

## **How\$martKY Program with On-Bill Financing Mountain Association for Economic Development**

### **Project Description**

Residential energy efficiency improvements play an important role in helping electric utilities in Kentucky reduce energy consumption, energy supply requirements, and individual consumer costs. For the next three years, families within the electric service territories of Big Sandy RECC, Grayson Rural Electric Cooperative, and Fleming-Mason Energy will benefit from a \$300,000 grant awarded by the Cabinet to the Mountain Association for Economic Development (MACED) through the How\$martKY Program. This program offers Kentucky families within the electric service territories the opportunity to receive energy efficiency audits and implement energy efficiency upgrades to their current homes.

The program will provide a line of credit that allows participating co-ops to pay for energy efficiency improvements on select residences. In exchange for the costs of efficiency upgrades, a tariff is added to the utility bill of the participating residence as a fixed monthly charge, paying for the energy efficiency investment during the term of amortization. Individual customer will bear little to no up-front cost for the price of the energy efficiency improvements, with the long-term goals of helping co-op customers realize a net reduction in their monthly utility bills and helping utilities shave peak energy demand. MACED is matching the grant award with \$320,000 from their resources.

### **Project Objectives**

- A. Complete at least 150 residential energy efficiency retrofits that result in a net reduction in monthly energy bills.
- B. Promote awareness of energy efficiency improvement opportunities through low-cost financing for customers in participating cooperative electricity providers.
- C. Reduce peak energy demand on the electric power grid.

### **Project Timeline**

- A. Customer referral and screening: Contract duration.
- B. Energy assessments for 100 homes: Complete at end of 15 months.
- C. Energy assessments of 150 additional homes: Complete at end of 27 months. (a total of at least 250 assessments in 27 months).
- D. Completion of 60 retrofits: Complete at end of 15 months.
- E. Completion of 90 additional retrofits: Complete at end of 27 months. (a total of at least 150 retrofits in 27 months).
- F. Quality assurance: Contract duration.
- G. Data collection and monitoring: Contract duration.