



STATE OF VERMONT
OFFICE OF THE STATE TREASURER

NEWS RELEASE

For Immediate Release—September 17, 2008

Press Contact: Jeb Spaulding (802) 828-1452 or Lisa Helme (802) 828-3706

Two Million in Low Interest Loans Available for Home Energy Improvements

MONTPELIER, Vt.—Vermonters needing a quick source of funds to prepare their homes for winter weather can apply for a low-interest home energy improvement loan through a new program announced today by the State Treasurer's Office. The Warm and Weatherized Loan Program will make available \$2 million in unsecured loans for homeowners who want to reduce their fuel costs by making their homes more energy-efficient.

The Treasurer's Office is working with TD Banknorth and Efficiency Vermont to make available to homeowners five-year loans ranging from \$2,500 to \$5,000. The interest rate will be 1.25 percent below the prime lending rate. That would make the current interest rate for loans through the Warm and Weatherized program just 3.75 percent. As a limited time offer, through March 31, 2009 Efficiency Vermont will pay 10 percent or up to \$500 of the cost of comprehensive improvements. This offer does not cover improvements that only address upgrades to stand-alone furnaces and boilers.

“With concerns regarding high energy costs, we are pleased to offer Vermonters another option in lowering their energy bill and improving the value of their homes. The program can potentially provide loans to weatherize approximately 800 homes, depending on the loan amounts granted,” explained State Treasurer Jeb Spaulding. “Based on the response to this program, we would like to see it expand, provided other in-state banks are interested in participating.”

Loans are available for comprehensive home energy improvements, as well as the replacement of old, inefficient heating equipment. The majority of Vermont homes are heated with oil and propane. This program is targeted to specifically help those households reduce their fuel use. It complements State and utility programs already available to help Vermonters with electricity and natural gas savings.

The program is being offered at no cost to the taxpayers. The Treasurer's Office will deposit funds with TD Banknorth that total 10 ½ times the amount of loans offered in the first year of the program and then lowering to 4 ½ times every year after for the balance of the outstanding loans. 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. As

homeowners repay their Warm and Weatherized loans, the amount of money the State will deposit with the bank for the program will decline.

Homeowners may apply for the loans through any of TD Banknorth's 35 Vermont locations. Homeowners will receive a list of ENERGY STAR® certified contractors and other qualified contractors through Efficiency Vermont. The contractors will assess their homes and recommend improvements aimed at cutting energy costs. Once the energy assessment is completed, the homeowner will submit the package to TD Banknorth. It is estimated that once the loan application is received by the bank, the homeowner and contractor would have the cash in-hand to begin improvements within a week. For Vermonters interested in just replacing existing inefficient heating equipment, certified technicians will assess the existing heating system to determine eligibility for replacement.

"Our focus is service and assisting Vermonters," said TD Banknorth State President Phil Daniels. "We realize that many homeowners are in need of immediate funds to repair their homes and cut their winter fuel costs. We are pleased to be able to work with the State Treasurer's Office and Efficiency Vermont to help make it easier for homeowners to complete this work."

For homeowners who wish to make comprehensive home energy improvements through this new program, trained and certified contractors will conduct energy assessments and oversee installation of energy-saving measures. These expert contractors have met the requirements of the U.S. EPA's Home Performance with ENERGY STAR® certification or have been trained through Vermont's State Weatherization Program. The training program is provided several times a year by Efficiency Vermont.

"Comprehensive home energy efficiency improvements can cut energy bills by 20 percent or more," said Blair Hamilton, Director of Efficiency Vermont. "However, it is important to pick the right investments and make sure the updates are installed with quality and safety."

Comprehensive energy improvements eligible under the Warm and Weatherized Loan Program include, but are not limited to:

- Comprehensive whole-house air sealing;
- Added attic insulation installed in conjunction with air sealing where current ceiling insulation is six inches or less;
- Dense-pack cellulose in wall cavities that have less than 1 ½ inches insulation present;
- Lighting efficiency upgrades; and
- Any health, safety or moisture control measures associated with the improvement package.

TD Banknorth will have Warm and Weatherized Loan applications available starting October 1. The program runs through June 30, 2009.

-end-