



# Show me the money – Energy Efficiency Improvement Loans

Presented by:

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# Okanogan County Statistics

- Total area -- 5,315 miles<sup>2</sup> (3,388,800 acres)
- Larger than Connecticut, Delaware or Rhode Is.
- Population (2008) -- 40,033
- Population density -- 8 per mile<sup>2</sup>

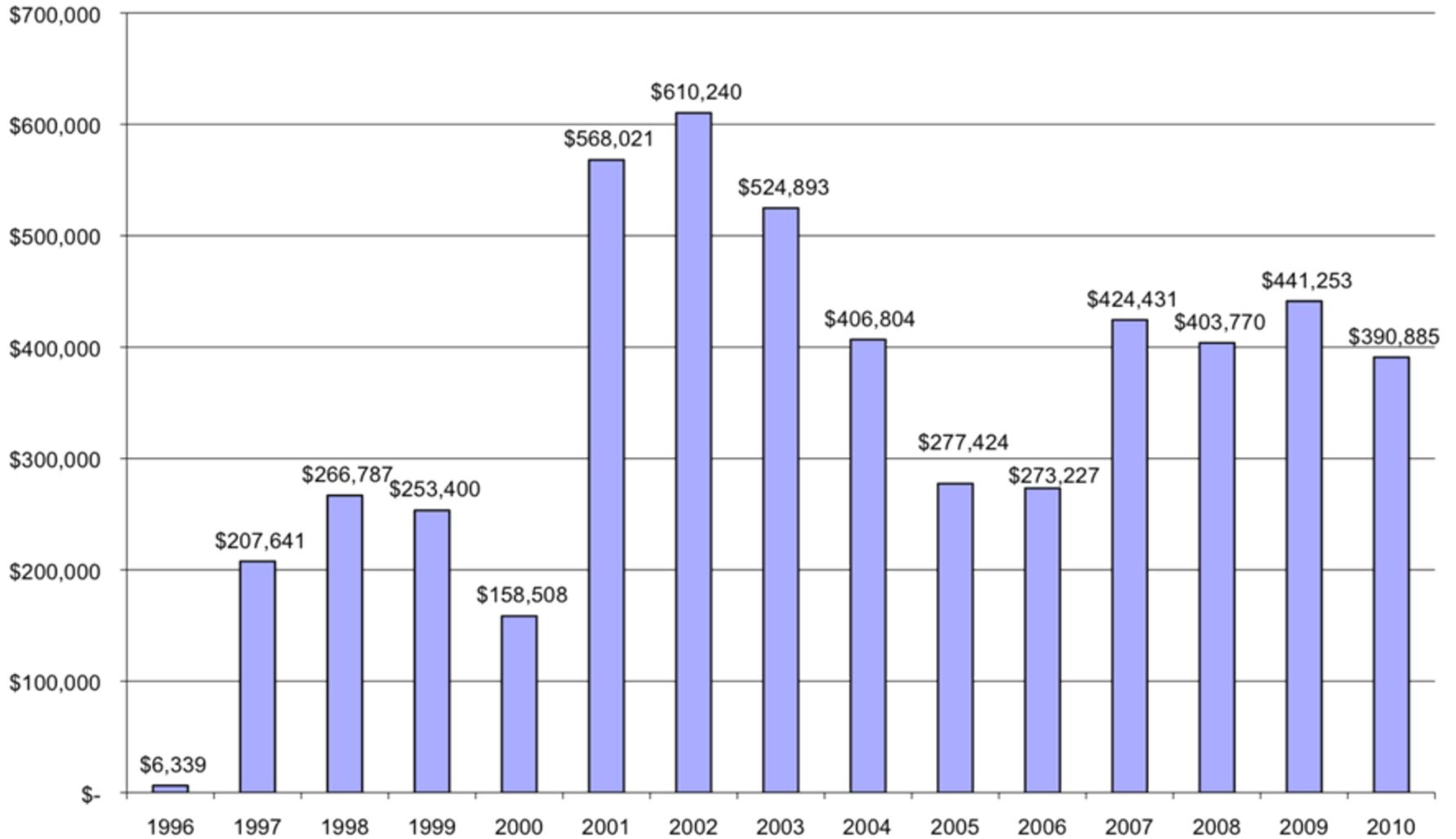
# Okanogan PUD Statistics

- Total Number of Customers -- 20,106
- Total Residential Customers -- 16,395
- Miles of Distribution Line Owned -- 1710
- Customers per Mile -- 12
- Windshield Time -- 3 hrs +

