



U.S. DEPARTMENT OF **ENERGY**

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US Energy Secretary Chu Announces \$528 Million Loan for Advanced Vehicle Technology for Fisker Automotive

Investment will save or create at least 5,000 jobs

Washington, DC – Energy Secretary Steven Chu today announced a \$528.7 million conditional loan for Fisker Automotive for the development of two lines of plug-in hybrids that will save hundreds of millions gallons of gasoline and offset millions of tons of greenhouse gas emissions by 2016. The project will result in approximately 5,000 jobs created or saved for domestic parts suppliers and thousands more to manufacture a plug-in hybrid in the U.S.

“This investment will create thousands of new American jobs and is another critical step in making sure we are positioned to compete for the clean energy jobs of the future,” said Secretary Chu. “Plug-in hybrid electric vehicles could revolutionize personal transportation and cut our dependence on foreign oil, not to mention give us cleaner air and less carbon pollution.”

This is the fourth conditional loan commitment the Department of Energy has entered into under the Advanced Technology Vehicles Manufacturing (ATVM) Loan program. The Department plans to make additional loans under this program over the coming months to large and small auto manufacturers and parts suppliers up and down the production supply chain.

In the first stage of the program, Fisker Automotive will use a \$169.3 million ATVM loan for engineering integration costs as it works with primarily U.S. suppliers to complete the company’s first vehicle, the Fisker Karma. Engineers will also design tools and equipment and develop manufacturing processes. This work will be conducted at Fisker’s Pontiac, Michigan office with support from its headquarters in Irvine, California. While the final assembly of the Karma will be done overseas, more than 65 percent (based on cost) of the parts required for Karma will come from U.S. suppliers. The four-door Karma is scheduled to appear in showrooms in summer 2010.

The second stage includes a \$359.36 million ATVM loan for Fisker’s Project Nina, involving the manufacture of a plug-in hybrid in the U.S. Fisker estimates that up to 75,000-100,000 of these highly efficient vehicles will roll off assembly lines in the U.S. every year beginning in late 2012. The combined projects are anticipated to create thousands of jobs in the U.S. and provide substantial support for domestic parts suppliers saving or creating approximately 5,000 jobs.

Fisker automobiles are driven by electric motors powered by a lithium-ion battery, or, when that is depleted, a generator driven by an efficient gasoline engine. The electric-only range will be more than most people drive in a day. The battery can be charged at home overnight. Using gas and electric power, Fisker plug-in hybrids will have a cruising range of about 300 miles. The projected annual sales of these vehicles would contribute significantly to the Administration’s goal of having one million plug-in hybrids on the road by 2015.