



JANE E. LAWTON CONSERVATION LOAN PROGRAM

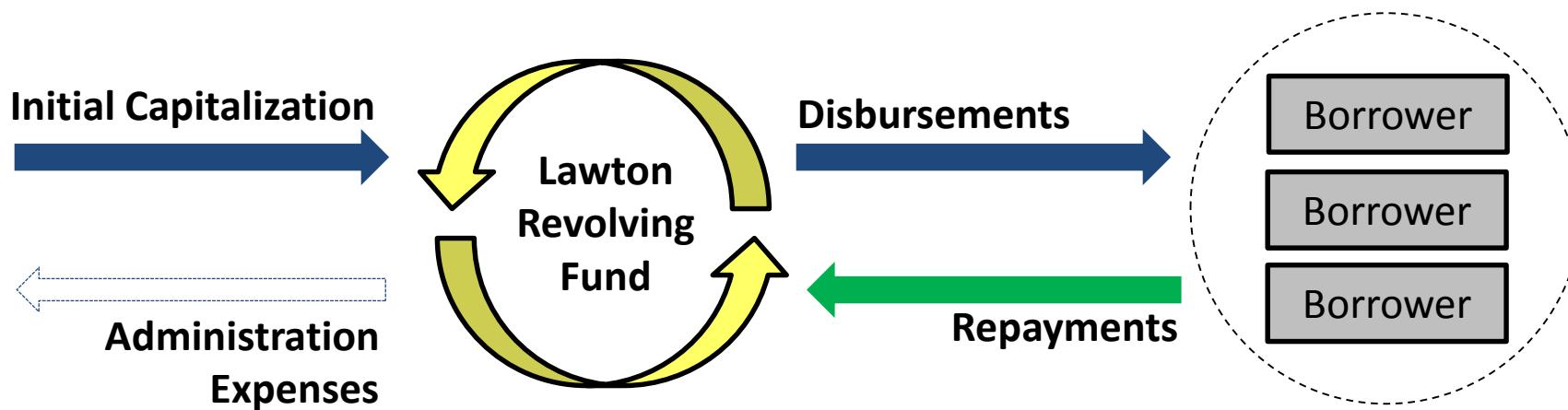


Maryland
Energy
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www.Energy.Maryland.gov

Lawton Loan Program Overview

- A revolving fund – an original investment that has been recycled over time for many borrowers.



- Interest charges and fees sustain the Program over time.

Lawton Loan Program Background

- Provides low-interest loans for energy efficiency and conservation improvements to structures located within the State of Maryland.
 - FY19 interest rate is 2.00% per annum
- Maryland businesses, nonprofit organizations, and local governments may apply.
- Addresses up-front costs associated with energy efficiency investments and provides funding on a shared-cost basis.
 - Complements local, State, and utility programs
 - Revolving funding ensures future program sustainability

Entities Eligible for Lawton Loans

- Businesses
 - Maryland corporations
 - Other corporations registered to do business in Maryland
- Nonprofit Organizations
 - Foundations
 - Private Schools
 - Hospitals
- Local Governments
 - Counties
 - Municipalities
 - Boards of Education
 - Special Districts

State agencies may be eligible for funding through MEA's [State Agency Loan Program \("SALP"\)](#).

Local governments, nonprofit organizations, and businesses may be eligible for grants for certain renewable energy projects through MEA's [Commercial Clean Energy Grant Program \("CEGP"\)](#).

Residents may be eligible for [grants](#) for certain renewable projects or [rebates](#) and [loans](#) for certain energy efficiency improvements.

Energy Projects Eligible for Lawton Loan Financing

- One or more improvements or modifications that enhance energy efficiency and reduce the operating expenses of a structure located in Maryland.
- Eligible projects must reduce energy consumption/increase energy conservation of the structure.
- Eligible projects must possess a simple payback of 10 or fewer years.

$$\text{Simple Payback} = \frac{\text{Total Proposed Project Cost}}{\text{Total Annual Anticipated Energy Cost Savings}}$$

- **Anticipated energy cost savings** are the expected reductions in annual operating expenses resulting from the installation, operation, and maintenance of a project.

FY19 Lawton Loan Program Terms

- Total Program budget of \$850,000
- 2.00% annual interest rate
- Applications will be accepted until the funding is exhausted or June 30, 2019, whichever comes first.
 - \$170,000 of the total Program budget will be reserved for nonprofit organizations until November 30, 2018.
 - Beginning December 1, 2018, all available funding will be loaned on a first-come, first-served basis with special emphasis given to projects that will generate greater energy savings.
 - Commitments will be issued beginning November 1, 2018.
 - Closings will be scheduled beginning December 1, 2018.

Lawton Loan Program Application Requirements

- All applicants must submit a completed application packet and all required supporting documents.
- Completed applications must include:
 - Total proposed project costs
 - Total annual anticipated energy savings, certified by a qualified engineer
 - Annual cost savings estimates
 - List of other leveraged funds (e.g. utility rebates, grants, etc.)
 - Financial information to determine creditworthiness
 - Certificate of Good Standing from the [Maryland State Department of Assessments and Taxation \("SDAT"\)](#).
- The application packet can be found on the Lawton Loan website at <http://energy.maryland.gov/govt/Pages/janeelawton.aspx> under the “How to Apply” section.

Lawton Loan Application Process and Timeline

← Day 1

← Time ←

Day 120 ←

- 1) Applicant submits a complete application package either electronically or by mail to MEA
- 2) MEA conducts three (3) reviews on each application (± 45 days)
 - Internal review to determine feasibility
 - Review by expert technical consultant to verify proposed energy savings
 - Review by State agency partner to evaluate creditworthiness of borrower and identify sources of collateral
- 3) Based upon the results of the reviews, MEA offers a conditional commitment for financing (± 15 days)
- 4) Loan documents are negotiated (± 45 days)
- 5) MEA and Borrower set a closing date



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Lawton Loan Application Submission

Application Submission Options

Online submission (strongly encouraged)

- Submit all documents to ci.mea@Maryland.gov.
- More detailed instructions provided in Application packet.
- Applicants will receive a confirmation email within 24 hours of submission.

Hard copies (mailed or hand-delivered)

Send to:
Maryland Energy Administration
Attn: Lawton Loan Program – Application
1800 Washington Blvd. Suite 755
Baltimore, MD 21230

Applications for the FY19 Program will be accepted until funding is exhausted or June 30, 2019, whichever comes first.

Past Successful Projects Financed with Lawton Loans

- In FY2012, a business borrowed \$68,000 to replace a heating system and implement lighting upgrades.
 - Annual electricity savings will be about 105,000 kilowatt-hours (kWh) and natural gas savings will be almost 4,700 therms.
 - Annual cost savings will be nearly \$18,000.
- In FY2013, a non-profit museum borrowed \$180,000 for new heating and cooling equipment and LED lighting.
 - Annual electricity savings will be over 210,000 kWh.
 - Annual cost savings will be almost \$30,000.
- In FY2014, a condominium association borrowed \$260,000 for new energy efficiency equipment.
 - Annual electricity use will be reduced by nearly 365,000 kWh.
 - Annual energy cost savings will be over \$35,000.
- In FY2015, a manufacturing facility borrowed \$342,640 for new energy efficiency equipment.
 - Annual electricity use will be reduced by nearly 491,030 kWh.
 - Annual energy cost savings will be over \$56,083

Questions?

For more information, visit MEA's website:

- Lawton Loan Program:

<http://energy.maryland.gov/govt/Pages/janeelawton.aspx>

Thank you!

MEA Contact Information

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