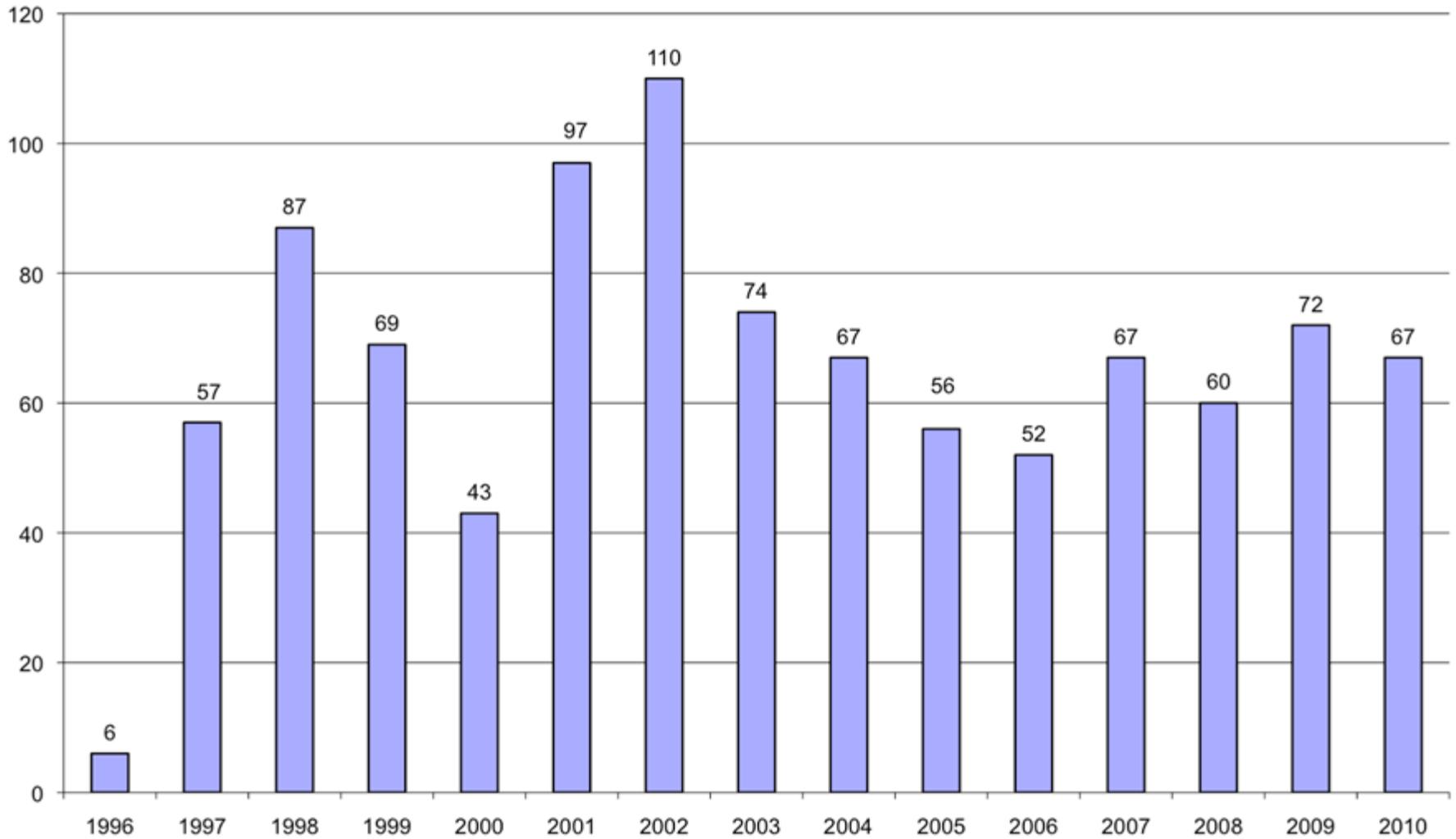
# In-House Loan Program

- Self funded by Okanogan PUD
- Started in 1996
  - Staff recommendation to BOC
  - Authorized by BOC Resolution
  - No “Sunset Clause”
- Budgeted for each year
- Budget amount varies by year
- Number of participants vary by year

CONSERVATION LOAN HISTORY  
DOLLAR AMOUNT OF LOANS BY YEAR



CONSERVATION LOAN HISTORY  
NUMBER OF LOANS BY YEAR



# In-House Loan Program

- Managed by Conservation Dept. including:
  - Budgets
  - Staffing
  - Day-to-Day Management

# In-House Loan Program

Oversight by:

- Management
- Accounting Dept.
- External auditors

# In-House Loan Program

Invoicing by:

- Accounting Dept.

Check Vouchers by:

- AR/AP Clerk

# In-House Loan Program

- Residential Accounts
  - \$10,000
  - 5 yr. maximum term
- Commercial, Industrial & Agricultural Accounts
  - \$25,000
  - 5 yr. maximum term

# In-House Loan Program

## Eligible Measures

- Any measure deemed to save electrical energy
- Can include renewable generation facilities

# Process Overview

- Applicant submits:
  - application
  - bid proposal
  
- Conservation Staff:
  - reviews application
  - obtains credit report (if needed)
  - submits loan packet to independent CPA for review
  - notifies customer & contractor

# Process Overview

- Project Approved and Completed
  - Inspection
  - Loan Document Signing
  - Checks to Contractor
  - Loan Invoicing

# Process Overview

- Safeguards
  - One-Year Near-Perfect Utility Payment History
  - For Loans > \$4,000
    - Credit Report
    - Liens, Mortgages, UCC's
    - CPA Approval

# Pitfalls

- Risk Exposure
- Staffing
- Billing Software
- Budgeting
- Internal Buy-In
- External Auditing

# Rewards

- Projects, Projects, Projects
- Lends Credibility to Utility
- Partner with Contractors
- Local Economic Stimulus Package
- Complements and Enhances other Conservation Programs
- Opens Doors for:
  - additional conversations with customers
  - additional work with customer

