



## Michigan Saves Cherryland Pilot

January 27, 2010

[www.michigansaves.org](http://www.michigansaves.org)

## Meeting Overview

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- Purpose: Inform contractors about Michigan Saves Cherryland pilot
- Outline:
  - Program overview
  - How it works
  - Contractor qualifications
  - Evaluation and quality assurance



## What Is Michigan Saves?

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- Innovative financing system
- Energy-efficiency retrofits and small-scale renewable energy systems
- Available to all Michigan energy consumers—businesses, public institutions, and residents

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## Purpose of Michigan Saves

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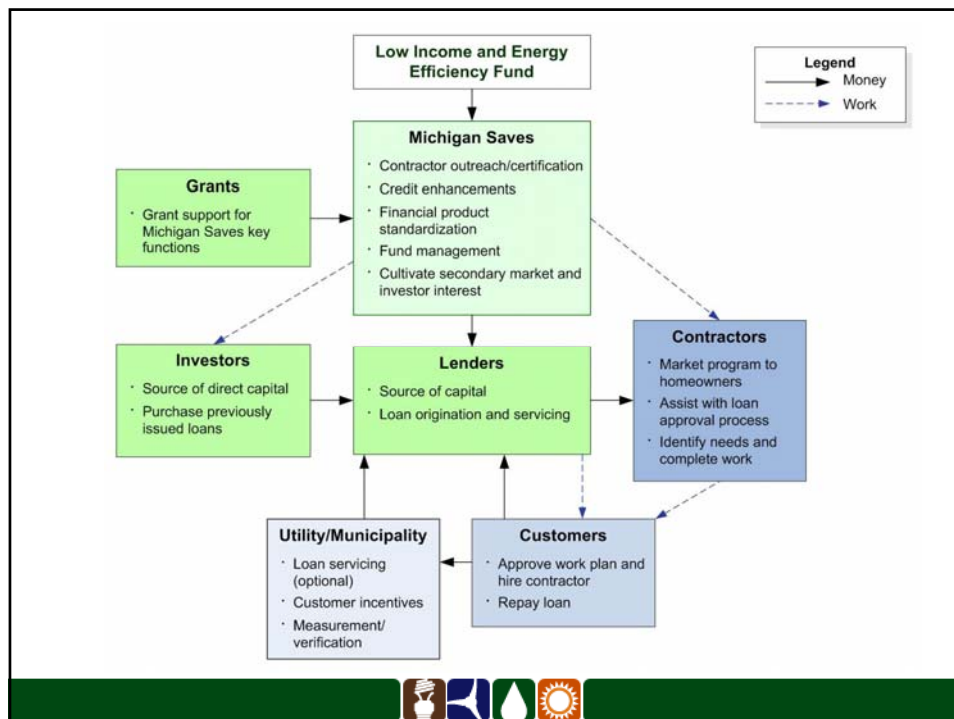
- Objectives
  - Encourage investment in energy efficiency and renewable technologies and services
  - Help consumers lower monthly bills
- Outcomes
  - Increased installation of energy efficiency and distributed renewable energy systems in Michigan
  - Job creation and stimulation of the Michigan economy
  - Consumers save money

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## Who Will Manage Michigan Saves?

- Public Sector Consultants and the Delta Institute administer Michigan Saves
- Funded by a two-part grant from Michigan Public Service Commission
  - Program administration fund
  - Trust fund (\$6.5 million)
- 28-month grant period (June 2009—September 2011)



## Program Offerings

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- Three program offerings:
  - **Residential** energy efficiency installations
  - **Nonresidential** energy efficiency installations
  - **Custom** energy efficiency or renewable energy installations
- Two models for **loan servicing**
  - Lender-serviced (“on-bill”) loans
  - Utility-serviced loans

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## Pilots

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- Cherryland on-bill pilot for residential customers
- Consumers Energy on-bill pilot for certain municipal street lighting installations
- Additional pilots under development for both residential and commercial customers



## Cherryland Pilot

- First Michigan Saves residential pilot
- Available to members of Cherryland Electric Cooperative
- Loans for energy efficiency improvements with monthly repayment on Cherryland bill
- No upfront cost to customer
- Limited duration (through December 2010)



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## Pilot Participants

Participant	Key Role
Brown Lumber	Assist customers throughout process; manage and recruit contractors
Cherryland Electric Cooperative	Collect monthly payments from customers and remit to credit union
Michigan Saves	Provide credit enhancement for loans; design program; and assist with outreach and communications
Members Credit Union	Provide loans to customers



## Objectives of Pilot

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- Test on-bill financing for residential customers with third-party loan capital
- Test customer response to two-track approach:
  - **À la carte eligible measures:** Customer selects measures from list of qualifying measures
  - **Audit-based full response:** Customer selects measures based on whole home energy audit



## Financing

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- Unsecured loans up to \$15,000 for up to 72 months
- Rates and terms available first week of February
- Available through Members Credit Union
  - Do not need to be member to apply
- After equipment is installed, customer can repay loan on Cherryland bill



## Customer Incentives

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- First 50 customers to take out loan receive **free** comprehensive home energy audit
- Equipment rebates offered by (subject to funding):
  - MichCon
  - Cherryland
  - State of Michigan (beginning February 10)
- Federal tax incentives available



## For More Information

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- Implementation Guide
- Pilot website:  
[www.michigansaves.org/cherrylandpilot](http://www.michigansaves.org/cherrylandpilot)
  - Background information
  - Customer and contractor forms
  - FAQs

