

DOE OFFICE OF INDIAN ENERGY

Indian Country Energy and Infrastructure Working Group

A Discussion on Federal Loan Guarantees



Michael Kuca
September 21, 2017

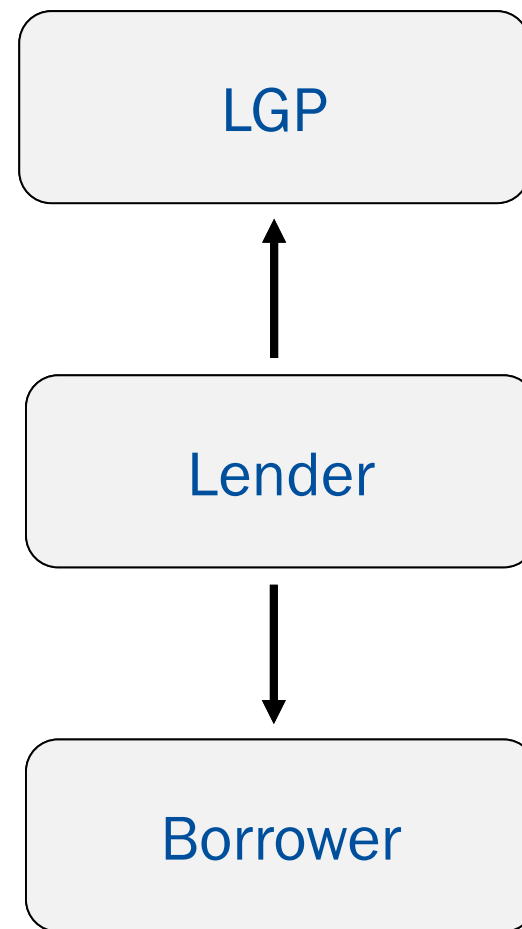
What are Loan Guarantee Programs (LGPs)?

There are several LGPs offered by government.

Each LGP has unique requirements.

A Loan Guarantee may be sought when a Lender will not approve a Borrower for a loan, usually due to a calculated risk.

LGPs guarantee, to the Lender, that a debt will be repaid. The Guarantor assumes fiscal risk in the event of Borrower default.



Examples of Congressional Authority for Loan Guarantees with Tribal Eligibility*



Indian Loan Guaranty, Insurance, and Interest Subsidy Program

DOI Division of Capital Investment

DCI breaks through the conventional barriers to financing for tribes and individual Indians and their corporations.



Electric Infrastructure Loan Programs
(loans and loan-guarantees)

USDA Rural Utility Service

Funds may be used to finance maintenance and improvement of electric infrastructure in areas where commercial capital is not available.

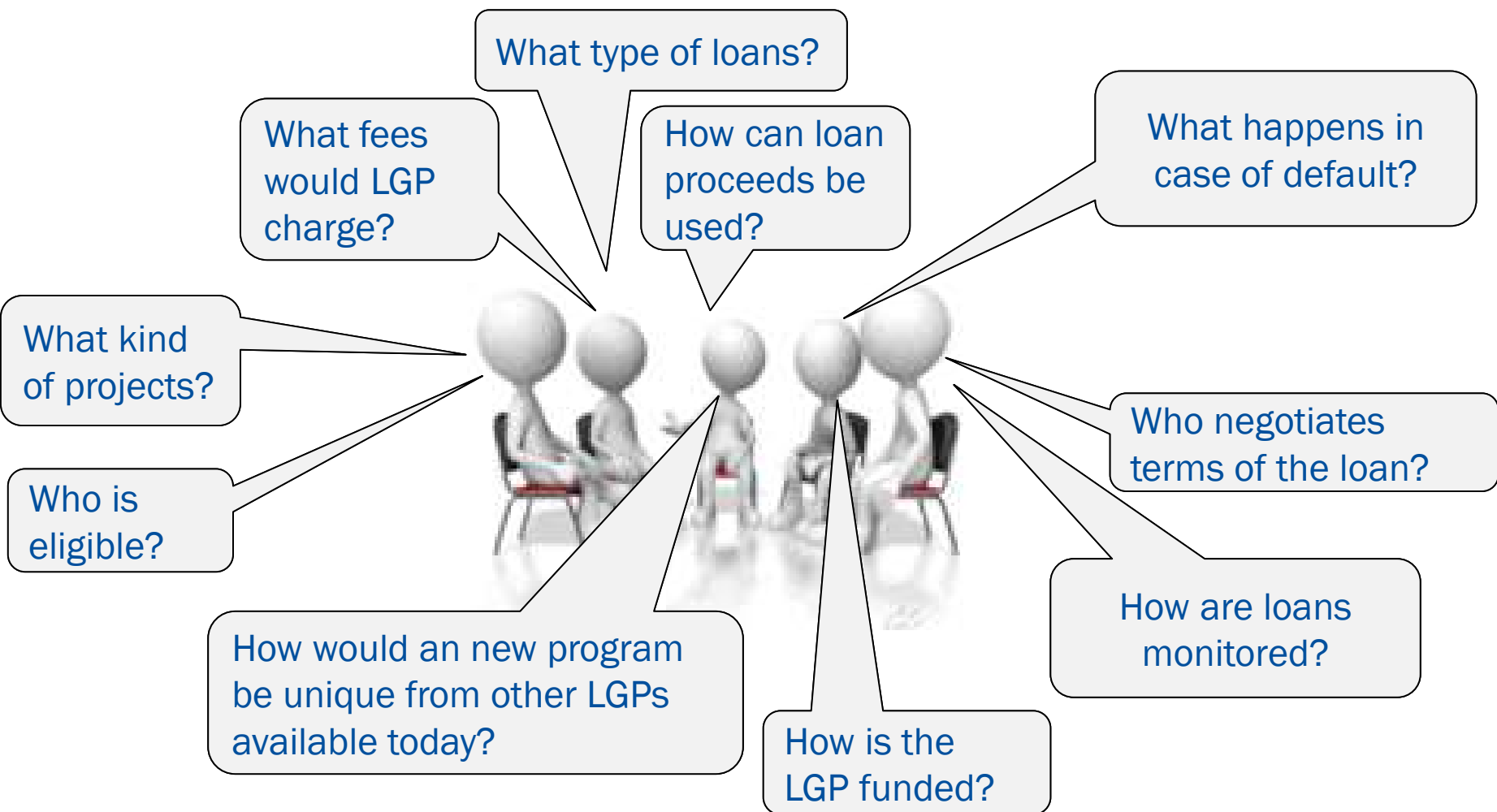


Tribal Energy Loan Guarantee Program

DOE was provided authority under Section 2602(c) of the Energy Policy Act, 25 USC 3502(c).

The Consolidated Appropriations Act of 2017 specifies \$500,000 for administrative expenses.

Engage with Native Leaders



Standing up a new program requires **Rulemaking**, possibly 18 months.

Discussion

