



Shape Up Your Home for Energy Savings

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Rural Energy Savings Program Background

- NRECA - over 900 not-for-profit, member-owned, rural electric utilities, serving 42 million in 47 states.
- 96% of co-ops nationwide operate efficiency programs.
- 70% of co-ops offer financial incentives to promote greater efficiency.
- Midwest Energy (Hays, KS) “How\$mart” on-bill financing program saved almost 1.4 million kilowatt hours per year. Became model for Rural Energy Savings Program Act (RESPA)
- “Help My House” Loan Pilot Program in South Carolina saves an estimated: 34% in total energy use (1.35 million kWh) and consumers \$288 a year.
- Hoosier Energy (IN) utilized the federal stimulus program to weatherize more than 2,000 homes through consumer home improvement initiatives.
- New Hampshire Electric Co-op runs an on-bill financing program for businesses.

The Rural Energy Savings Program Act

- NRECA supports RESPA that would assist rural electric co-ops in offering or expanding efficiency programs like the South Carolina co-ops offer
 - Voluntary program
 - Promotes energy-saving improvements to homes and buildings in rural communities.
 - Assists rural electric co-ops in offering low-interest loans to consumer-members for efficiency improvements
 - Repayment of the loan through monthly electric bill savings
 - Creates jobs

How does RESPA work?

- Individual or state-based groups of co-ops apply to the Rural Utilities Service (RUS) at USDA for loans to fund local energy efficiency programs
- RUS loans to the co-op for efficiency programs at 0%; the co-op relends to consumers at low- interest to defray administrative costs
- Trained auditors and contractors conduct an energy audit
- A start-up loan of 4% of the total loan may be provided to the RUS borrower
- Typical loans will cover sealing, insulation, HVAC systems, boilers and other improvements tied to the home
- Consumers repay co-ops through extra charge on their utility bills within 10 years

Status of the Rural Energy Savings Program:

- 111th Congress, Rep. James Clyburn (D-SC) original author of RESPA
 - H.R. 4785 passed the House on Sept. 16, 2010 (vote: 240-172)
- 112th Congress, RESPA was introduced in the Senate (S. 2216) by former Sen. Lugar (R-IN) and Sen. Merkley (D-OR).
- In 2012 and 2013, a version of RESPA was included in both the House and Senate Farm Bill reauthorizations.
- Maintains bipartisan support