EEMs) that can be financed through the loan program include, but are not limited to:

Retrofits: installation of insulation; installation of efficient lighting; heating, venting, and air conditioning (HVAC) and high-efficiency shower/faucet upgrades; weather sealing; the purchase and installation of ENERGY STAR appliances; installation of solar powered appliances with improved efficiency; and replacement of windows and doors.

Energy Audits: which includes hiring technical consultants to conduct such audits.

Codes and Inspections: Development and implementation of building codes and inspection services, and associated training and enforcement of such codes in order to support code compliance and promote building energy efficiency.

Financing Options

Financial strength of the Borrowers will be one factor used in determining the interest rate reduction. The market rate at the time of closing will be used to determine the starting point of the interest rate with an option to lock in the rate at an earlier time. To encourage companies to commit to EE projects with a longer return on investments, a lower interest rate will be considered for the extended period. Examples of typical loan rates include.

- Loan Term 6 – 10 years = 2% below market rates
- Loan Term 3 – 5 years = 1.5% below market rates.
- Loan Term 0 – 2 years = 1% below market rates.

Contact

For additional information and application, please visit the Arkansas Energy Office website at www.adeg.state.ar.us/energy or call 1-800-558-4567