



RESIDENTIAL LOAN PROGRAM

(Effective date is 03/09/2010, content subject to change) 10.4

AGREEMENTS SHOULD BE MADE WITH FRANKLIN PUD BEFORE ORDERING AND ALL MEASURES MUST BE INSTALLED BY CONTRACTORS ON OUR AUTHORIZED CONTRACTOR LIST, WITH THE EXCEPTION OF PROGRAM QUALIFIED *ENERGY STAR APPLIANCES.

INSULATION (Electrically Heated Living Areas Only)

- Ceiling Insulation
- Floor Insulation
- Wall Insulation
- Ductwork Insulation

HEAT AND COOLING EQUIPMENT

- Air Source (Standard) Heat Pumps
- Geo Thermal Heat Pumps
- PTCS Commissioning, PTCS Ductwork Sealing, System Controls
- Ductless Heat Pump Pilot Program**

***ENERGY STAR ELECTRIC WATER HEATERS**

(Not all water heaters are eligible. See application for eligibility)

- Water Heaters (Electric)

WINDOWS

- Upgraded from existing single pane, single pane with storms, or dual pane with metal frames with NFRC Rating of U.30 or lower (weighted average)
- Upgraded Patio/French Doors with NFRC Rating of U.35 or lower (weighted average)

OTHER MEASURES

- Solar Water Heating and Photovoltaic Panels

****This is a pilot project with special requirements, limited duration and availability. Please visit www.nwductless.com for more information.**

The contractors on the Authorized Contractor list will know Franklin PUD program requirements. All work must pass the Franklin PUD inspection before loan funds may be disbursed. Allow 30 days for processing.

ENERGY SERVICES RESIDENTIAL LOAN PROGRAM



INCENTIVE OPTIONS

Rebates and loans cannot be given out on the same measure.

- **3% Interest Loan**

QUALIFICATIONS

The 3% loan program is available to customers located in Franklin PUD service area who qualify under each of the following guidelines:

- Customer owns the home and the land
- The majority of the energy savings from a conservation measure must be electric.
- PUD confirms the conservation measure is an efficiency upgrade
- Customer understands a lien will be placed on the home for the amount of the loan. The Franklin PUD needs to be placed in the number 2 lien holder position until the loan is paid in full.

From PUD Credit

- Customer has an active Franklin PUD account
- The most recent 12 months payment history with no more than one double billing and no disconnects. (Customers with less than 12 months payment history with the District may qualify if the customer can provide proof of a satisfactory payment record from another utility to make the 12 month total.)

From Credit Report

- No bankruptcies, foreclosures, or repossessions within the last five years
- No unsatisfied liens or judgments and if any have been satisfied within the last 5 years, they must be explained
- No unpaid collection activity
- No accounts referred to collection within the last three years
- Credit score meets program guidelines of a Trans Union score of 650 or higher

LOAN LIMITATIONS

The owner may select loan amounts from \$400.00 to \$7,000.00 for a single-family residence and up to \$10,000.00 for a multi-family building. Interest rate will be 3% Annual Percentage Rate (APR). We require a minimum monthly payment of \$35.00.

LOAN APPLICATION/PARTICIPATION AGREEMENT (Step 1)

To start the loan application process, please read the Information Packet. Then complete the loan application and return it to our office for review. If the loan application is approved, we will send you a letter of acceptance.

OBTAIN PROPOSALS (Step 2)

Using the attached approved contractor list, call and arrange to get proposal(s). We recommend that you get more than one proposal. When you've selected a contractor's bid, please review, sign, and date the Franklin PUD bid sheet and return it to our office for review. The District may request additional paperwork from your contractor ensure program minimums have been met.

DISTRICT APPROVAL AND CONTRACTOR NOTIFICATION (Step 3)

When you are ready to proceed, please contact our Energy Services Department to schedule a time to sign the loan agreement. When the loan is signed, we will fax an approval notice to the selected contractor.

FUNDING IS NOT GUARANTEED UNTIL PRIOR APPROVAL FROM THE DISTRICT IS MADE; THEREFORE INSTALLATION OR ORDERING OF MATERIALS SHOULD NOT BEGIN UNTIL YOU HAVE SIGNED A LOAN AGREEMENT PREPARED BY THE DISTRICT. THE DISTRICT WILL NOTIFY YOUR CONTRACTOR WHEN FUNDS HAVE BEEN RESERVED FOR THE PROJECT. THE CONTRACTOR WILL CONTACT YOU TO SCHEDULE THE INSTALLATION.

