

The Energy Infrastructure Revolving Loan Program (EIRLP) is administered pursuant to Iowa Code section 476.46A as enacted by [2021 Iowa Acts, Senate File 619](#). The EIRLP administrative rules can be found in Iowa Administrative Code section 261.406. Additional information on the EIRLP can be found at [iowaeda.com/iowa-energy-office/energy-loans/](http://iowaeda.com/iowa-energy-office/energy-loans/).

The Energy Infrastructure Revolving Loan Program (EIRLP) was enacted in the 2021 Iowa legislative session and is administered by the Iowa Energy Center (IEC) within the Iowa Economic Development Authority (IEDA). The program can provide loans for the development and construction of energy infrastructure. Energy infrastructure is defined in Iowa Code as “land, buildings, physical plant and equipment, and services directly related to the development of projects used for, or useful for, electricity or gas generation, transmission, storage or distribution.” Additional information about eligible projects can be found later in this document. Applicants are encouraged to contact IEDA staff with questions about project eligibility.

A variety of project types are eligible for loans; however, the IEC Board establishes a program emphasis over a given period of time to solicit a narrower pool of applicants and projects and to tailor certain policies to them. Other applications will still be accepted and reviewed. The current program emphasis is to improve utility infrastructure in disaster-impacted counties. More information about this program emphasis can be found in Appendix A.

The EIRLP will accept applications on a rolling basis with deadlines provided on IEDA's webpage. These deadlines are based on when an application must be submitted to be considered at the upcoming IEC Board meeting. The IEC Board has a designated Loan Committee comprised of board members involved with review and recommendation for program applications. The IEC Board will make funding announcements at least once per quarter.

## ***Policies and Procedures***

The policies and procedures for the EIRLP provide the program requirements and the framework of how the program will be administered within three main categories of Program Details, Application Process and Administration. This document will be reviewed and approved by the IEC Board at least once per year and will remain in effect until any changes are adopted by the board. This handbook does not replace administrative rules or Iowa Code regarding the EIRLP. If a conflict exists, Iowa Code or the administrative rules will prevail.

## **PROGRAM DETAILS**

### ***Funding Available***

The IEC Board may approve up to \$10 million in loans per quarter until funds are obligated or otherwise budgeted for administrative costs.

### ***Interest Rate***

The IEC will offer a 2% interest rate to most applicants. This rate will be considered the standard interest rate for the program. The interest rate shall not exceed the Wall Street Journal prime rate as of the date of the IEC Board approval of the loan.

### ***Eligible and Ineligible Borrowers***

Eligible borrowers include:

- Businesses incorporated or organized in Iowa or authorized to do business in Iowa, including businesses operated as sole proprietorships with a registered trade name
- Rural electric cooperatives
- Municipal utilities

Ineligible borrowers include:

- A business that is not located in or operating in Iowa. A business that will be located and operating in Iowa upon completion of an eligible project may be eligible.
- An individual or an organization with a history of defaulted loans or compliance violations with other state programs or rules.
- Regents institutions
- Community colleges
- State agencies
- Cities, except municipal utilities that are eligible borrowers pursuant to 261 IAC 406.4(1)“c”
- Counties
- School districts
- Nonprofit organizations

## Loan Amounts

The minimum loan amount is \$50,000 and the maximum is \$2.5 million. Some restrictions apply to loans over a certain size:

- Loan requests that exceed \$1 million must demonstrate broad reaching benefits for the state, local community and/or ratepayers. The use of estimated metrics to demonstrate these benefits and the need for loan funds to assist will be expected. For example, resilience projects by municipal utilities and rural electric cooperatives can estimate outages reduced and describe how underserved customers will be benefitted.
- Loan requests that exceed \$500,000, which also pledge real property as collateral will be required, if approved, to obtain a lender certificate from Iowa Title Guaranty as a condition to disbursement. This is described later in this handbook.

An applicant may apply for a loan for up to 75% of the total cost of the project. The remainder of the project cost not financed by the EIRLP may include costs otherwise considered ineligible for EIRLP which may include documented “soft” costs including feasibility studies, engineering and final design, permitting and regulatory costs, or other determined by the board to be necessary for the development of energy infrastructure and the project described in the application. The committee may exclude certain types of costs from being included as matching funds.

