

**GREENHOUSE GAS EMISSIONS REDUCTION FUND**  
**Quarterly Progress Report Form**

1. Program Title

NH Business Energy Conservation Revolving Loan Fund

2. Program Type

Revolving loan fund for energy efficient investment;

Energy efficiency related industrial processes and controls;

Programs to improve the electrical and thermal efficiency on new and existing commercial buildings.

3. Summary of work completed during this reporting period **July 15, 2009 – September 30, 2009.**

- Develop loan program guidelines – 100% complete, copy attached;
- Establish monitoring and accounting systems for RLF and create from loan documents – 100% complete, copies of form documents available upon request;
- Market the RLF through NH Business Resource Center and utility audit programs – ongoing, initial efforts have been to work with potential borrowers identified by previous audits coordinated by these groups; RLF featured in August 14 NH Business Review article;
- Reviewed and approved 2 loan applications - \$750,000 for Foss Manufacturing Co. for motor and electrical distribution improvements and \$502,300 for Fraser Papers/Androscoggin Valley Regional Refuse District to enable the mill to replace oil with methane gas from the landfill. Loan commitment letters are available upon request. 60% complete;
- Prioritize loan applications from businesses not currently eligible for existing utility energy efficiency programs – Both projects noted above do not qualify for the existing energy efficiency rebate programs.
- Close each loan application – 0% complete. Loan closing have been delayed by matching funders. For example, Foss applied for a USDA energy grant in June and was not notified until mid-October that their application had been rejected. We have since restructured the project so that the priority improvements can begin while they seek funding for the remaining activities.
- Perform tasks listed in each Loan Agreement – 0% complete. Since no loans closed this quarter, there are no monitoring activities.
- Utilize existing loan underwriting and management capabilities – 100%. BFA staff has completed all underwriting and other administrative activities. The BFA

has borne all this expense. One hundred percent of GHGERF funds will be used to provide business energy efficiency loans.

- Monitor collection of payments – 0% complete. Since no loans closed this quarter, there are no collections.
- Seek matching funds – 100%. We are requiring each borrower to pursue all other available funding options. As noted above, Foss applied for USDA funds. Fraser/AVRRD has applied for EDA funding.
- Refer bankable projects to Ocean National Bank's energy efficiency program – RLF guidelines specify that projects that qualify for bank funding will be referred to the Ocean Bank program. No borrower to date would qualify for bank financing, either because of the nature and quality of the loan collateral or because of the borrower's operating results.

4. Summarize work to be completed next quarter: **October 1, 2009 – January 31, 2009**

- Continue to aggressively market the RLF – BFA website, December 2 BIA energy conference, and direct outreach to utility audit programs;
- Convert at least 2 of our existing prospects into loan applications and commitments;
- Close at least 2 loans, including the Foss loan;
- Implement the loan monitoring and collection procedures.

5. Budget vs. Actual Expenditures

Funds used for Loan Fund Capital - Budget - \$1,000,000  
Actual - \$0  
Match - \$0

6. Please document any jobs created.

No jobs have been created to date but the two companies we have made commitments to employ over 600 people in high wage manufacturing employment.

7. Explain any obstacles encountered or any milestones not reached.

As noted above, coordinating the RLF with other funders has resulted in delays in program implementation.