

SAVE MONEY BY SAVING ENERGY

on your monthly electric bill.



Rick Handshoe of Floyd County is paying for energy upgrades to his home with savings right on his electric bill.

Introducing: The How\$martKY Program

Have you ever known that doing something would save you money in the long-run, but you didn't have the cash to pay for it up front?

If so, you're not alone. That's the case for a lot of people who want to make energy-saving upgrades to their homes. They know it will save money in the long-run by getting a more efficient furnace or tightening up the duct work or sealing the cracks; but they just don't have the cash on hand to pay for it.

Now there's a new program offered by four rural electric cooperatives in Kentucky to help address this problem.

What is How\$martKY?

How\$martKY is a financing program—a way to pay for home energy-saving improvements while paying for those improvements over time right on your bill. It is a program run by your electric utility and has been approved by the Kentucky Public Service Commission.

How does How\$martKY work?

With How\$martKY, your electric co-op will send someone to your home to do an "energy assessment" to see what kinds of improvements might help you use less energy. They'll check to see if your duct work is leaky, if your heating or air conditioning is inefficient, etc. They may perform what's called a "blower door test" (see the middle photo above) to see how tight your home is—if it's letting in or letting out too much air.

The co-op will then figure out a menu of options for home improvements that could be done, such as caulking, replacing the heater, new insulation, etc.

4 rural electric co-ops offer the program: Big Sandy RECC, Jackson Energy, Grayson Rural Electric, Fleming-Mason RECC.

Next the co-op crunches the numbers to see if these energy upgrades will save you enough money to pay for themselves over a manageable period of time. You pay for the upgrades with the savings right on your electric bill.

RICK'S STORY

Rick Handshoe lives in Hueysville and he contacted Big Sandy RECC to see if he qualified for How\$martKY.



The energy assessment showed that Rick had an inefficient electric furnace and a drafty mobile home. Contractors installed a new heat pump and sealed air leaks. Now he's paying for the upgrades right on his bill AND saving a little extra money.



What kind of energy upgrades can be done?

The energy upgrades for each home will be different. They will depend on the best options to save you the most energy. Some of the energy upgrades that How\$martKY may help pay for are:

- **Heater and/or air conditioner replacement**
- **Duct work and air sealing**
- **Weatherization: such as caulking, patching holes, weather-stripping, etc.**
- **New insulation**

How does the financing work?

One great thing about How\$martKY is that it is NOT a loan. It is simply a line item on your electric bill. This set fee pays back the amount of the energy upgrade, right on your bill, over time. You don't need to have the money up-front. Another great thing is that the monthly charge stays with the electric meter, not with the person. This means that renters can qualify, or, if you move, you don't have to keep paying for the upgrades. The next electric user will both pay for the upgrades on the bill, as well as see the savings.

Do I qualify?

Not everyone qualifies for the How\$martKY program. You will need an energy assessment performed by your co-op to learn if the savings from energy upgrades will pay for themselves over time. If you have older electric heating, a really high bill in the winter, and still aren't always comfortable, you may have a good chance to qualify for the program. Use the contact information on your utility bill to call your co-op to learn more.

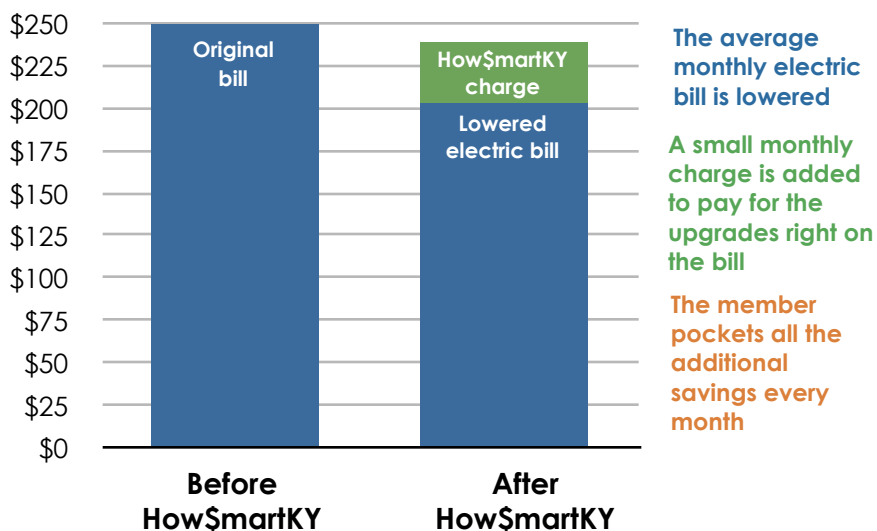
Why would a power company want me to use less electricity? Is this for real?



Rick and his neighbors visit their co-op to learn about How\$martKY.

Yes, this is real. Today it costs utilities hundreds of millions of dollars to build a new power plant—that's a huge financial risk for our small co-ops. It makes financial sense for the co-op to reduce the need to build these costly plants, and so it makes sense for them to help their members save energy. **In the end, saving energy is good for everyone.**

Average monthly electric bill before and after How\$martKY:



For co-op members whose initial average bill is \$250, How\$martKY upgrades reduce bills to \$203 on average. A monthly repayment charge of \$36 is then added to the bill. The extra savings members keep in their pockets each month is \$11 on average. Bills and savings can vary greatly among How\$martKY participants and month to month.

Handout produced by Kentuckians For The Commonwealth, an organization of everyday Kentuckians taking action for justice. We are working to Renew East Kentucky. We want good, local jobs; clean and affordable electricity; healthy communities; and a say in the decisions that affect our lives. To learn more about KFTC and our Renew East Kentucky campaign, visit kftc.org/renew or call (606) 276-9933.