The Loan Committee may recommend that a reduced loan amount be recommended to the IEC Board, if the Committee finds any of the following to be true:

- The project type and borrower would be able to secure other financing for more of their project costs and retain its feasibility and return on investment.
- The loan funds would be able to support more projects or a variety of projects should one or more of the loan amounts be reduced.
- The applicant has received one or more previous award(s) from the program with an outstanding balance. Additional restrictions may apply to these applicants.

## Eligible and Ineligible Costs

Examples of eligible costs include, but are not limited to:

- Real and personal property comprising a project.
- Materials and equipment required for necessary site preparation, construction and installation of a project.
- Labor for site preparation, construction and installation of a project.
- Costs associated with maintenance, operation or repair of a project during the term of the loan.

Examples of project costs that are not eligible for financial assistance include, but are not limited to:

- Administrative costs not associated with site preparation, construction and installation of a project, including employee salaries of the borrower or any affiliates.
- Costs incurred prior to the committee’s recommendation to approve a loan. Costs incurred prior to the committee’s recommendation may be eligible for assistance if the borrower demonstrates the prior costs were necessary. Examples of potentially eligible costs incurred prior to the committee’s recommendation may be a deposit on equipment or securing a contractor for the proposed project schedule, preliminary engineering and construction costs that are preparing the project site for readiness. Costs incurred after the committee’s recommendation of the loan and before an IEC Board award date are at the applicant’s own risk in the event that the board declines the approval recommendation from the committee.
- Feasibility studies
- Engineering and final design
- Permitting or regulatory costs
- Other costs that the board determines to be ineligible

Ineligible “soft” costs listed above may be included as match. Other examples of soft costs include developer fees, legal fees, consultant fees and fees related to securing collateral. Any proposed cost for fiber extension if necessary for utility grid modernization projects will be evaluated on a case-by-case basis.

## ***Collateral***

The IEC Board will not issue a loan that exceeds the value of collateral provided. IEDA and the board have final discretion to determine what collateral will be accepted from a particular applicant. The board may consider the borrower's credit rating (or bond rating, if applicable) when evaluating collateral. Certain forms of collateral may require costs to be incurred by the applicant prior to disbursement. Collateral can be provided in a variety of forms. More than one form of collateral will be required for some projects. One or more of the following forms of collateral can be pledged in the application:

- Real property: Buildings and/or land can be secured through a mortgage held by IEDA. A lien on project-financed equipment could be provided but IEDA would require an additional form of collateral to be provided. IEDA must be satisfied there is sufficient equity in the property to cover the EIRLP loan in the event of default and will consider other liens and/or mortgages on the property when determining equity.
- Dedicated certificate of deposit: This requires the applicant to deposit an amount into an account at a financial institution which secures funds for a specific period of time, in this instance the loan maturity date. These typically get better interest rates than savings accounts, providing a financial benefit if the borrower has the resources to put into a dedicated CD.
- Irrevocable letter of credit: This is a letter signed by the borrower's bank that authorizes IEDA to draw funds of a sum not to exceed the loan amount in the event of default of the loan agreement with IEDA. This is the preferred form of collateral.
- Corporate guarantee: This must be provided by a separate corporation that has different ownership from the borrower. A letter from this corporation should be provided in the application that pledges their guarantee if the loan is awarded.
- Utility revenue or reserve funds, if applicable: this option is only applicable for projects that have a source of revenue. Municipal utilities can pledge net revenues for collateral. A business with a planned Power Purchase Agreement could pledge to assign that agreement to IEDA in the event of default.
- Other forms of collateral if approved by the board may be accepted if the forms above are unavailable or inadequate.

## ***Loan Term***

The duration of the loan shall not exceed 15 years. To determine the loan term, the Loan Committee will consider cash flow factors including the applicant's requested term, tax credits, projected revenue or savings, required pro formas from utility applicants, and other financing. The IEC's loan may, in some instances, be paid back before the applicant sees their own payback for the project.

