



2017 MARC Conference: *On Bill Loan vs. Tariffed On Bill Case Study*

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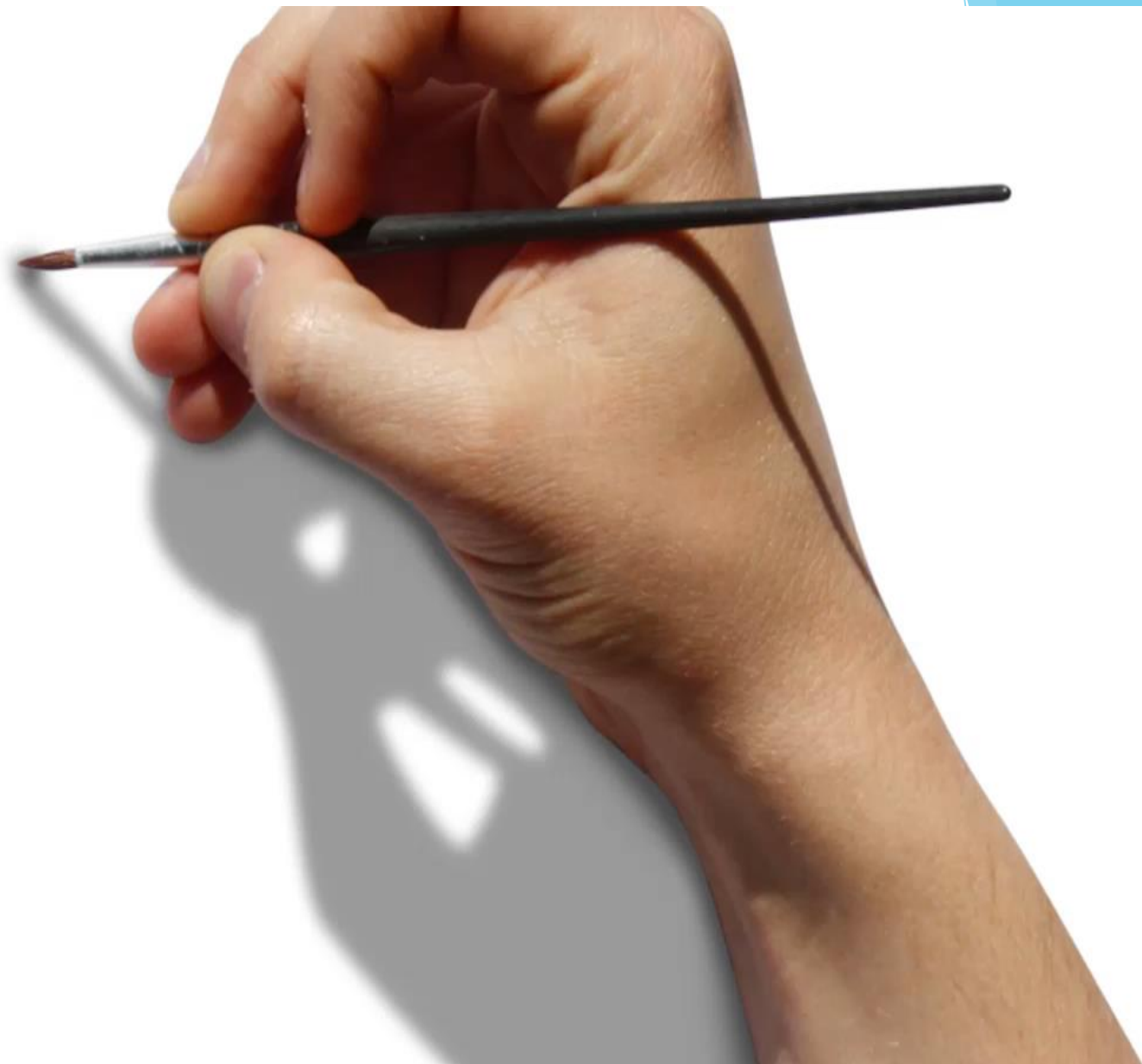
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On Bill Loan vs. Tariffed On Bill Case Study:

Ouachita Electric Cooperative HELP vs. HELP PAYS®

- Same “On Bill” Program using 2 different on bill financing methods in Arkansas Delta Region
- Household median income of ~\$29K (National average is ~\$52k and state average is ~\$42k.)
- 8500 meters, 6500 Residential
- Housing stock between 50 and 75 years old



On Bill Loan vs. Tariffed On Bill Case Study:

Ouachita Electric Cooperative HELP vs. HELP PAYS®

Attributes	Home Energy Lending Program (HELP)	HELP PAYS®
• Residential participants are eligible	✓	✓
• Renters are eligible		✓
• No credit score check – no debt to income ratios	✓	✓
• No upfront participant cost	✓	✓
• Estimated savings <u>must exceed</u> cost recovery charges by 20%		✓
• Participant signs a loan or promissory note for a debt obligation	✓	
• Participant accepts an opt-in utility tariff (NOT a debt) tied to meter		✓
• Cost recovery is through a fixed charge on the utility bill	✓	✓
• 100% on-site QC for payment authorization	✓	✓
• Participant accepts tariff with disconnection for non-payment		✓
• Payments end if upgrade fails and is not repaired		✓
• Tariff runs with the meter and remains in effect for subsequent customer at that location until cost recovery is complete		✓
• Loss reserve provided by State Energy Office	✓	✓



2016 Performance Summary for HELP PAYS®



- ✓ Explosive growth- (3x more than TOTAL loan portfolio) \$1.8 MILLION in EE investments in first 10 months!
- ✓ 100% MULTI FAMILY HOUSING UNITS IN SERVICE TERRITORY – ALL IN!
- ✓ 173 HVAC units installed
- ✓ 88 participants were multi family and single family RENTERS
- ✓ Early Estimates show Drops to Peak demand averaging nearly 2 KW per participant (~\$250-\$300 in annual avoided costs for Ouachita)
- ✓ 258 Assessments = 235 cost effective offers = 224 retrofits (90%)
- ✓ 224 retrofits = 3.7 % market penetration
- ✓ Supporting 20+ good paying jobs!



THANK YOU!

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Tariffed On Bill Wins!

Inclusive financing programs based on PAYS are for everyone – not just low-income communities.

Tariffed on-bill programs qualify the energy efficiency upgrades at a site based on the cost effectiveness of the upgrades – and not the credit worthiness or income or documented status of the customer.

- Utilities don't want to be in the business of patrolling who is rich enough to qualify for a loan or poor enough to qualify for assistance. Lots of National Interest for scale
- PAYS based program lets the utility invest its low cost capital in cost effective energy efficiency upgrades *wherever they are found*.
- NO subsidies, no rate payer funding pools, everyone pays their own way (and saves money as they do it!)
- PAYS is ***scalable, sustainable and all inclusive!***