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## Energy efficiency loans available

*By Nancy Remsen, Free Press Staff Writer*

When Bob Poczabut saw the projected price for fuel oil this winter, he decided it was time for the energy efficiency improvements he and his wife had long talked about making to their 40-year-old Burlington ranch house.

Before winter sets in, Poczabut expects to have an air barrier in his attic to prevent hot air from seeping up and out of the lived-in space below. He'll have 12 inches of insulation added to the minimal layer now in the attic, and insulation will be blown into the walls, which his energy assessment suggested lack any insulation.

A project such as Poczabut plans is exactly the type of weatherization and energy efficiency work that a new, low-interest loan program would help pay for, Treasurer Jeb Spaulding announced Wednesday outside Poczabut's New North End home.

The Warm and Weatherized Loan Program will allow Vermonters to borrow between \$2,500 and \$5,000 for up to five years at an interest rate 1.25 percentage points below the prime lending rate. If a loan were granted today, the interest rate would be 3.75 percent.

The program, the joint creation of the Treasurer's Office and TD Banknorth, will make available up to \$2 million in loans, helping as many as 800 households reduce energy expenses if all the loans were \$2,500.

"The program is being offered at no cost to the taxpayers," Spaulding said. TD Banknorth is able to offer the low interest rates because the state will deposit \$21 million in the bank. "The bank will manage the funds to provide the state with a competitive rate of return and at the same time leverage its earnings on the deposit to support the loan program," Spaulding said.

"We are willing to work with other banks interested in doing the same program."

The first loan applications will be accepted Oct. 1 at the TD Banknorth's 35 locations across the state. Applications will be accepted through the end of June.

Applicants making comprehensive energy improvements, not just replacing a furnace, also will be eligible for a 10 percent discount up to \$500 under a short-term offer from Efficiency Vermont. This extra savings is available only until March 31.

As part of the loan process, the bank will steer homeowners to certified contractors who will assess deficiencies and recommend work that would reduce energy costs. Spaulding said the bank has promised speedy processing of applications — within a week after receiving completed forms and a contractor's recommendations.

State officials and energy efficiency advocates said they hoped Vermonters would jump at this chance to tighten up their homes.

"We have tens of thousands of homes that need these improvements," said Blair Hamilton director of Efficiency Vermont. "But a lot of Vermonters don't have the cash. A program like this will open doors for Vermonters."

Poczabut said he won't seek a loan for his improvements, because he's able to tap money he had set aside for a vacation. He's banking on significant savings from the first phase of work scheduled for November. Next year, he said he will replace his furnace.

"He's going to save about 33 percent" on fuel, predicted Scott Gardner, president of Building Energy which did the assessment of Poczabut's house. "And there are a lot of improvements to reduce electricity use."

Contact Nancy Remsen at 651-4888 or [nremsen@bfp.burlingtonfreepress.com](mailto:nremsen@bfp.burlingtonfreepress.com).