## ***Project Eligibility Overview***

The borrower shall demonstrate all the following criteria are met:

- The project is located in Iowa or for the primary use or benefit of Iowans. If any portion of the project is located outside of Iowa, the applicant bears the burden of demonstrating that the project as a whole will be for the primary use or benefit of Iowans.
- The project develops energy infrastructure as defined in Iowa Code section 476.46A(3)(a).
- The borrower must be the owner, contract purchaser, lessee, or other interest holder of the real property where the project is located.

A project that generates energy for use only at a borrower's personal residence is not an eligible project.

## ***Project Purpose***

A variety of projects may meet the program purposes as specified in Iowa Code, which relate to the Iowa Energy Plan, in addition to energy infrastructure definitions. The table below is provided to illustrate potential examples but is not all inclusive. A project may fulfill more than one purpose.

Project Purpose	Examples	Does Not Include
Electric or gas generation, transmission, storage, or distribution	<ul style="list-style-type: none"> <li>• Infrastructure upgrades or expansion necessary for new resilience or energy generation projects</li> <li>• Undergrounding of utility infrastructure.</li> <li>• Carbon management pilot projects</li> <li>• Industrial location or expansion projects in areas with capacity constraints</li> </ul>	<ul style="list-style-type: none"> <li>• Solar without additional innovative technologies</li> <li>• Distribution or transmission projects that do not integrate best practices or advanced approaches.</li> <li>• Energy infrastructure for business location or expansion projects not tied to IEDA's business development priorities*</li> </ul>
Electric grid modernization	<ul style="list-style-type: none"> <li>• Equipment managed by utility to manage peak loads, either as part of their system or customer-sited</li> <li>• Software used to improve cybersecurity</li> <li>• Infrastructure/software to optimize use of energy generation resources, which may include fiber</li> </ul>	<ul style="list-style-type: none"> <li>• Fiber improvements without electric grid improvements</li> </ul>
Energy sector workforce development	<ul style="list-style-type: none"> <li>• Integrating workforce training and/or certification into energy infrastructure planning and construction</li> <li>• Hiring additional contractor(s) for training purposes on a project</li> <li>• Building a training facility for line workers/ electricians to learn about emerging energy technologies</li> </ul>	<ul style="list-style-type: none"> <li>• Energy sector training that does not include developing an infrastructure project</li> </ul>
Emergency preparedness for rural and underserved areas	<ul style="list-style-type: none"> <li>• Equipment to detect outages on service lines</li> <li>• Infrastructure to improve resilience</li> <li>• Remote power and storage solutions</li> <li>• Electric emergency vehicles with exportable power</li> </ul>	<ul style="list-style-type: none"> <li>• Conventional vehicle acquisition</li> <li>• Emergency radios</li> </ul>
Expansion of biomass, biogas, and renewable natural gas	<ul style="list-style-type: none"> <li>• Anaerobic digesters (AD) and associated equipment</li> <li>• Infrastructure upgrades to connect production to market</li> <li>• Biomass production costs necessary to enter energy market or be deployed for carbon sequestration</li> </ul>	<ul style="list-style-type: none"> <li>• Maintenance of existing AD facilities</li> <li>• Ethanol and biodiesel refineries</li> </ul>
Innovative technologies	<ul style="list-style-type: none"> <li>• Energy storage (batteries) and improvements to accommodate it</li> <li>• Combined Heat and Power</li> <li>• District energy systems</li> <li>• Microgrids</li> </ul>	<ul style="list-style-type: none"> <li>• Technologies with an established market and sources of financing in Iowa</li> <li>• Technologies that conflict with laws or regulations and do not have a plan for compliance</li> </ul>
Development of infrastructure for alternative fuel vehicles	<ul style="list-style-type: none"> <li>• Electric vehicle charging infrastructure</li> <li>• Hydrogen fueling stations when powered with electricity and/or natural gas</li> </ul>	<ul style="list-style-type: none"> <li>• Ethanol or biodiesel storage or stations</li> </ul>

\*IEDA business development priorities could include a project that is receiving other assistance from IEDA for business expansion within Iowa's targeted industries (advanced manufacturing, biosciences, insurance/financial services) or one of [Iowa's Certified Sites](#).

