

Dear Borrower:

It has been a successful year for the Small Scale Energy Loan Program. SELP received in excess of \$80 million dollars of energy loan applications in 2007. With energy prices continuing to soar, conservation and alternative energy projects are even more important to help control energy costs.

Energy Loan Program staff has been very busy helping fund some exciting energy projects. We've highlighted a few of these projects in this newsletter. Please take a few minutes to read about Grant School District's new heating and lighting system, Finley Bioenergy and its plan to turn landfill gas into energy, and Torii Mor Winery's efforts to gain a Leadership in Energy Efficiency and Design (LEED) Gold certificate.

As of December 2007, program loans to finance energy conservation, renewable resource, alternative fuel, or recycling projects total more than 765 and exceed \$420 million. Many of our borrowers have also received incentives from the Energy Trust of Oregon or their local utility and Oregon Energy Tax Credits.

In other news, Larry Gray, our long-time Assistant Director, retired last year. We wish him well in his retirement.

Please visit our website at: www.oregon.gov/energy/loans where you can find lots of useful information on loan rates and terms, energy tax credits, energy conservation and renewable resource technologies, Oregon's energy plan and much more.

Thank you for your support of our program. Feel free to call us with any questions and please feel free to pass along this brochure to a friend or associate.

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Energy Loan Program

Annual Update

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Finley Bioenergy LLC



Grant Union School District

Grant School District found itself in a precarious situation when two of its schools faced some costly energy needs. Grant Union High School in John Day had been running its heating on two outdated oil-fired boilers. The circa 1960 boiler failed early in the fall, leaving only the 1936 unit to heat the entire school. Meanwhile, over at Humbolt Elementary School in Canyon City, school officials wondered how they could afford to replace all their R-type metal halide lights. Senate Bill 479 required that all R-type lamps be replaced because these lamps pose a danger when their protective outer covering breaks but the light continues to burn, emitting high doses of ultraviolet rays. SELP stepped in and provided the Grant School District with a \$275,000 loan needed to help both schools. Grant Union High School is now equipped with a brand new boiler that is able to heat the entire school with much greater efficiency. Humbolt Elementary is now outfitted with T-8 lamps and electronic ballasts that reduce its energy use. The combined projects are estimated to yield an annual energy savings of more than 4,000 gallons of oil and about 9,090 kWh of electricity.

I'll bet the last time you drove by a landfill, energy generation wasn't the first thing that popped into your head. That is not the case for Gerry Friesen and Richard Morck, managing members of Finley Bioenergy LLC. They saw the Finley Buttes Regional Landfill as an opportunity. Finley Buttes is a solid waste landfill located approximately 15 miles southeast of Boardman. It receives over 500,000 tons of solid waste annually, making it the second largest in Oregon. Finley Bioenergy now uses the methane produced by decomposing waste at the landfill to fuel generators that produce approximately 25,233,000 kWh of electricity each year. In addition, Finley Bioenergy is piping the waste heat from its generators to the neighboring onion processing plant to help dry their onions. With the \$4.4 million loan that SELP provided, Finley was able to get its project up and running.



(Crane drops in a Caterpillar 3520 C generator on the Finley site.)



Torii Mor Winery LLC

The Willamette Valley is world renowned for its production of Pinot Noir. Torii Mor Winery is looking to extend that to energy conservation as well. It used a \$2.65 million SELP loan to transform its winery into an energy efficient demonstration project. Torii Mor wants to become the second complete winery in Oregon to achieve a Leadership in Energy and Efficiency Design (LEED) Gold certification. The new fermentation building features a 47 kW solar array among its energy features. When complete, the entire project is estimated to conserve more than 30,000 kWh of electricity annually, as well as produce 66,000 kWh from the solar array.

