

GUIDELINES FOR 3% INTEREST ERC LOAN PROGRAM

(Revised 1/01/2019)

The cooperative can provide a direct loan of up to \$25,000 to members of RCEC

Loans are reviewed by the Board of Trustees during regular monthly board meetings (4th Tuesday)

Loans can be made only to property owners of the property requiring weatherization

Loans may be provided to finance the cost of materials and labor for:

Caulking

Weather stripping

Heat pump systems, electric, dual fuel with an Energy Star rating and 16 SEER; packaged systems for mobile homes with Energy Star rating and 14 SEER; closed loop geothermal heat pumps with at least a EER of 16.1 and a COP of 3.3; and water heaters which reduce consumption of electricity

Photovoltaic/Solar Systems

Small Wind Generators

Ceiling, wall, floor, duct and pipe insulation, as well as water heater insulation

Storm and thermal windows and doors

Clock thermostats

Attic ventilation fans

Loans can be made for existing structures only and not for new construction. Loans can include commercial and industrial buildings if owned and operated by the member/owner

Loans will be made only to members who have a good payment record with the cooperative being delinquent no more than 3 times during the past 12 months, and a credit rating of good report (at least 650) which also includes no bankruptcy filings within the past 5 years of current application

Loans of less than \$10,000 will be evaluated and processed by RCEC staff to determine credit reliability. Credit reliability will determine acceptance or rejection of those loans. Loans in excess of \$10,000 will require the approval of the entire Board of Trustees at their regular monthly meetings.

Payment by RCEC on the loan agreement will be made only at the completion of the project as described on the application

An inspection upon completion of the work performed under the application may be required. Disbursement of checks will be made at the conclusion of the inspection

RCEC will issue check payable to both the member and the contractor/supplier for materials and/or labor, except when proof of purchase or paid invoices are presented, In which case, the check will be made payable to the member

If the member installs the materials, the loan will be limited to the financing of materials only. No checks should be endorsed by the member until all work is completed and the borrower is completely satisfied with all materials and workmanship

RCEC reserves the right to bill the monthly payments as a part of the monthly electric bill or as a separate monthly billing. The contractor providing the weatherization work should provide bond and a written guarantee-warranty for both the products used and the workmanship involved

A mortgage on the property and UCC on equipment will be required as security on each loan made RCEC will be placed as additional lien holder on titles to mobile homes prior to completion of loan Landowners of real estate contracts will be required to sign mortgages

The cost of credit checks, filing fees, and other charges necessary for initiating the loan will be charged to the borrower at the time of application. This charge is \$85.00

Maximum repayment on loans less than \$3,000 is 3 years, more than \$3000 is 10 years with a minimum monthly payment of \$25

Financing on ground loop portion only of a geo-thermal heat pump with an EER/COP rating as shown above at a **maximum of \$2,500 per refrigeration ton** at zero interest up to 20 years with 3% interest up to \$25,000 on the heat pump unit for 10 years

Fire insurance and extended coverage will be required for the amount of each loan

No work is to be started nor purchases made before bid/loan approval by the General Manager or Board of Trustees is made.

To participate in the geothermal loan program, member agrees that any green tags, renewable energy credits, carbon credits or similar incentives, if applicable now or in the future, shall be retained by RCEC and customer will sign appropriate documents indicating such.

CONTRACTORS MUST PROVIDE TO THE CONSUMER PRIOR TO PAYMENT:

Complete invoice with costs, model and serial numbers of said equipment

Printed AHRI Certificate on installed equipment with ratings as noted above

Pictures of old equipment name plates and new equipment name plates

Contractor must sign EERP Program Application Section D with AHRI information included on form

Copy of current licensure