INSTALLATION AND INSPECTION (Step 4)

1. The contractor will complete the installation and notify the District that the work has been completed.
2. The District or contractor will contact you to schedule an inspection.
3. After our inspector has approved the work, you may request a copy of the approved inspection checklist.
4. Remember that the PUD cannot release the loan money until the conservation measure has passed inspection.
5. After the conservation measures have passed inspection, a disbursement check (maximum \$7000.00 for a single-family residence) will be made to your contractor.

THE OWNER(S) WILL PAY MONTHLY PAYMENT UNTIL THE ENERGY SERVICES LOAN AGREEMENT IS SATISFIED. (Step 5)

Loan coupons will be mailed out shortly after disbursement of funds. The payments will be made to Franklin PUD until the loan agreement is satisfied. The term of the loan will not exceed 60 months from the time of the disbursement of funds.

PROGRAM FEE

A program fee of \$90.00 is assessed for each loan, and is due at the loan signing.

The Energy Services Department is here to help you. If you have any questions, please call one of the following:

- Shelli (509) 546-5967
- Vic Hubbard (509) 542-5904
- Todd Blackman (509) 546-5946
- Darroll Clark (509) 546-5944
- Toll-free (800) 638-7701
- FAX (509) 542-5917

**Mail:
Franklin PUD
PO Box 2407
Pasco, WA 99302-2407**

AUTHORIZED CONTRACTOR LIST

HEAT PUMP CONTRACTORS

Bob Rhodes Heating & Air ● 111 N Volland, Kennewick, WA 99336	509-783-3291
Total Energy Management Services Inc ●▲ 1975 Butler Loop Rd, Richland, WA 99352	509-946-4500
Campbell & Company ●▲ 2828 W Irving, Pasco, WA 99301	509-545-9848
Dayco Heating & Air ●▲ 11 N Auburn, Kennewick, WA 99336	509-586-9464
All-Phase Refrigeration and Heating, Inc. ●▲ 818 W John Day Ave, Kennewick, WA 99336	509-582-6675
Jacobs & Rhodes ●▲ 4825 W Clearwater, Kennewick, WA 99336 / PO Box 6881	509-783-3121
Bruce Inc. ●▲ 5115 W Brinkley Rd Suite C, Kennewick, WA 99338	509-734-0669
Chinook Heating & Air, Inc. ●▲ 6821 W. Clearwater Suite C, Kennewick, WA 99336	509-736-1121
Delta Heating & Cooling ●▲ 80 Wellsian Way, Richland, WA 99352	509-943-1092
Advanced Construction Services ●▲ 91 Larkspur Dr, Pasco, WA 99301	509-627-4459
Apollo Sheet Metal ●▲ 1207 Columbia Dr, Kennewick, WA 99336	509-586-1104

INSULATION, WINDOWS, AND/OR PTCS DUCT SEALING

Smith Insulation ● 331 W Columbia Dr, Kennewick, WA 99336	509-586-0408
Intermountain West Insulation ● 9304 W Clearwater Suite A, Kennewick, WA 99336	509-735-8411

WINDOWS

Perfection Glass Inc. 15 N Auburn, Kennewick, WA 99336	509-586-1177
Tri-City Glass Inc. 304 E Columbia Dr, Kennewick, WA 99336	509-586-0454
Roberts Construction 1345 Lee Blvd, Richland, WA 99352	509-946-3364
Mark Vincent Construction LLC 2205 West Frontage, Pasco, WA 99301	509-545-9694
Bi-State Siding & Windows 1310 N Rd 36, Pasco, WA 99301	509-547-8088
Glass Nook Inc. 409 Wellsian Way, Richland, WA 99352	509-943-6746

- **Performance Tested Comfort Systems (PTCS)** indicates contractor is certified to install to PTCS standards required for PUD rebates. PTCS requires projects to undergo a uniform testing standard and may be subject to additional or third party testing. Passing projects receive documentation confirming airflow, system charge and duct tightness.

