



**United States Department of Energy**  
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**FOR IMMEDIATE RELEASE**  
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**FACT SHEET: ADVANCED TECHNOLOGY VEHICLES MANUFACTURING  
LOAN PROGRAM**

- On November 5, 2008, the Department of Energy issued the Interim Final Rule and accomplished writing the rule for Section 136 of EISA 2007 in approximately half of the 60-day expedited timeframe mandated by Congress. Historically, rulemaking at DOE takes 18 months.
- The Advanced Technology Vehicles Manufacturing Loan Program (ATVMLP) was authorized under Section 136 of the Energy Independence and Security Act of 2007 (P.L. 110-140). Section 136 is under the sole management and responsibility of the Department of Energy.
- The FY09 Continuing Resolution authorized up to \$25 billion in direct loans to eligible applicants for the costs of reequipping, expanding, and establishing manufacturing facilities in the U.S. to produce advanced technology vehicles, and components for such vehicles. These vehicles must provide meaningful improvements in fuel economy performance.
- The Interim Final Rule is effective immediately and allows DOE to begin accepting applications.
- Upon publication of the rule in the Federal Register, the Department will open the window to receive applications for the loan program. Evaluation of substantially complete applications can begin as soon as those applications are received.
- The rule protects the taxpayers and provides specific loan parameters for automobile manufactures to develop advanced vehicle technologies – a win, win for all parties.
- As demonstrated by the early issuance of this Interim Final Rule, DOE is committed to moving expeditiously to implement this important rulemaking. DOE

will also work expeditiously to comply with all Federal, State and local laws, regulations and permits necessary to process and finalize applications.

- The timing for the issuance of funds will depend on when applications are submitted, application thoroughness, and attainment of any required permits or approvals.
- This program was created by Congress to help automakers get the financing needed to retool older plants and equipment to produce energy-efficient vehicles – DOE is doing everything Congress has authorized it to do.
- DOE encourages the automakers and other eligible companies to apply for these loans so that qualifying projects can produce more fuel-efficient vehicles which consumers are demanding.
- The law that Congress passed had many restrictions that would have prevented financing from flowing quickly to the auto companies. DOE has done its best to accelerate funding within the confines of the law Congress passed.
- The Department's job is to implement the legislation that Congress passed. DOE is acting consistent with the purposes and with the amount of flexibility provided for in the legislation.

#### Applications:

- In accordance with the statutory language, the Interim Final Rule identifies qualifying elements for the loan program and application requirements.
- Applicants will be allowed to make multiple loan requests in a single application.
- Applications will be reviewed as they are submitted and considered in tranches. The deadline for the first tranche is December 31, 2008.
- Following a 30 day public comment period on the Interim Final Rule, DOE will evaluate the program and determine when to issue a Final Rule.

#### Eligibility:

- Congress set forth the criteria for projects and costs eligible to receive direct loans. The key criteria for qualified advanced technology vehicles or qualified components require:
  - Manufacturing facilities be located in the U.S.;
  - Engineering integration be performed in the U.S.;
  - Costs be reasonably related to the reequipping, expanding, or establishing a manufacturing facility in the U.S.; and
  - Costs of engineering integration be performed in the U.S.
- Loans will not be available on a retroactive basis; past advanced technology investments are ineligible.

Baseline:

- The Interim Final Rule established the “base year” to be vehicle model year 2005.
- To identify vehicles with substantially similar attributes, DOE grouped vehicles by classes previously defined by EPA for the purpose of fuel economy ratings, as well as additional subclasses created by DOE for performance vehicles (e.g., sport cars).
- In accordance with the statute, in order to qualify as an advanced technology vehicle under the Interim Final Rule, an applicant must demonstrate that a vehicle has a fuel economy performance at least 125% of the average MY 2005 fuel economy of the appropriate class.

For more information visit DOE’s Advanced Technology Vehicles Manufacturing Loan Program website: <http://www.atvmloan.energy.gov/>.

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