

REVISOR'S NOTE: This section formerly was Art. 41, § 10-905.

In subsection (b) of this section, the reference to the "Maryland Energy" Administration is added for clarity.

The only other changes are in style.

9-2106. LOAN TERMS AND CONDITIONS.

(A) USES.

LOANS MAY BE USED FOR THE COSTS OF IMPLEMENTING PROJECTS, INCLUDING COSTS OF ALL NECESSARY TECHNICAL ASSESSMENTS, STUDIES, SURVEYS, PLANS AND SPECIFICATIONS, START-UP, ARCHITECTURAL, ENGINEERING, OR OTHER SPECIAL SERVICES, AND COSTS OF CONSTRUCTION, REHABILITATION, OR MODIFICATION, INCLUDING THE PURCHASE AND INSTALLATION OF ANY NECESSARY MACHINERY, EQUIPMENT, OR FURNISHINGS.

(B) CONTRIBUTION BY SPONSOR.

EACH SPONSOR MUST MAKE A CONTRIBUTION TO A PROJECT THAT IS OF A TYPE AND AMOUNT ACCEPTABLE TO THE MARYLAND ENERGY ADMINISTRATION.

(C) DOCUMENTATION BY SPONSOR.

THE SPONSOR MUST DOCUMENT THAT THE ANTICIPATED ENERGY COST SAVINGS OVER A DEFINED PERIOD AFTER COMPLETION OF THE PROJECT ARE GREATER THAN THE COST OF THE PROJECT.

(D) REPAYMENT.

LOANS MADE UNDER THE PROGRAM SHALL:

(1) BE REPAYABLE BY THE SPONSOR FROM SPECIFIED REVENUES THAT MAY INCLUDE THE ENERGY COST SAVINGS GENERATED BY A PROJECT;

(2) BEAR INTEREST AT A RATE THAT THE MARYLAND ENERGY ADMINISTRATION DETERMINES TO BE NECESSARY AND REASONABLE FOR THE PROJECT; AND

(3) BE REPAYABLE IN ACCORDANCE WITH A SCHEDULE THAT THE ADMINISTRATION SETS, WHICH MAY BE ON A DEFERRED PAYMENT BASIS.

(E) ASSURANCES REQUIRED OF SPONSOR.

(1) THE MARYLAND ENERGY ADMINISTRATION SHALL REQUIRE A SPONSOR TO PROVIDE ASSURANCES FOR THE REPAYMENT OF A LOAN.

(2) THE ASSURANCES SHALL INCLUDE A PROMISSORY NOTE AND MAY ALSO INCLUDE SUPERIOR OR SUBORDINATE MORTGAGE LIENS, GUARANTEES OF REPAYMENT, OR OTHER FORMS OF COLLATERAL.

(F) SUPPLEMENTAL FINANCIAL ASSISTANCE.