- ▲ **Ductless Heat Pump (DHP) Pilot Project.** Indicates contractor qualifies to participate in the Northwest Ductless Heat Pump Pilot project (www.nwductless.com).

ENERGY SERVICES LOAN PROGRAM PARTICIPATION AGREEMENT

If I choose to participate in the loan program, I understand that:

- 1) Insulation measures, appliances, windows and heating and cooling equipment must be installed to the specifications set by the District and installed by contractors on the Authorized Contractor List. These measures must be inspected and approved by the District before payment will be released.
- 2) The residence to be improved has electricity as its primary source of heat. **I am certifying do not have natural gas, propane, oil, wood or kerosene heating equipment.** Only those portions of a residence that are used as a heated living space and are electrically heated are eligible (i.e. garages are not eligible.)
- 3) I hereby indemnify the Franklin PUD from any demands for damage of any kind that result from the installation of the conservation measure(s).
- 4) The District will loan the amount of the bid up to **\$7,000.00** for a single-family residence. For a multi-family building the district will loan the amount of the bid up to **\$10,000.00**.
- 5) Any structural defects in the residence (examples: dry rot, leaky roof, leaky water pipes, etc.) must be repaired prior to the installation of any District approved measures. Corrections of such defects are not a part of the District's program.
- 6) To obtain acceptable efficiency results from a heat pump upgrade the Franklin PUD strongly recommends that the home first be fully weatherized. Weatherizing the home can be included in the loan. Fully weatherized means the following:
 - Attic insulation – average of at least 8” inches deep.
 - Floors over crawl spaces – at least 6” inches of insulation.
 - Accessible open wall cavities - fully insulated.
 - Windows - storm or double pane windows needed.
 - Ductwork - at least 2 inches of insulation in unheated areas. If not, they must be sealed and insulated to program specifications.
 - Door weather-stripping and thresholds must be effective.
 - Air Sealing – good caulking or weather-stripping and other air sealing.
- 7) Only participating contractors on the Authorized Contractor List are eligible to install the conservation measures.
- 8) I, or a representative whom I appoint, will need to be present when District inspections are conducted and I will provide access to the District to verify compliance with specifications.
- 9) The District does not contract with contractors to do individual installations.
- 10) The District shall not be liable to the owner for the acts or omissions of the participating contractors or other independent contractors. Contractors participating in the program shall not be considered officers, agents, or employees of the District.
- 11) If insulation is installed in my walls, I hereby authorize the installer to drill holes between every stud framing member, blow loose fill insulation into the cavities and fit wooden plugs in the hole. The wooden plugs shall be driven flush or with a recess. The recess will be filled and sealed with a primer. If holes cannot be drilled through existing siding, the siding may be removed (if possible); the holes drilled and siding replaced. I will pay the cost of removing and replacement of siding outside the program.
- 12) Electrical usage data for this residence may be used by the District for evaluation purposes and released to the public as long as the property is not specifically identified.

- 13) The actual energy savings are unpredictable due to many variables.
- 14) The District is not responsible for the proper installation of any conservation measure. This is the responsibility of the contractor(s).
- 15) The District cannot recommend or endorse any individual contractors.
- 16) I understand that I cannot get a 3% (three percent APR) loan and a rebate on the same residence for the same measure.

Please consult with the Franklin PUD Energy Services staff to ensure the best energy upgrade options for your home.

PRIVACY ACT NOTICE

The Privacy Act Notice is a summary of the authority for information collection under this program and the use of the information. We require this notice to be given to each consumer before the information is collected.

Franklin PUD may collect information to be used in implementing and evaluating energy conservation programs. The information collected under the Franklin PUD Energy Services Program includes the names and addresses of residential consumers participating in the programs. Franklin PUD may make site visits, on a random basis, for the purpose of program audit and evaluation.

You may be asked for information related to program auditing or evaluation should you decide to participate in the program. This information will be protected by the Privacy Act of 1974 (PL93-579). Franklin PUD will keep the files for at least three years after the end of the program in order to evaluate and audit the program.

ACTIONS RELATED TO FRAUD NOTICE

Franklin PUD prohibits weatherization installer rebates, "*kickbacks*", and other free services provided in exchange for the right to perform work. Any laws prohibiting and providing penalties for fraud also apply to this program.



