



Indian Energy Loan Program Gets Supersized

By Mark Fogarty

A Department of Energy Tribal loan program that can include carbon reduction projects has been supersized by the Inflation Reduction Act, with its guarantee authority expanded tenfold, from \$2 billion to \$20 billion.

The trouble is, the Department of Energy's Tribal Energy Loan Guarantee Program has been an extremely slow starter. According to the Bipartisan Policy Center, the TELGP was established in 2005 but wasn't funded until fiscal 2017.

And as of a BPC analysis in 2020, no loans had been ever been guaranteed by the TELGP.

The Center wrote that innovative programs can be funded with DOE loan authority from TELGP and other loan guarantee programs, including carbon capture (and presumably, direct air capture).

"The program does not have an innovative technology or greenhouse gas reduction mandate. Even without such requirements, increasing awareness of the program and attracting applicants who are experienced in energy development remains a challenge," according to the group.

Improvements in IRA that may help some spin on the TELGP ball, according to the law firm Holland & Knight, are an increase in the percentage of the loan DOE will guarantee, from 90 percent to 100 percent, and an additional \$75 million to administer the program.

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