

RURAL ENERGY ACTIONS AND THE NEW FARM BILL

NASEO ENERGY POLICY OUTLOOK CONFERENCE

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EESI
Environmental and
Energy Study Institute

ON-BILL FINANCING (OBF)

- Utilities finance energy/water improvements to customers' homes (or facilitate 3rd party financing)
- Loans (or tariff charges) are repaid on the customer's monthly utility bill
- Payments are partially/completely offset by savings from the financed improvements
- At least 75 co-ops in 21 states offer OBF in some form, with many variations

EXPANDING ACCESS WITH OBF

- Many OBF programs feature:
 - No upfront costs to participants
 - Alternative loan underwriting
(i.e. good bill payment history in lieu of credit check)
- Loan default rates are typically low, even with alternative underwriting
- Gives cash-strapped and credit-poor households a better opportunity to access energy savings
- Provides a wide range of benefits

OBF WITH SOUTH CAROLINA CO-OPS



OBF Pilot

- 2011-2012
- 8 co-ops, 125 homes
- Loan pool from USDA REDLG loans
- 34% energy savings

On-going OBF Program

- 2012 - Present
- 5 co-ops, ~ 750 homes
- Loan pool from additional USDA REDLG & RESP loans

- Tariff program: loan is tied to the meter, not the occupant
- Participants need good bill payment history (no credit checks)

OPALCO (WA) SWITCH UP **ON-BILL TARIFF PROGRAM**

- Beneficial Electrification Financing:
 - Air-source Heat Pumps: Ducted and Ductless
 - Heat Pump Water Heaters
 - EV Charging Stations
- Repayment Attached to the Meter
- Bill Payment History
- Capital: \$5.7 M RESP no-interest loan
- 80 projects/year; Launch: Early 2Q 2019

HOLY CROSS ENERGY (CO)

ON-BILL TARIFF PROGRAM

- Beneficial Electrification Financing:
 - Space and Water Heating Conversions
 - Whole-House Energy Efficiency Retrofits
 - Solar PV and Battery Storage Devices
 - EV Charging Stations
- Repayment Tied to the Meter
- Bill Payment History
- Capital: \$11 M RESP zero-interest loan
- 100 projects/year; Launch: Late 3Q 2019

ON-BILL FINANCING PROJECT ASSISTANCE



EESI offers assistance at no-cost:

- Assistance to utilities to design OBF programs and access funding
- Details, case studies, and lessons learned from other working OBF programs
- Resource identification, help overcoming barriers to launching projects
- Advice on program implementation
- [OBF Primer](#) and [OBF How-to-Guide](#)

www.eesi.org/OBF

ENERGY TITLE (IX)

(Dollars in thousands)					Mandatory Funding			
					Discretionary Funding			
	Section	Total: 2014 Farm Bill	Total:2018 Farm Bill	2019	2020	2021	2022	2023
9002	Biobased Markets Program	15,000	15,000	3,000	3,000	3,000	3,000	3,000
		10,000	15,000	3,000	3,000	3,000	3,000	3,000
9003	Biorefinery Assistance	200,000	75,000	50,000	25,000			
		375,000	375,000	75,000	75,000	75,000	75,000	75,000
9004	Repowering Assistance Program	12,000	Repealed					
		50,000	Repealed					
9005	Bioenergy Program for Advanced Biofuels	75,000	35,000	7,000	7,000	7,000	7,000	7,000
		100,000	100,000	20,000	20,000	20,000	20,000	20,000
9006	Biodiesel Fuel Education Program	5,000						
			10,000	2,000	2,000	2,000	2,000	2,000
9007	Rural Energy for America Program	250,000	250,000	50,000	50,000	50,000	50,000	50,000
		100,000	250,000	50,000	50,000	50,000	50,000	50,000
7507	Biomass Research and Development Initiative	12,000						
		100,000	100,000	20,000	20,000	20,000	20,000	20,000
8106	Community Wood Energy and Wood Innovation	25,000						
			125,000	25,000	25,000	25,000	25,000	25,000
9010	Biomass Crop Assistance Program	125,000						
			125,000	25,000	25,000	25,000	25,000	25,000
9014	Carbon Utilization and Biogas Education Program							
			10,000	2,000	2,000	2,000	2,000	2,000

ENERGY TITLE (IX)

- **Expanded eligibility in Energy Title:**
 - Renewable Chemicals (9003),
 - Algae as eligible feedstock (9003 & 9010),
 - Purchase of energy efficiency equipment (REAP),
 - Energy storage & transmission components (REAP).

ENERGY TITLE (IX)

- **New Farm Bill programs on energy, rural manufacturing:**
 - Industrial hemp (Research Title)
 - Creation of an inter-agency “Biogas Task Force” (Energy Title)
 - The Timber Innovation Act (Forestry Title)



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