



Disaster Recovery: Two Programs for Residents

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Energy Office

The Colorado Energy Office

MISSION STATEMENT

The CEO's mission is to improve the effective use of all of Colorado's energy resources and the efficient consumption of energy in all economic sectors, through providing technical guidance, financial support, policy advocacy and public communications.

DEPARTMENT VISION

The CEO's vision is to help Coloradans live more prosperous and healthy lives by promoting innovative energy production and efficient energy consumption practices that are beneficial to the economic and environmental health of the state.



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Program Overview

The Colorado Energy Office has two programs to help home owners recover from the 2013 Flood:



The Colorado Energy Office oversees the State's Weatherization Assistance Program which provides free energy efficiency services to income qualified home owners and renters



For any home owner, who needs to replace or substantially repair a home, the CEO has a matching Energy Saving Mortgage Incentive



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Weatherization Assistance Program

The Colorado Energy Office's Weatherization Assistance Program offers FREE energy efficiency, health and safety services to income-qualified households statewide.

Household improvements may include:

- Attic and/or wall insulation
- Sealing air leaks
- Refrigerator replacement
- Furnace safety testing and replacement
- Installation of storm windows



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Weatherization Eligibility & Funding

Who is qualified to apply?

- Households whose income is 200 percent of the federal poverty level
- Households enrolled in any of the following programs:
 - Low Income Energy Assistance Program (LEAP)
 - Temporary Assistance for Needy Families (TANF)
 - Aid to the Needy and Disabled (AND)
 - Old Age Pension (OAP)
 - Supplemental Security Income (SSI)
- Households weatherized after September 30, 1994 are ineligible to enroll again, unless proof is shown that the household was affected by the floods



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Weatherization Process

How the program works:

- 1) Households fill out an application and mail it to their local Weatherization Agency.
- 2) Once the application is approved, the Agency will schedule a free home energy audit to identify the most appropriate and cost-effective measures for the home.
- 3) Following completion of the audit, a qualified weatherization crew will install appropriate upgrades in the home.
- 4) Once the work is finished, a certified inspector will return to the home to ensure quality and completion.
- 5) The homeowner enjoys a more comfortable home and lower energy bills.



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Contact Information

For more information, please contact:

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Energy Saving Mortgage Incentive

Who and What:

- The Colorado Energy Office (CEO) can partner with any bank in Colorado to offer a tiered incentive based on the HERS Index Scale.
- Works with any mortgage product including the EEM products
- Max credit, including matching portion, for new net-zero home is \$8,000 for a new home and \$6,000 for an existing home.

To Qualify:

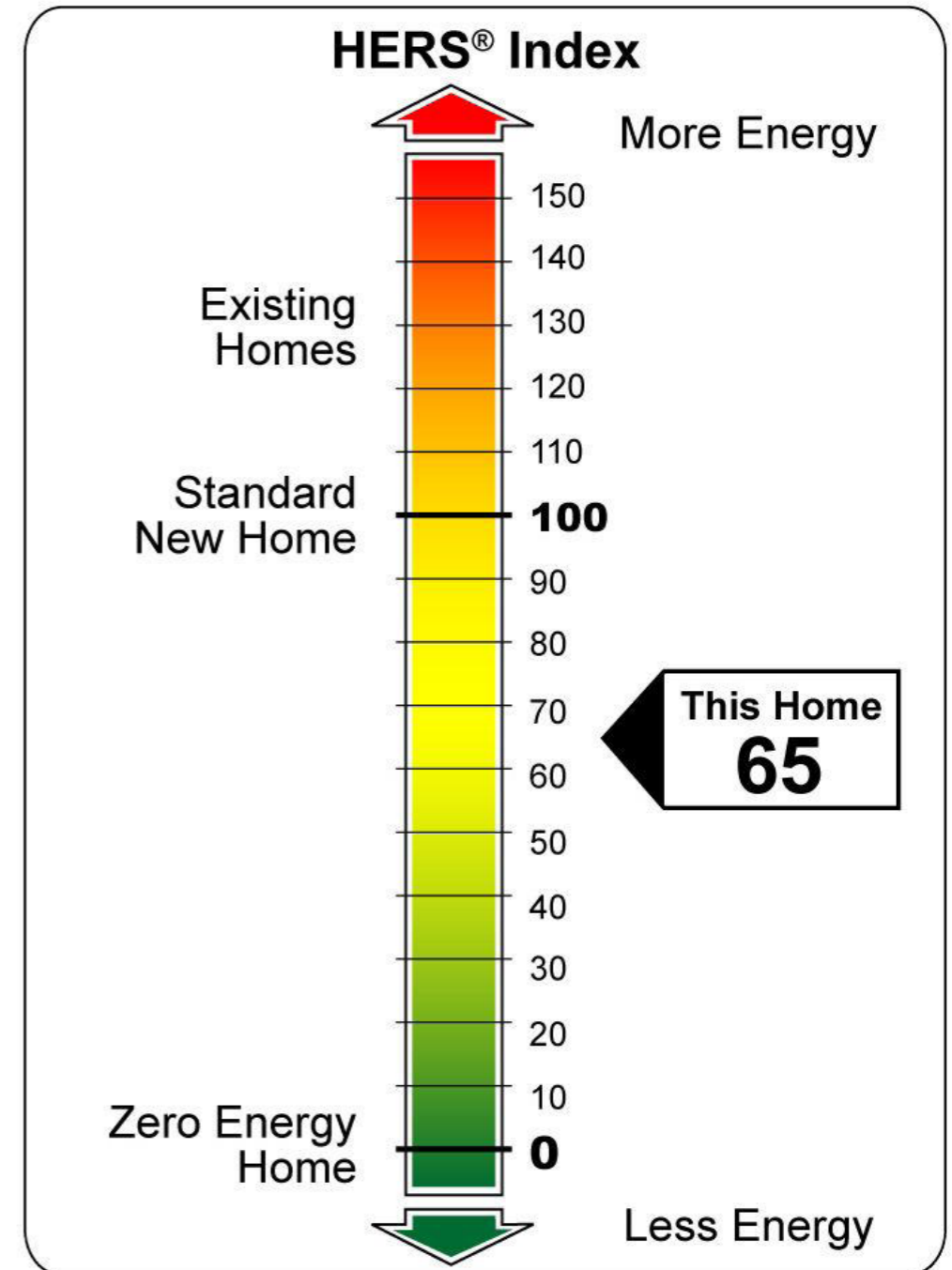
- A new home must have a HERS Index rating below 50
- Existing homes must have a HERS Rating and prioritize air sealing, insulation, and heating equipment before moving onto other items.
- Working with local utilities to develop easier pathway for existing homes



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What is a HERS Index / HERS Rating?

- The HERS Index provides a score, so one can compare the energy use of homes.
- The 2004 International Energy Conservation Code set the HERS Reference Home at 100.
- Each 1-point decrease in the HERS Index equals a 1% reduction in energy consumption compared to the HERS Reference Home.
- Approved by mortgage industry.



Source: RESNET



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Mortgage Incentive Tiers

Existing Home Tiers:

HERS Index Rating Drop of 10-20*	: \$2,000 benefit**
HERS Index Rating Drop of 21-35	: \$3,000 benefit
HERS Index Rating Drop of 36-50	: \$4,000 benefit
HERS Index Rating Drop of 51-65	: \$5,000 benefit
HERS Index Rating Drop greater than 66	: \$6,000 benefit

* Maximum HERS Index Start point is 150

** Tiers do not include the matching portion of .5% of mortgage balance

New Home Mortgage Incentive Tiers:

HERS Index Rating 50-40	: \$500 benefit
HERS Index Rating 39-25	: \$1,250 benefit
HERS Index Rating 24-11	: \$1,500 benefit
HERS Index Rating 10 and below	: \$5,000 - \$6,800 benefit



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Matching Contribution - Existing Homes

State versus Non-State Contributions:

- For the all tiers, the non-state source is .50% of mortgage balance
- Mortgage Amount is \$200,000.00 and HERS Reduction is 40.
 - The mortgage amount x .50%, \$1,000.00
(non-state portion not to exceed 50% cost share)
 - The State portion of the incentive is \$3,000.00
 - Utility rebates and HERS Index Rating Cost qualify as cost match



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Steps Involved

- Step 1: Find a new or existing home (even current home owners) and the home owner lets the funding partner (lender) know they are interested in the program.
- Step 2: The builder or home owner orders HERS Index Report and goes over the report with the builder or rater to select improvements.
- Step 3: The lender reserve the incentive amount based on the estimated savings
- Step 4: For existing homes, the borrower must sign the home owner agreement at closing.
- Step 5: Improvements are completed after closing on the loan



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