## *Application Evaluation*

Any project under review of the program shall meet at least one of the following evaluation criteria with a narrative provided in the application about how it achieves one of the necessary objectives. Staff and the Loan Committee will conduct further evaluation to ensure at least one of the criteria is met for any project recommended for approval by the IEC Board. Additional criteria for projects within the program emphasis area are detailed in Appendix A.

- The project demonstrates broad reaching benefits to the state, local community and/or utility ratepayers.
- The project demonstrates a creative or innovative approach to a need or problem.
- The project demonstrates assistance is necessary to reduce the project's risks.

Applicants requesting a loan over \$1 million will be required to meet the first criteria at a minimum. These three criteria may be used to score loan applications in a given cycle if the demand for loans exceeds the amount allocated. Staff and the Loan Committee will conduct additional evaluation of applications as described further in the Application Process section of these policies and procedures.

## APPLICATION PROCESS

### *Overview*

Applications will be available and accepted through IowaGrants.

- The IEC will review applications and make funding decisions.
- Applications will only be accepted during the established application period, as identified at [iowaeda.com](http://iowaeda.com)
- Applicants planning to apply must create an IowaGrants account. The IowaGrants account will be used for claims and reporting for approved borrowers; therefore, the individual registering for IowaGrants on behalf of the applicant should be prepared to also conduct post-award reporting, if applicable. More than one registered individual can have access to the IowaGrants account for the project.
  - If the person completing the application already has an account through IowaGrants or a State of Iowa Okta account, this same account will be utilized.
  - If the person completing the application does not have an account, the applicant will need to allow a minimum of two weeks to register and activate their account.

### *Waiver Requests*

The IEC Board may consider requests to waive administrative rules pursuant to [261 Iowa Administrative Code Chapter 199](#).

### *Energy Project Questionnaire*

Applicants may submit an energy project questionnaire so staff can provide technical assistance feedback on eligibility prior to submission of an application. The questionnaire may also be used to solicit feedback from the committee or as a supplement to a waiver request as described above.

### *Application Process*

- Applications will be completed via IowaGrants. IEDA will communicate the application submission deadlines and other application details to prospective applicants through the program webpage. The program manager will be responsible for all communications to selected applicants and will serve as the point of contact for applicants.
- Once the submission deadline has closed, the program manager will review the applications for eligibility and completeness. Ineligible and/or incomplete applications may be denied by staff.
- IEDA and Iowa Finance Authority staff will review the applications, request additional information from applicants when needed and prepare recommendations for the committee. Staff included in the review may include:
  - Program Manager
  - Other Energy Office Program Managers
  - Team Leader
  - Legal Counsel
  - Underwriter
  - Business Finance Staff

- The authority or board may engage outside reviewers to complete technical, financial, or other reviews of applications beyond the expertise of the board and authority staff. This may delay the published timeline.
- Eligible applications will be evaluated using information provided in the application, any responses to follow up questions by the program manager, and additional analysis and research conducted in the review process. The necessary factors include:
  - The applicant, any of its project partners, and ability to repay loan: previous loans through IEDA or the Iowa Energy Center, financial statements, any history of violations with the state of Iowa, project partners. IEDA may conduct a credit report of the applicant or request such report be conducted by a credible reporting agency. Utility applicants will be expected to produce a revenue review and pro forma from a qualified financial advisor or consulting engineer and verify a debt service coverage ratio of at least 1.1x. Additional financial analysis may be necessary
  - Project planning: level of planning and engineering needed and completed thus-far, regulatory or permitting considerations, financial analysis completed, property and project partner status. The project timeline and anticipated disbursement request date will be evaluated.
  - Project purpose and evaluation criteria: The project must fulfill at least one of the purposes listed Iowa Code 476.46A(1)“c” as enacted by 2021 Iowa Acts, Senate File 619 and at least one of the criteria listed in the Application Evaluation section on page 6. The evaluation criteria will be supported by data and information in the application, additional research and analysis conducted by staff if needed.
  - Pledged collateral: pledged collateral is one of the acceptable types, whether confirmation of pledged collateral is provided in the application (e.g., bank commitment indicating an Irrevocable Letter of Credit will be available) or by additional information as requested by staff and Committee. Applicants pledging real property for collateral will be expected to provide additional information about the proposed collateral and its value, as well as agree to the associated conditions to disbursement if awarded the loan.
  - Project funding sources/financing: availability of funding such as loans or private investment, confirmation of availability or timeline for securing. The IEC Board may approve an application prior to an applicant securing matching funds, but IEDA will not disburse funds until such funding is committed. Applicants who plan to utilize tax credits must have funding available for their match to cover necessary project costs before tax credits can be claimed.
  - Projected payback and cash flow, if applicable: the financial factors unique to the project and any associated financial projections provided in the application will be utilized to assess the project cash flow. This will inform the recommended loan term to allow the EIRLP loan to be repaid while retaining viability for the project and applicant. This may result in the EIRLP loan seeing a payback quicker than the applicant.
  - Energy attributes: proposed equipment and infrastructure components (e.g., warranty, reliability of manufacturer), any energy generation or delivery metrics and their data source.
- The Loan Committee will review all of the applications, evaluate using the established criteria and other information provided by staff, and make a recommendation to the full board. If an application does not meet the program requirements, and if the applicant does not respond to requests for information to confirm compliance, the application may be considered incomplete and withdrawn. The Loan Committee will also evaluate whether costs incurred before the committee review are allowable, determine loan term and amount, interest, any additional conditions to disbursement or alteration of disbursement schedule and any final negotiation between IEDA staff and applicant.
- The Program Manager will summarize the applications and Committee recommendations for the IEC Board.
- The IEC Board will review all applications and the recommendations from the Loan Committee and vote on each application.
- IEDA will notify applicants in writing of the board’s approval or denial of an application. If the application is approved, the notice will include any conditions and terms of the loan.

