



## USDA Loan Awards Will Reduce Energy Costs for Rural America

**Wednesday, May 10**—Home energy efficiency improvements will get a boost thanks to the loans [announced today](#) by USDA's Rural Utilities Service for the new Rural Energy Savings Program (RESP). These loans will result in reduced energy costs for many rural households across the country.

The new RESP awards provide zero percent interest loans to electric cooperatives and other rural energy providers. The loan capital can then be re-loaned to utility customers for a wide variety of energy efficiency measures if the utility can justify the cost-effectiveness of the measures for the end-user.

The loans are repaid through fixed payments included on the consumer's bill. The Environmental and Energy Study Institute (EESI) has led an [on-bill financing initiative](#) since 2011, when it began working with South Carolina co-ops to develop an energy efficiency improvement program, Help My House®.

USDA announced the following RESP loan awards:

- \$13 million to KW Savings Co. on behalf of seven electric distribution cooperatives in South Carolina seeking to launch or expand their Help My House® residential energy efficiency retrofit programs.
- \$1 million to the Northeast Ohio Public Energy Council (NOPEC), a nonprofit regional council of governments, to provide energy improvement loans to small businesses in the region's rural communities.

"We are delighted that South Carolina electric co-ops are one of the first recipients of the new RESP loans, as South Carolina's 'Help My House' was the first on-bill financing program EESI was involved with," said EESI Executive Director Carol Werner. "We view the Rural Energy Savings Program as a real win for electric co-ops and their members, as well as for other rural utilities. The need is great and RESP funds can benefit rural communities that are most in need of support."

KW Savings Co. is a nonprofit organization established in 2010 to serve South Carolina's 20 electric cooperatives and their 1.3 million consumers. KW Savings owns and operates the Help My House® on-bill financing program, which provides guidance, financing and quality assurance for co-op members to make substantial, cost-effective energy efficiency improvements to their homes. Participants pay no upfront costs for efficiency improvements, and repay their loans over time through a fixed charge on their monthly electric bills. Initially, applicants are screened based on bill payment history rather than credit scores, thereby expanding access to many more co-op consumers. Homes must qualify through an energy audit process that determines their potential for energy savings.

The program has improved more than 630 South Carolina homes in five years, reducing energy use by an average of more than 30 percent and helping participating co-op consumers save hundreds of dollars annually on their electric bills even after their loan payments. The awarding of the 20-year RESP loan provides lending capital to help make the program available to many more co-op consumers.

**For more information:** John-Michael Cross • [jmcross@eesi.org](mailto:jmcross@eesi.org) • (202) 662-1883

RESP was authorized by legislation first introduced by Rep. James Clyburn (D-SC) in 2010 with bipartisan support. RESP was ultimately enacted as part of the *Agricultural Act* of 2014 (the Farm Bill), and the program launched in June 2016. RESP has been a key policy priority for EESI for many years, as it is a vital tool for rural utilities, allowing them to develop and expand on-bill financing programs that help unlock significant energy efficiency savings for their customers of all income levels.

The awards this week are the first of \$52 million available in the program's first cycle. More loan announcements are expected soon.

EESI works with utilities around the country to develop on-bill programs, including four programs that launched in the past year.

For more information:

- [USDA Press Release](#)
- [RESP Website](#)
- [EESI's On-Bill Financing Project](#)

Or please contact John-Michael Cross at [jmcross@eesi.org](mailto:jmcross@eesi.org) or (202) 662-1883.

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