

# Ensuring Your Rural Electric Co-op Really Works for **YOU:** **Energy Efficiency**



**What if your home could be fixed up so that you're cool in the middle of summer, and nice and warm in the cold of winter... and you have more money every year for things you need?**

A type of home energy efficiency service called Pay As You Save<sup>®</sup> (PAYS<sup>®</sup>) makes it possible! It enables residents to get their homes improved without any upfront cash, loan or debt. Rural electric cooperatives in Kentucky, North Carolina, Arkansas, and Kansas already offer this service—and your co-op could offer it too.

## **What's valuable about this program?**

Most electric utilities offer some ways to help residents improve energy efficiency in their homes, such as rebates on new appliances or a home energy assessment. But rebates often aren't enough to make the upgrades affordable. Qualifying for a loan and taking on the payment and debt is another challenge, as is the hassle of figuring out what upgrades make sense or dealing with contractors. And what if you rent instead of own your home? What's unique about the PAYS approach is that it solves these challenges—*all of them, for everyone.*



**If your electricity service comes from a rural electric cooperative, you are a part owner of the co-op together with all the residents and businesses the co-op serves.**

As a part owner, you have a voice in how your nonprofit co-op can best serve you and your local community. This fact sheet is about a best practice program co-ops can offer to help residents upgrade their homes to save energy and lower their bills.

## Here's how a co-op energy efficiency service based on PAYS works:

- Your electric co-op sends a certified contractor to your home to conduct an energy assessment at no cost. This identifies the improvements that will lower your electric bill, such as lighting, insulation, air sealing and new heating and air conditioning systems.
- Your co-op pays for all the new equipment and installation to be done by a local contractor, so there are no up-front costs for you. Then an inspector checks that the work is done right.
- With the work complete, your energy costs go down because saving energy saves money. The utility puts a charge on your electric bill that is *less* than the savings being produced by the upgrades. This is how your bill drops even as the utility recovers the costs of the upgrades.
- If you move, the next folks moving in enjoy the benefits of the upgrades, and the utility continues to recover its costs from them. There's no loan or debt, and that's why this works for everyone, including renters, homeowners and business owners. Check out this [video](#).

## Co-op close-ups: where PAYS is working for members now



**IN ARKANSAS,** three times as many members of [Ouachita](#)

[Electric Cooperative](#)—including including many renters—have benefited since the co-op switched from a loan-based energy efficiency program to a PAYS model. The amount of investment going into members' homes has surged into the millions of dollars.

“Before, we were trying to save for these energy upgrades,” [says](#) Ouachita Electric member Kassy Starr, whose home got about \$8,000 worth of upgrades. “But now we can use that money for other expenses and investing in our cattle farm.”



**IN KENTUCKY,** [six rural electric co-ops](#) offer energy

efficiency improvements based on PAYS. “Ask someone to come up with \$4,000 to pay for a new HVAC system, and you might as well ask for a million dollars,” [says Joni Haxelrigg](#) with Fleming-Mason Electric Cooperative, explaining why the co-op expanded access through PAYS.

“We see the potential to create hundreds probably thousands of jobs,” [explains Peter Hille](#), president of the nonprofit that runs the program for the Kentucky co-ops. “You can't send your house to China to be weatherized.”



**IN EASTERN NORTH CAROLINA,** members

of [Roanoke Electric Cooperative](#) are getting their homes upgraded through the co-op's PAYS-based service, and seeing their bills drop even as the co-op recovers its costs.

Co-op member Georgia B. Everett explains in a Roanoke Electric [video](#) that before her house was upgraded, “the heat that we had, it just didn't warm us, but yet we were working just to pay the utility bill.” After the work was done, “we haven't lived like this in a long time, being warm, and comfortable,” she says.