## ADMINISTRATION

Borrowers are required to meet certain conditions before a contract is signed and/or before funds are dispersed to the borrower. All borrowers are required to secure pledged collateral before disbursement of funds. Examples of other conditions include, but are not limited to, evidence that other financing or funding sources listed in application have been approved, any necessary permitting or regulatory approvals have been secured.

### *Agreement*

After notifying the borrower of an award, IEDA will offer a contract to the borrower, which will be between the borrower and IEDA. The borrower must return the agreement to the IEDA within 90 days of the transmittal of the agreement. Failure to return the agreement may be cause for the IEC Board to terminate the award.

### *Conditions to Disbursement*

The obligation of IEDA to disburse funds is contingent upon receipt of certain documentation as outlined in the agreement, if not already provided in the application, and determined to be acceptable, or available through other means. Recipients will receive further instruction from the program manager about the content and procedure associated with fulfilling the conditions to disbursement.

The following items are required before a claim can be processed:

- Documentation required for conditions to disbursement as detailed in the agreement, including but not limited to securing project collateral.
- A W9 from the recipient.
- Direct deposit authorization form if the preferred payment method is direct deposit.
- A General Account Expenditures (GAX) Form with a Vendor Code provided by IEDA after W9 submission.
- Any release of information documents requested by IEDA.
- Any conditions determined by the IEC Board on the date of approval.

Securing the required collateral for the project may entail expenses being incurred by the applicant. Most forms of collateral will require execution of additional documents, utilizing templates to be provided by IEDA such as the irrevocable letter of credit. Real property as collateral has additional requirements to be met, in part to ensure that the value of collateral meets or exceeds the loan amount approved by the IEC Board and IEDA has the expected priority position among lienholders. These include but may not be limited to:

- For mortgage on a property that is not in first position, an account statement verifying how much is owed to other lender(s) in a senior position to IEDA.
- A recent appraisal for the property.
- For projects requesting between \$50,000 and \$500,000, a title of opinion from an Iowa licensed attorney, which must be certified at least through the recording date and time of the mortgage filing.
- For projects requesting over \$500,000, a lender certificate from Iowa Title Guaranty. This provides more coverage to IEDA as the lender as it provides coverage against rights of parties in possession unforeseen at the time of application to EIRLP, affirmative coverage against survey issues and mechanic lien claimants.
- For any equipment or removable infrastructure, IEDA may require an independent estimate of the projected future value including depreciation.

