



## Funding Opportunities Fact Sheet

There are \$3.5 million dollars in grants and loans available to increase the accessibility, development and production of biofuels in Tennessee. The programs listed below represent just one part of the Governor's Alternative Fuels Working Group's efforts in developing the state's alternative fuels strategy. Other priorities include increasing biofuels availability at retail stations, producing more ethanol and biodiesel and communicating the importance of biofuels to the public.

### **Feedstock Processing Demonstration Loans**

The Departments of Agriculture and Economic and Community Development disperse loans of up to \$500,000 through the Feedstock Processing Demonstration Loan program. The departments allocated \$1 million for the loan program, which is designed to increase Tennessee farm income and production of alternative fuel feedstock.

The 2007 recipients of the loan are Tennessee Soy Products, Inc., located in McMinnville, Tenn., Freedom BioFuels, Inc., located in Madison, Tenn., and Nu-Oil, LLC, located in Counce, Tenn. These facilities will extract soybean oil, which can then be "fed" into the production process for biodiesel fuel, which will create new markets and new opportunities for producing alternative fuel feedstock. For more information on the Feedstock Processing Demonstration Loan, visit [www.state.tn.us/ecd/feedstockgrant.htm](http://www.state.tn.us/ecd/feedstockgrant.htm).

### **Alternative Fuel Innovations Grants**

The Tennessee Department of Environment and Conservation has a total of \$1 million for its Alternative Fuel Innovations Grants. Innovation grants are designed to help local governments and state-funded universities increase the use of alternative fuels in their fleets and measure positive impacts to state air quality, particularly in areas not currently attaining federal air quality standards. Maximum grant awards are \$40,000 for fuel purchasing, maintenance or fuel promotional projects and \$100,000 for capital projects. Applications were accepted through May 31, 2007.

Once the first round of grants are awarded, additional grant cycles will be announced for up to three years or until the funds are exhausted. For more information on Alternative Fuel Innovations Grants and application materials, visit [www.state.tn.us/environment/altfuels/funding](http://www.state.tn.us/environment/altfuels/funding).

### **Green Island Biofuel Corridor Funding Agreement**

The Tennessee Department of Transportation has developed a funding agreement to establish a statewide network of publicly accessible biofuel (B20 and E85) refueling stations or Green Islands along Tennessee's interstates and major highway corridors and in major population centers and communities.

The funding agreement covers costs associated with converting or installing refueling infrastructure, including tanks, piping and pump dispensers.

The 2007 recipients of the Green Island Corridor Network Grants were announced June 28<sup>th</sup>. For a listing of all recipients please visit [www.tennessee.gov/tdot/news](http://www.tennessee.gov/tdot/news)