

US offers \$710 million in loans for EV technology projects

DETROIT/WASHINGTON, Feb 22 (Reuters) - The U.S. Energy Department said on Thursday it gave preliminary approval for nearly \$710 million in loans to electric vehicle (EV) technology manufacturing ventures, although the Biden administration still has \$221.8 billion in loan capacity to fund clean-energy projects.

South Korean company SK Siltron CSS is set to receive \$544 million to expand a plant in Bay City, Michigan that produces high power silicon carbide wafers used in electric vehicles. Those components are critical EV drivetrains, including inverters, and electrical distribution systems, the department said.

About 200 jobs each in the construction and production sectors could be created to handle the plant expansion, the department said in a statement.

"This project is an important step towards ensuring a resilient and robust supply chain in the United States, and we are proud to bolster domestic semiconductor manufacturing," said SK Siltron CSS CEO Jianwei Dong.

President Joe Biden visited the Bay City factory in November 2022 touting the fact that it produces material for chips that power "smartphones, washing machines, hospital equipment, automobiles — just to name a few."

American Battery Solutions separately received conditional approval for a \$165.9 million loan to expand its EV battery pack assembly operations in Springboro, Ohio and Lake Orion, Michigan. Both facilities could employ up to 460 people.

Jigar Shah, director of the energy department's loan program office, told Reuters in Detroit that applications for \$80 billion in financing have come to his office within the past two months from "very sophisticated players."

In total, the department has disbursed \$34.43 billion, as of Dec. 31, 2023. It received applications for \$263.1 billion in loans, as of end-January.

The projects and the jobs depend on the companies closing the loans and deploying the money. The U.S. Energy Department finalized in December 2022 a [\\$2.5 billion loan](#) to finance battery plant construction by a venture formed by General Motors ([GM.N](#)), [opens new tab](#) and LG Energy Solution([373220.KS](#)), [opens new tab](#). But Ford and battery partner SK On have not finalized a proposed [\\$9.2 billion energy department loan](#) to build three U.S. battery plants.

Source: [REUTERS](#)