### *Disbursement of Funds/Claims*

- Disbursement requests can be made prior to project completion if included in approved application. Most disbursements will occur in one lump sum with the anticipation that project will be commenced and/or completed soon thereafter. Recipients may request the lump sum disbursement for less than their loan amount if circumstances have changed including project costs being lower than previously estimated or an increase in matching funds. If the recipient fails to request disbursement according to the timeline provided in the application, the recipient must provide an update no less than quarterly to IEDA regarding the deviation from the approved timeline and updates on the plan to implement the project.
- Any funds not requested for disbursement within one year of the board approval date may be subject to deobligation and termination of the loan agreement.

### *Reporting Requirements and Monitoring*

- A startup report is due within 60 days of the later of: the date the project is placed in service/operational or the latest date of all project invoices. The report must include, but is not limited to, documentation of project costs and related invoices, one or more photographs, description of unanticipated challenges and lessons learned.

- Utility borrowers will be required to submit annual certifications to confirm that they have maintained their 1.1x debt service coverage ratio, that the revenues generated are adequate to maintain debt service requirements, and are maintaining sufficient unrestricted reserves. Borrowers are expected to engage their financial advisor to complete a pro forma every five years to demonstrate the ability to remain in compliance. A method to ensure compliance with the 1.1x debt service coverage ratio may be a cost of service rate study and adjusting rate structures based on its recommendations.
- IEDA may conduct a site visit of awarded projects to ensure the projects were built as proposed and to provide verification of ongoing operation. IEDA project manager will notify the recipient at least seven business days in advance of a site visit.
- Additional reports, no more than once/year, may be required by IEDA, depending on the project type and potential needs to demonstrate compliance with program requirements and plans provided in the application. IEDA also may require reports to provide energy and cost data, project outcomes and lessons learned.
- IEDA will notify the Loan Committee and/or IEC Board of any ongoing performance and/or reporting issues.
- IEDA and the Iowa Energy Center may use any data, information and photographs provided by the recipient for educational purposes unless otherwise specified in the loan agreement.

## ***Amendments***

Any substantive change to a funded IEC EIRLP project, including award amount, loan term, interest rate, or alterations to proposed activities, will require an amendment to the agreement. The recipient shall request an amendment in writing and submit an amendment request in IowaGrants. Once the amendment request is received, staff will review and determine if the request requires IEC Board approval. If it does, IEDA staff will place the amendment request on the agenda for the next scheduled IEC Board meeting. If staff determines the request can be approved without IEC Board approval, staff shall initiate the amendment approval process. No amendment will be valid until approved by the board, except the following (with written confirmation from IEDA):

- Staff may approve a reduction in award amount and scope no more than 10% lower than original award amount, as necessary to accommodate change in pricing.
- Staff may approve extension of project completion and resulting disbursement schedule no more than one year after original schedule.

## ***Loan Forgiveness***

The board may consider requests for loan forgiveness if the borrower demonstrates forgiveness is necessary to avoid a negative material impact on the project or potential default. Any request for loan forgiveness must provide the following information:

- Circumstances that have changed since the application was approved by the board.
- Any deviation from the application with project contractors, partners, equipment, scope of work, changes in ownership, etc.
- All project invoices received and paid to date.
- Risks taken by borrower to implement the project.
- Any beneficial outcomes or lessons learned that were gained from the project.

## ***Defaults***

- At any time during the project or the repayment of the loan, IEDA may find that a borrower is in default under the terms of the loan contract. The authority will take prompt, appropriate, and aggressive debt collection action to recover any funds misspent by borrowers.
- If IEDA determines that a borrower is in default, the authority may seek recovery of the loan plus interest or other penalties, negotiate alternative payment schedules, suspend or discontinue collection efforts and take other action as the authority deems necessary.
- IEDA shall attempt to collect the amount owed. Any negotiated settlement, write-off, or discontinuance of collection efforts is subject to final review by and approval of the board.
- If IEDA refers a defaulted contract to outside counsel for debt collection, then the terms of the contract between the authority and the outside counsel regarding the scope of counsel's authorization to accept settlements shall apply.

## ***Closeout Procedures***

- Final payment from recipient in accordance with loan agreement. The loan may be prepaid in part or in full at any time without penalty.
- IEDA may request a final report upon final payment receipt.
- IEDA will provide a final closeout document stating that contracted funds have been spent in accordance with the agreement and the agreed upon deliverables have been achieved.



