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STATE OF ALABAMA

ALABAMA DEPARTMENT OF ECONOMIC  
AND COMMUNITY AFFAIRS

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## **AlabamaSAVES to Help Industries Save Energy, Boost Profits**

**MONTGOMERY**—A \$60 million revolving loan program will be a new tool to help Alabama businesses make upgrades that save energy, reduce operating expenses and create work for Alabamians, said Doni Ingram, director of the Alabama Department of Economic and Community Affairs.

The AlabamaSAVES (Sustainable and Verifiable Energy Savings) loan program will begin taking applications Wednesday. Two-percent interest-rate loans of \$250,000 to \$4 million will be available to help existing industrial and commercial businesses finance energy-saving improvements to their facilities. The energy savings generated by the improvements will be greater than loan repayments, meaning extra cash flow to help businesses remain competitive, retain workers and possibly create new jobs.

ADECA is establishing the program with \$25 million made available to the state by the U.S. Department of Energy as part of the American Recovery and Reinvestment Act. To gain additional financing for Alabama businesses, ADECA worked with private lenders and used \$12.5 million of the funds to establish a loan-loss reserve and to buy down interest rates. The additional private-lender financing increases the loan pool to \$60 million.

“Alabama businesses are the backbone of our state’s economy, and helping them become more efficient, means greater economic opportunities for our residents,” Ingram said. “The AlabamaSAVES program gives the state a tool we have never had before to help our existing companies. The program will not only cut energy costs, it also will boost cash flow for the business and provide much-needed work for the contractors performing the upgrades.”

Projects eligible for loans include upgrades to energy-efficient equipment such as heating and air conditioning systems, windows and doors, electrical systems, water heating systems, energy management systems, lighting and insulation. Installation of renewable energy systems, such as those powered by biomass or solar energy, also are eligible. Projects will be evaluated on potential for job creation and retention, sustainable energy savings, cost savings, renewable energy generation capacity, emissions reductions.

Loans can cover up to 90 percent of the total costs of a project, and borrowers will have up to 10 years to repay. As loans are paid, the fund will be replenished and available to finance future projects.

Abundant Power, a firm that partners with states and municipalities to design, administer and finance energy-efficiency and renewable-energy programs, is helping ADECA administer AlabamaSAVES.

For more information about the program, go to [www.alabamasaves.com](http://www.alabamasaves.com).