# Contact

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# City of Richland

Presented by:  
Dawn Senger  
Energy Specialist

# Statistics

- In place since mid 1990's
- Residential/Multi Family/Small Commercial
  - Residential customers- 21,636
  - Other customers- 3,082
- Currently 449 active loans totaling \$3,037,105
- Loaning on average \$1.5 million annually
- Default < 3 per year



# Qualifying

- Must be all electric
- Stick built home
- The City must be in 1<sup>st</sup> or 2<sup>nd</sup> lien position
- No late fees within the last 12 months or disconnects

# Qualifying Measures

- HVAC
- Windows
- Insulation/duct seal
- Appliances
- Solar applications



# Loan Terms

- Maximum 10years
- 3%-7% interest rate, depending on term and measure
- Instant approval on loan amounts of \$10,000
- Maximum loan amount is \$15,000, additional fees and reports may apply

# Questions



# Contact

For more information, contact:

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# John Murray

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Located in Eugene, Oregon, Lane Electric is a relatively small electric cooperative that serves approximately 13,000 members across much of rural Lane County.

Lane's 2,600 sq. mile service territory is divided into four specific areas or districts, served by seven directors who represent the members living within these districts.

### ***Fun Fact!***

- ❑ *There are 40 different cooperatives, municipal, PUD's and investor owned electric utilities that serve Oregon.*
- ❑ *10 of them service Lane County alone.*



## Related Content

[Overview](#)

[Heat Pump Loan Program](#)

[Rebates & Credits](#)

[Member Assistance Program](#)

[Energy-Star Manufactured Homes](#)

[Weatherization Programs](#)

[Energy Saving Tips](#)

[Renewables](#)

[Appliance Usage Chart](#)

[RETURN TO HOMEPAGE](#)

# The Following Conservation & Energy Efficiency Programs are Available

## Weatherization Improvements

### Energy Audits & Inspections:

Energy audits and inspections are available upon request.