**Timeframe of applicability: October 9, 2024, through December 4, 2025.**

The current program emphasis for the Energy Infrastructure Revolving Loan Program (EIRLP) is to improve utility infrastructure in disaster-impacted counties. This emphasis is shaped by a more limited scope of eligible applicants, project location and type, specific evaluation criteria, and a reduced interest rate.

- Applicants are municipal electric utilities, municipal gas utilities, and rural electric cooperatives. Businesses and individuals are excluded.
- Projects must be located in any of the [counties](#) which have received presidential disaster declarations in 2024: Adair, Adams, Buena Vista, Cedar, Cherokee, Clarke, Clay, Dickinson, Emmet, Harrison, Humboldt, Jasper, Lyon, Mills, Monona, Montgomery, Obrien, Osceola, Palo Alto, Plymouth, Polk, Pottawattamie, Ringold, Scott, Shelby, Sioux, Story, Union and Woodbury.
- Projects are expected to improve the applicant's preparedness for future severe weather events and natural disasters. A project in an application may comprise of several improvements to the utility's infrastructure.
- Loans for utility projects in the disaster impacted counties that meet this program emphasis are eligible for a zero percent interest loan. The interest rate is subject to negotiation by the Iowa Energy Center if a utility in a disaster impacted county and their customers did not experience financial impacts or damage from the disaster.
- Applicants may be eligible for and apply for Hazard Mitigation Assistance (HMA) funding, administered by the Iowa Department of Homeland Security and Emergency Management, for the same project. Loan funds can be used for non-federal cost share to meet requirements of the HMA funding. Applicants may also propose to utilize EIRLP for cash flow to pay for eligible expenses prior to HMA funding reimbursement, contingent upon an accelerated repayment schedule to the EIRLP upon reimbursement of federal funds.
- To be eligible for a specialized loan, the project shall meet at least one of the evaluation criteria described below. The criteria will also be used if demand for loans exceeds funding available.
  - The project is more resilient to severe weather than current conditions.
  - The economic hardship on utility/ customers due to the recent disaster results in the need for EIRLP loan in comparison with other funding / financing sources.
  - The project is needed due to infrastructure damaged by the disaster.
  - The project has demonstrated benefits to residents and businesses affected by the disaster.

- Projects may be able to be approved for a loan for 100% of project costs. The applicant would need to submit a waiver request. Financial hardship due to the disaster may be considered by the IEC Board as justification for a request to waiver to the administrative rules which limit a loan to 75% of total project costs (IAC 261-406.3(2)) and provides examples of ineligible costs (IAC 261-406.6(2)). More information on waiver requests may be found at [www.legis.iowa.gov/docs/iac/chapter/261.199.pdf](http://www.legis.iowa.gov/docs/iac/chapter/261.199.pdf).
- A revenue review and pro forma from a qualified municipal advisor or consulting engineer are required to verify a debt service coverage ratio of at least 1.1x and demonstrate the continued ability to repay the loan. Additional financial analysis may be necessary. This is required prior to disbursement of funds and periodically during loan term unless otherwise specified by IEDA.

Applications for the EIRLP are accepted through [IowaGrants.gov](http://IowaGrants.gov). Applications contain required information including previous audited financial statements, estimated project costs, and scope of work. Awards are made on a quarterly basis by the IEC Board. The deadlines for consideration at an IEC Board meeting are as follows:

Application Deadline	IEC Board Meeting Date
January 9, 2025	February 6, 2025
April 3, 2025	May 8, 2025
July 24, 2025	August 28, 2025
October 30, 2025	December 4, 2025

Additional information on the EIRLP can be found at [iowaeda.com/iowa-energy-office/energy-loans/](http://iowaeda.com/iowa-energy-office/energy-loans/).

Additional information on how to apply for Hazard Mitigation Assistance can be found at [homelandsecurity.iowa.gov/grants/hazard-mitigation-assistance-hma-grant-programs#applying-for-funding](http://homelandsecurity.iowa.gov/grants/hazard-mitigation-assistance-hma-grant-programs#applying-for-funding) or by contacting [HSEMDMitigation@iowa.gov](mailto:HSEMDMitigation@iowa.gov).