

ENERGY REVOLVING LOAN FUND

RULES AND REGULATIONS OF THE
RHODE ISLAND STATE ENERGY OFFICE

OF THE

DEPARTMENT OF ADMINISTRATION
DIVISION OF CENTRAL SERVICES

OF THE

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

ADOPTED PURSUANT TO CHAPTERS 37-8-17.1 and 37-8-17.2

OF THE GENERAL LAWS OF RHODE ISLAND

DATED JANUARY 1991

AND RULES DATED DECEMBER 1995 AND MARCH 1998

1. AUTHORITY AND PURPOSE

1.1 Statutory Basis

Section 37-8-17.2 of the General Laws of Rhode Island authorizes the Rhode Island State Energy Office to make available no interest loans to state agencies and municipal governments for the following.

- A. To implement energy and water conservation and/or sewer cost reduction measures within facilities owned or leased by the aforementioned authorities.
- B. To pay for the incremental cost of alternatively fueled vehicles for fleets owned by or leased by state agencies or municipal governments.
 - (1) For the purposes of these regulations, alternatively fueled vehicles are vehicles powered by the following fuels:
 - Methanol, denatured ethanol, and other alcohols;
 - Mixtures containing 85% or more by volume of methanol, denatured ethanol, and other alcohols with gasoline or other fuels;
 - Natural gas;
 - Liquefied petroleum gas (propane);
 - Hydrogen;
 - Coal-derived liquid fuels;
 - Fuel (other than alcohol) derived from biological material;
and
 - Electricity

1.2 Purpose

These regulations establish the operating procedures for administering the Energy Revolving Loan Fund.

2.0 Evaluation

- A. The Rhode Island State Energy Office will evaluate conservation projects to determine the extent of funding based upon the following criteria:
 - 1) payback or the total net cost divided by the dollars saved per year;
 - 2) maintenance savings may be considered as part of the criteria in payback;
 - 3) total project cost relative to the amount of available funds.
- B. The Rhode Island Energy Office will determine the extent of funding the incremental cost of alternative fueled vehicles, on a case-by-case basis, subject to available funds.

3.0 Loan Terms and Security

3.1 Maintenance of Fund

It is the goal of the Rhode Island State Energy Office (RISEO) to maintain sufficient monies in the Energy Revolving Fund to ensure the continuous availability of funds for which the fund was created.

3.2 Loan Terms

Loans made under the provisions of this section may be made directly or in cooperation with other lenders or any agency, department, or bureau of the Federal, State, or Municipal Government.

A charge will be assigned to each project to recapture administrative and management costs incurred by the Rhode Island State Energy Office.

3.3 Repayment Terms

The Rhode Island State Energy Office (RISEO) will be responsible for developing a standard loan agreement form to be executed between RISEO and the participating party.

In addition to any other required terms, each loan agreement shall:

- a. specify maximum five (5) year term, which the full amount of the loan shall be repaid;
- b. require payments to be made on a yearly basis; and
- c. set forth the amounts of each periodic payment, unless these requirements have been otherwise negotiated.

3.4 Eligible Expenditures

All proposed projects must be coordinated with and approved by RISEO prior to incurring any expenses. Eligible expenses include: auditing, engineering, data collection, and all construction costs including labor and materials.

In addition, RISEO may incur expenses for the following: training and administrative costs related to coordinating the programs, managing projects, inspection and quality control, managing the revolving fund and other like duties. Payroll costs consultant costs, and costs for overhead such as office space, supplies and equipment are allowed. The costs of auditing equipment and instruments are also allowed.

3.4 Additional Administrative or Fiscal Requirements

The Department of Administration, or other authorized representatives of the State of Rhode Island may establish from time to time additional requirements, not inconsistent with these regulations in order to assure the effective operation of the Energy Revolving Fund. Additional administrative or fiscal requirements may include an administrative charge to participating borrowers, requirements to insure strict conformance to energy efficiency standards and a process of disbursement of loan funds to borrowers based on documented completion of phases of work. Information regarding any of these requirements will be available through the Rhode Island State Energy Office of the Department of Administration.

4.0 Severability

If any section, paragraph, phrase, sentence or clause of these rules and regulations is declared invalid or unconstitutional for any reason, the remainder of the Rules and Regulations shall not be affected thereby.

5.0 Effective Date

These Rules and Regulations shall become effective twenty (20) days following filing with the Office of the Secretary of State.

I hereby certify that the attached rules and regulations are true copies of the Rules and Regulations promulgated by the Department of Administration, Division of Central Services.

William H. Ferguson
Chief Property Management
Department of Administration
Division of Central Services

Signed and sworn to before me this _____ day of _____, 1998.

Notary Public