The Energy Efficiency Revolving Loan (EERL) program was established through the US Department of Energy/South Carolina Energy Office using “stimulus” funding. It is administered by the Business Development Corporation (BDC) by contract with JEDA.

The purpose of the loan fund is to enable business and industry to save money by saving energy. The fund is also open to other entities including utilities and government agencies.

Here are answers to commonly asked questions:

Who is eligible to receive an EERL Loan?
The primary target of this program is business and industry, although utilities, non-profits and government entities could be eligible under certain circumstances.

What is the interest rate?
The interest rate is determined on a transaction by transaction basis.

Does the interest rate change over the life of the loan?
Rates may be fixed or floating. The fixed rate transitions will be fixed for the life of the loan and the floating rate loans are tied to prime and will adjust monthly as prime changes.

How much can I borrow?
The preferred minimum loan amount is $50,000 and the maximum is generally $1 million, however exceptions may be made.

How long is the term of the loan?
Loans should not extend beyond one and one-half times the expected payback of the loan. In other words, if your planned activity is expected to pay for itself in 4 years, your loan would be for no more than 6 years. Loan periods can be shorter. The maximum term is 10 years.

Is there a penalty for paying off the loan more quickly than planned?
No.

How are loan applications evaluated?
Loans are evaluated in two ways: financial stability of the borrower and technical merit of the proposed energy measure(s). BDC and our banking partners when applicable will evaluate finances and the SC Energy Office will confirm that the proposed project meets DOE guidelines.

How does it work?

Once the loan is approved, and the loan documents are signed by you (the borrower) and BDC (the lender) you may begin work. As work is completed and contractors submit invoices to you, you may request progress payments based on work completed and invoices received.

Borrowers may have an interest only payment period while their energy project is completed. Once the project(s) is complete, payments of principal and interest will replace the interest only payments.

What do I need to do to apply?

1. Have a technical analysis completed by an engineer or other professional who is a Professional Engineer (PE), a Certified Energy Manager (CEM) or an Accredited Commercial Energy Manager (ACEM) so that you know which energy measures will yield the greatest savings, have a plan in place, and know how much you need to borrow. In some cases, vendors may prepare the technical analysis if you are only contemplating one type of energy measure.

2. Based on the information provided in the technical analysis, complete the application provided by BDC and return it along with the technical analysis and requested financial records.

What about collateral?

Collateral will generally be required in some form.

Questions? Call the BDC at 803 744 0301 for Edwin Lesley or 803 744 0312 for Ryan Barnes.