### Loans & Cash Grants:

Zero percent (0%) loans are available for weatherization measures recommended by Lane Electric's representative. Another option is a cash grant for twenty-five percent (25%) of the measure cost, up to \$1000.

### Low Income Cash Grants:

Low Income members may be eligible for an in-house cash grant of up to \$1500. If the member-of-record is a tenant, the owner(s) of the property are required to provide matching funds for the project to move forward.

### Eligible Weatherization Measures:

Eligible measures include floor, wall & attic insulation, and window replacement for existing single-pane and double-pane, metal frame windows.

## Energy Star Rebates

### Energy Star Home:

Members building a new Energy Star Home may be eligible for a \$1,000 rebate.

### Energy Star Manufactured Homes:

A \$500 rebate is available for certified Energy Star manufactured homes.

## Heating, Ventillation and Air Conditioning (HVAC) Upgrades

### Heat Pump Program:

Members installing a new or replacing an existing heat pump can apply for a \$1,000 heat pump rebate OR a zero-percent (0%) loan up to \$9,000. The incentives are available for new air source heat pumps, geothermal heat pumps and for replacing your older heat pump with a new qualifying, energy efficient model. Loans are based on approval from one of two credit unions and are not available for new construction.

### Duct Sealing Program:

Lane Electric will pay between \$300 and \$500 for qualifying members, depending on their income, for a certified Performance Tested Comfort System (PTCS) duct seal.

### Financing for Heating, Ventilation & Air Conditioning (HVAC) repairs:

A cash grant for twenty-five percent (25%) of the measure cost, of up to \$1,000 is available. A choice of two funding options is also available: A zero-percent (0%) loan from Lane Electric, of up to \$1000, can be applied to a members account, based on approved credit. If the cost for the project exceeds \$1000, a member may apply for funding through our Weatherization Program. Only one of the above options may be selected. Loans are available on approved credit. These grants are counted in addition to any other weatherization program grants.

## Commercial Energy Efficiency Upgrades

### Cash Grant:

A cash grant for fifty percent (50%) of the measure cost, up to \$2500, is available for commercial members to upgrade their existing facility. Eligible measures include lighting and refrigeration upgrades, insulation, window replacements and HVAC repairs.

# Credit Union Financing

- Lane Electric works with two local credit unions (C.U.) to offer 0% Weatherization, Heat Pump and Solar installation loans of up to \$9,000. A relatively simple procedure.
  - 1) After receiving project estimates, the member chooses the contractor & C.U. they would like to work with.
  - 2) A loan request cover sheet, credit application and a copy of the estimate are sent to the C.U. by the member or one of our Energy Services Reps.
  - 3) After the C.U. completes a credit check, Lane Electric notifies the member and the contractor of the approval status. If approved, we send an authorization form to both parties. If the loan is denied we remind them of the rebate option.

# Credit Union Financing

- 4) Upon project completion, the credit union makes payment to the contractor and sends the utility a buy-down invoice. At this point, it in essence becomes a rebate payment that is sent to the C.U. for the interest on the loan. For the last several years, the interest has been fixed at 5%.
- 5) The member will then have 5 years to pay off the contracted amount at 0 % interest to them.

# Credit Union Financing

- Loans are available for residential members only.
- Although all of the risk is assumed by the Credit Union, there has not been a default on any loans over the 10 years Lane Electric has been offering a financing option.
- Most security issues are handled by the C.U. in order to keep the members personal information safe.

# Heat Pump Loans

- 23 Loans in 2010
- Interest buydown of \$20,350
- compared to 107 rebates



# Weatherization Loans

- 9 loans in 2010
- Interest buydown - \$4858
- compared to 73 rebates



# Open Q&A