LOAN APPLICATION

Owner(s):		Phone:
Mailing Address:		Year Built:
Property Address:		Home type: Single Family (S/F) <input type="checkbox"/> Manufactured <input type="checkbox"/> Multi-Family <input type="checkbox"/>
Contractor:	Ductwork Location: Outside <input type="checkbox"/> Inside <input type="checkbox"/> N/A <input type="checkbox"/>	Existing Heating & Cooling System: (Electric Only) Heat Pump <input type="checkbox"/> Forced Air Furnace w/Central Air <input type="checkbox"/> Forced Air Furnace w/o Central Air Conditioning <input type="checkbox"/> Zonal <input type="checkbox"/> Other <input type="checkbox"/>

I Wish To Upgrade _____
Eligible Conservation Measure(s)

Effective 03/09/2010 and Subject to Change and Availability of Funds		
RESIDENTIAL LOANS		
Measures	Description	Loan
Heat Pumps	High Efficiency Ground, Water or Air Source Heat Pump (8.5 or better HSPF and 14 or better SEER)	3% interest \$7000 max
Ductless Heat Pump Pilot Program	Home must have (Zonal) electric resistance or forced air furnace. Manufactured homes and homes with gas service are excluded. This single measure can be combined with a rebate.	3% interest \$7000 max plus \$1500 rebate
Weatherization	Insulation upgrade (existing structure)	3% interest \$7000 max
Windows: Stick Built or Manufactured Home	NFRC Rating of U.30 or lower (weighted average) Sliding glass & French doors ≤ U-35 not counted against weighted average	3% interest \$7000 max
Solar Water Heating	Minimum 40 sq ft collector installed to District standards. Must assist an existing electric water heating system. System must be approved before installation begins.	3% interest \$7000 max
Solar PV (Electric)	1KW Minimum	3% interest \$7000 max
Water Heaters (Electric)	Electric Water Heaters 50-80 Gallon. Water heaters are qualified by Energy Factor ratings as follows: 50 gal =.93, 65 gal =.91, 80 gal =.91	3% interest \$7000 max
*Home should be fully weatherized for 3% interest loan on heat pump.		
<i>I have read the Privacy Act Notice and Fraud Notice and understand the contents. I have read and will comply with all the conditions.</i>		
Homeowner Signature _____ Date _____		
Homeowner Signature _____ Date _____		



RESIDENTIAL CONSERVATION LOAN APPLICATION

Please Print				Date	
Last Name	First	Middle Initial	Spouse's Name		
Your Address			Home Phone	Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried (single, divorced, or widowed)	
City and State			How Long		
Previous Address (if less than three years)			How Long		
City and State			Number of Dependents		
Social Security Number		Date of Birth		<input type="checkbox"/> Own Home <input type="checkbox"/> Rent <input type="checkbox"/> Other _____	
Employer's Name		How Long		Position	
Employer's Address		Income		Work Phone	
Former Employer (if less than three years)		How Long		Position	
Information about your spouse <u>must</u> be completed if spouse will be an authorized user or contractually liable, or if the applicant is relying upon spouse's income or residing in a community property state (The state of Washington is a community property state).					
Spouse's/Co-Owner's Full Name (Please circle one)		Date of Birth		Spouse/Co-Owner's Social Security Number	
Employer		How Long		Position	
Employer's Address		Income		Work Phone	
Other Income (You may include child support or alimony if you wish such income considered)				Amount	
Spouse's Name and Address					
Bank		Branch		Type of Account <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Loan	
Name of Creditor		Address		Name listed on account	Account Number
Personal Reference		Address			Phone Number
Nearest Relative Other than Spouse		Address			Phone Number
I hereby authorize the person, to whom this application is made, or any credit bureau or other investigative agency employed by such person, to investigate any references listed or statements or other data obtained from me or from any other person pertaining to my credit and financial responsibility. The above information is for obtaining credit and is warranted true. I agree to pay all bills upon receipt of statement or as otherwise agreed. I understand the Franklin PUD will require to be placed in the number 2 lien holder position of your home until the loaned amount is paid in full. By signing below, I have verified there is a maximum of one lien against my home.					
Signature				Date	
Signature				Date	