

Guidelines

The objective of Powder River Energy's "Conservation Loan Program" is to provide its members with recurring economic development funds to stimulate residential and small commercial projects related to improving energy efficiency and conservation in northeastern Wyoming.

A. Authority

PRECorp's Conservation Loan Program Committee is responsible for approving or denying loan applications.

B. Fund Sources

Sources of funds will be in the form of loans directly from PRECorp. This money was provided to PRECorp from Basin Electric Cooperative, and matched by PRECorp, as an initiative to increase energy efficiency, conservation, and education. The program will be perpetually self funding as members repay loans. Loans are considered on a first come, first served basis as long as funds are available.

C. Eligibility

1. Loans are reserved for PRECorp members in the Residential, Residential Time-of-Day and General Service rate classes only.
2. Loans must be used for energy efficiency or energy conservation focused projects. Examples of these types of projects include (list is not all inclusive):
 - a. Purchasing Energy Star appliances;
 - b. Replacing older appliances with Energy Star appliances;
 - c. Replacing older windows with more energy efficient windows;
 - d. Purchasing an energy efficient HVAC system (e.g., electric heat pump, geothermal heating, off-peak heating – electric thermal storage);
 - e. Installation of renewable electric systems (e.g., solar, wind or hydro generation);
 - f. Increasing insulation.

It is the intention to use the Energy Star Guide and other similar government programs as a guide in determining project eligibility.

D. Value and Terms

1. Loans will be limited to a maximum amount of \$2,500 per member per calendar year. There is no limit to the number of loans a member can receive as long as the outstanding balance from the Conservation Loan Program to any one member does not exceed \$2,500 at any time.
2. The term of any loan will be limited to 36 months. Applicants can request terms of any length up to 36 months.
3. There is no interest (0%) applied to these loans. A small application fee of four percent (4%) of the total loan amount requested will be assessed as part of securing the loan. Standard PRECorp terms will be applied to the monthly bill for missed or late payments.
4. Applicants must execute a promissory note, payable to PRECorp as holder of the note, for the amount due and payable, and accordingly payments received from a customer will be applied first to any loan payment and then to other amounts due PRECorp.
5. Applicants must attend an energy conservation seminar or training session provided by PRECorp before loan funds will be distributed.

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E. Collateral

No collateral will be necessary to secure this loan. However, a member's credit history, account history, or other financial information may be used to determine acceptance or denial of a loan application.

F. Limitations

1. Loans may be used for the purposes of refinancing or paying off an existing debt as long as that debt was incurred as a part of the project listed in the application and is not older than one (1) month at the time this application was submitted. An applicant must submit statements or receipts as part of the application in order to qualify for loan funds.
2. Loans cannot be used for activities which, in the opinion of PRECorp Conservation Loan Program Committee (CLPC), adversely affect the program interest.

G. Loan Monitoring

1. Loan monitoring will be conducted in order to ensure that loan proceeds are utilized as identified in the application and that the benefits of the project are accomplished.
2. PRECorp, or its agents, reserves the right to conduct on-site inspections of the project, upon completion, to ensure its compliance with the eligibility of the program (as listed above).
3. Successful applicants are required to submit receipts for the full loan amount to PRECorp as proof that the funds were used in accordance with the eligibility of the program. Receipts can include invoices for labor for installation or construction as part of the project as well as those receipts for materials. Receipts must be received by PRECorp personnel within 30 days of receiving loan funds (unless a different time limit is agreed upon, in writing, during the application process). Receipts may not exactly match the amount of loan funds requested. PRECorp personnel will determine if the difference between the total cost of the project and the amount of funds requested is within an acceptable percentage. If receipts are not received or the difference between the total cost of the project and loan amount request is not acceptable, the member will be contacted. If an arrangement cannot be reached, the loan shall become due and payable immediately.

H. Application Instructions

1. An application for funds, under this program, must be completed on the official application form and mailed or delivered to PRECorp's CLPC at the address on the application. The application can be obtained at any one of PRECorp's main office locations or downloaded from PRECorp's website <http://www.precorp.coop>.
2. All sections of the application need to have a response. Incomplete applications will not be considered for approval and returned to the applicant to complete.