Please provide the following information, adding space as necessary:

State: Nevada

Assign Program Category (applicant): Energy

Program Name: Revolving Loan Program
Administering Agency: Nevada State Office of Energy
Contact (Name and Title): Stacey Crowley, Director
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1. How long has this program operated (month and year)?
   o Since February, 2010

2. Describe the program:
   • Why was it created?
     o To support renewable energy projects in Nevada. In 2011 the program was expanded to incorporate construction or operation of an energy efficiency or conservation project, and manufacturing of components of a renewable energy system.

   • Why is it a new and creative approach or method?
     o Conventional loans can be difficult for developers of renewable energy projects to obtain. Often, projects can begin to generate revenue or qualify for other rebates and grants, but need the capital to get off the ground. The program will continue in perpetuity and keep generating funds to help get renewable energy and conservation projects off the ground. Once the total project financing is in place, the loans are repaid and funds are reallocated to a new round of projects. From an economic development perspective, this program can sometimes make the difference whether a company decides to come to Nevada or not.

     The program is unique because, unlike most states, we administer the loans directly from our office. This makes the process very easy and consistent for the applicant. This direct lending approach allows our office to use our energy and underwriting expertise to choose the project that not only fits within the energy related guidelines and has the greatest economic impact, but that also minimizes the risk to the state.

   • What are the specific activities and operations of the program in chronological order?
     o Applicants submit a loan application requesting the maximum loan amount their project could accommodate as well as the minimum amount needed for the applicant to implement the project successfully. The same is true for the term of the loan. Applicants request a maximum term and a minimum financially feasible term. Applications are evaluated and prioritized independently by an evaluation committee. The highest weighted criterion is the applicant’s proposed leveraging of additional financial resources and proposed repayment timeframe.

     o Pursuant to adopted regulations, loan agreements are offered to the loan applicants in the order of their priority. The NSOE will negotiate lesser terms and lesser loan amounts with applicants based on the available amount of loan funds and number of projects requesting funding. Of the
22 applications received in the last nine months, the average loan requested is approximately $1.3 Million.

• Is it effective? Provide tangible results and examples.
  o $14.6 million has been loaned to 14 loan recipients. Projects are located throughout the State on rural and urban properties utilizing hydro, wind, biomass, and solar technologies.
  o A Reno based contractor packaged three residential wind projects located in Washoe County and successfully installed four wind turbines to help offset the power costs of three homes.
  o A contractor is constructing two small hydro projects in Lander and Nye counties to utilize stream flow on their properties to produce renewable power for their ranches.
  o Three dairy farms in Lyon and Churchill counties are in the process of having Anaerobic Digesters installed on their farms. These Digesters recycle the manure produced by the larger herds that would normally just decompose.

3. Did this program originate in your state? If YES, please indicate the innovator’s name, present address, telephone number, and e-mail address.

4. Are you aware of similar programs in other states? If YES, which ones and how does this program differ?
   o Yes. There are several loan programs, but not many revolving loan programs.
     o Alabama administers a loan program as well. Their loan program works in conjunction with a conventional lender, but the funds do not revolve back to the state to make additional loans. The funds are provided to the conventional lender as security for the remaining amount.
     o The state of Oregon makes loans for construction and expansion of renewable energy systems and conservation, but their loans are made from bonds issued through the state treasurer. The bonds are then paid back from the loan proceeds. New loans are not made from the existing loan payments (principal and interest).
     o The state of Iowa contributes 50% of the loan value to a conventional lender, at no interest, and receives their proportionate share of the payments in order to make new loans.

5. What limitations or obstacles might other states expect to encounter when attempting to adopt this program?
   o The initial funds to make the loans will need to come from a specific source. If the state does not have access to a specific source, starting the program may prove very difficult.
   o Identifying the important documents and processes to minimize the risk can be difficult.
   o Creating a flexible program that works best for the specific needs of the state.
   o Getting the word out to qualified applicants can prove difficult. The office may receive several applications, but they may not fit within the guidelines or may not be the best use of the available funds.
   o Knowing how much or how little involvement is needed from third parties (title, escrow, construction voucher control, and other vendors).

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