



“Winning Strategies for Algae Grants and Guaranteed Loans”

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Dallas, Texas
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Warning!!!

- If you like to throw things together at the last minute, this won't be for you.
- If you think your congressman owes it to you to get it for you, this won't be for you.
- If you don't like to fill our forms or answer questions that you don't understand, this won't be for you.
- If after reading the grant you think they are asking for too much information, this won't be for you.



Application Challenges

Federal grants are hard to get.

Potential applicants are afraid to apply.

Application involves a lot of information and takes time and money to process.

The grant award time is long—6-8 months.

The applicant must be able to wait for the award.

We have been able to get our clients over \$40 million in grants and millions in loan guarantees.



Stages of Development

Research & Development

Pilot Plant

Demonstration Plant

Commercialization



How to Begin

- 1. Start early!!!!**
- 2. Carefully read the grant documents and make a schedule of all the requirements.**
 - a. Do you qualify?**
 - b. Are you at the right stage with your project to apply?**
 - c. Do you have the financial match or can you get it?**



3. Develop a team that will prepare the grant:
 - a. Management team must be involved, from CEO on down.
 - b. Engineering and Construction Companies
 - c. Legal—articles of incorporation, other docs
 - d. Financial—pro-formas, also Bank or Finance Company
 - e. Environmental—permitting issues
 - f. Collaborators—Equipment vendors, feedstock supply, offtake agreements
 - g. University—research completed or needed
 - h. Consultant/Grantwriter—put everything together, organize and help balance the application and develop a strategy and a good story.
 - i. Federal, state or local governmental entity.
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4. Develop a strategy, capitalizing on your strengths and shoring up your weaknesses—

It is YOUR story.

Make it interesting and allow the reviewers to understand it completely.

Make it balanced.

Write to a 6th grade level.



5. **Develop a list of deliverables and assign tasks to the team with dates.**

Continue to follow up with the team until everything is completed.

Schedule regular conference calls or meetings.



Government Grants & Loans

DOE Grants and Loans

USDA Grants and Loans

DARPA Grant

State Grants



DOE

Current work on Algae Production

NREL worked on algae production from 1978-1996.

Started research again in 2006 on algae species, working with Chevron.

Looking for other private companies to partner with.

DOE algae research being conducted at the major labs around the US.



DOE

Current work on Algae Production

Sandia Labs and NREL partnering to hold a workshop with stakeholders that will culminate in a roadmap for algae funding on key issues.

Partnering on a Southwest Algae Consortium—TX, AZ, CO, CA, HA



DOE Guaranteed Loan Program

Just released June 30, 2008, open until 12/31/08

80% Loan Guarantee

Letters of Commitment for all Equity

New or Significantly Improved Technology, not commercial

Must have completed pilot plant and demonstration plant

Detailed Engineering

Independent Engineering Report

Must be Creditworthy



DARPA

BAA08-07, BioFuels - Cellulosic and Algal Feedstocks

Working with two teams—SAIC and General Automics

The principal goal for this new capability is the demonstration of scaleable commercializable processes for the affordable (<\$3/gallon) production of a JP-8 surrogate fuel.

Working with cellulosic and algal technologies.



USDA – 2007 Farm Bill Programs

9003 – Biorefinery Assistance Program

Loans up to \$250 million and 30% grants

**Commercial, Pre-Commercial and Demonstrations Plants
eligible**

Looking for technology that is ready to go and is innovative.



USDA – 2007 Farm Bill Programs

9004 – Repowering Assistance Program

Install new biomass energy systems in existing refineries, or produce energy from biomass for plant operations instead of fossil fuels.



USDA – 2007 Farm Bill Programs

9005 –Bioenergy Program for Advanced Biofuels

Payments to support and expand production of advanced biofuels.

A new product in a new market in a new geographic area.

Priority release for Fall 2008.



USDA – 2007 Farm Bill Programs

9007 –Rural Energy for America Program (REAP)

25% grant up to \$500,000

Up to \$25 million in loan guarantees

Commercial technology

25% grant for Feasibility study and energy audit grants

Will open in Spring 2009



USDA – 2007 Farm Bill Programs

9008 –Biomass Research & Development Program

Research and development on feedstock development, biofuels and biobased products development, and biofuels development.

About 800 applications annually, 20-30 funded annually.



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USDA –Business & Industry Loan Program

Loan guarantees in rural areas with 50,000 population or less

Guarantee up to \$25 million

Can be used in conjunction with 9007 REAP Program loan

guarantee

Available throughout the year



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