

2012 Financing Tools and Incentives

The following are lists of existing financial incentives offered by Local Government, Federal Government, Idaho State Government, South Central Community Action Partnership, and Idaho Power. It is advised that all interested consumers check with their accountant or financial advisor and with the agency responsible for administering each of the programs listed below for details, edibility requirements, and current funding levels, prior to making any financial commitments.

Local Government - City of Hailey (www.SaveAWatt.org) and Blaine County (www.blainecounty.org)

Program Name	Type of Program	Eligible Activities	Financial Incentive Info.
Hailey Save-A-Watt – apply with City of Hailey	Rebates - energy audit and efficiency upgrades for existing commercial and residential buildings	Appliances, heating equipment, lighting, insulation, weatherization, water conservation, windows and doors.	50% of energy audit, up to \$200, 30% of material cost, and 50% of labor costs (\$2,000 maximum rebate limit).
Community Audit and Retrofit Rebate Program Version 2.0 (CARRPv2.0) – apply with Blaine County	Rebates - energy audit and efficiency upgrades for existing residential buildings	Appliances, heating equipment, lighting, insulation, weatherization, water conservation, windows and doors.	50% of energy audit, up to \$200, 50% of material cost, and 50% of labor costs (\$2,000 maximum rebate limit).

South Central Community Action Partnership (SCCAP) (www.sccap-id.org)

Program Name	Type of Program	Eligible Activities	Financial Incentive Info.
Weatherization Assistance Program	Fully funded home energy efficiency upgrades, repairs, and health and safety, for existing renters and owners.	Appliances, heating equipment, lighting, insulation, weatherization, water conservation, windows and doors, etc.	100% of energy audit, labor and materials. Must be 200% of the Federal Poverty Level

Federal Tax Credits – data gathered from the U.S. Department of Energy’s website (www.energysavers.gov)

Product	When	Where	Tax Credit
Geothermal Heat Pump	Must be “placed in service” by December 31, 2016	Primary residences and partial credit to vacation homes; no rentals. New and existing homes	30% of cost, with no upper limit.
Solar Energy Systems (solar water heater and PV electric systems)	Must be “placed in service” by December 31, 2016	Primary residences and partial credit to vacation homes; no rentals. New and existing homes	30% of cost, with no upper limit.
Residential small wind turbines	Must be “placed in service” by December 31, 2016	Primary residences and partial credit to vacation homes; no rentals. New and existing homes	30% of cost, with no upper limit.

Fuel Cells	Must be “placed in service” by December 31, 2016	Primary residences. New and existing homes.	30% of cost, up to \$500 per 0.5 kW.
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Idaho State Incentives – data gathered from Database of State Incentives for Renewable and Efficiency and the Idaho Office of Energy Resources websites (www.dsireusa.org and www.energy.idaho.gov)

Program Name	Type of Program	Eligible Activities	Financial Incentive Info.
Idaho Office of Energy Resources Energy Efficiency and Renewable Loan Program	Loans	Duct/air sealing, insulation, water heaters, lighting, furnaces, AC units, heat pumps, and renewable energy systems for all building types.	\$1,000 - \$15,000 for residential \$1,000 - \$100,000 for commercial 4% interest – 5 yr. term.
Renewable energy equipment sales tax refund	Sales tax refund	Renewable energy for commercial, industrial, and residential	100% of refund on sales tax.
Idaho Income tax deduction	Tax deduction	Caulking, weather-stripping, insulation, doors, and windows on residences.	100% cost of labor and materials.
Residential Alternative Energy Tax Deduction	Tax deduction	Passive Solar Space Heat, Solar Water Heat, Solar Space Heat, Photovoltaics, Wind, Biomass, Geothermal Heat Pumps for residences.	40% deduction up to \$5,000 the first year. 20% deduction for following three years, up to a total deduction of \$20,000.

Idaho Power Incentives – data gathered from Idaho Power’s website (www.idahopower.com)

RESIDENTIAL		
Program	Eligible Activities	Financial Information
ENERGY STAR HOMES NW	Cash rebate to builders, contractors or subcontracts who build an all electric NW ENERGY STAR home.	\$1,000
Home Improvement program	Cash rebate for attic insulation	\$0.15 per-square-foot
Home products Program	Cash rebate for ENERGY STAR appliances (washer, refrigerator, ceiling fan and light kit, light fixtures)	\$15-\$50
Ductless Heat Pump	Cash rebate for the installation of ductless heat pumps	\$750
Ducted Heat Pump	Cash rebate for the installation of air or water source heat pumps.	\$200-\$1,000

COMMERCIAL and INDUSTRIAL		
Program	Eligible Activities	Financial Information
Easy Upgrades	Simple energy-saving retrofits to existing buildings.	Up to \$100,000 cash rebate.
Custom Efficiency	For large and complex projects that improve the efficiency of electrical systems and processes.	Cash rebate for up to 70% of the cost.

Building Efficiency Program	Cash rebate for lighting, photo controls, occupancy sensors, exit signs, HVAC, complex cooling systems, economizers, reflective roof treatment, windows, window shading, energy management controls, demand control ventilations, variable speed drives,	Cash rebate up to \$100,000.
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Financing an Energy-Efficient Home: You can benefit from energy-efficient financing whether you're buying, selling, refinancing, or remodeling a home. If you're looking to buy an energy-efficient home, you can qualify for a better, more comfortable home because with lower utility costs, you can afford a slightly larger mortgage payment. You can also obtain financing to make energy-efficient improvements to an older home before moving in or to your existing home. If you put your home on the market, you can use its energy efficiency as an attractive selling point.

Energy-Efficient Financing Programs: You can apply for energy-efficient financing through a government-insured or conventional loan program. Some states even have programs for their residents, so it's a good idea to contact your state energy office to find out if your state does.

There are two types of energy-efficient mortgages (EEMs): one for a new home and one for an existing home. With an EEM, you can purchase or refinance a home that is already energy efficient, or you can purchase or refinance a home that will become energy efficient after energy-saving improvements are made. Most energy-efficient financing programs offer both types of EEMs, as well as home-improvement loans for making energy-efficiency upgrades to your existing home.

Home Energy Rating: Most energy-efficient financing programs will encourage you to have an energy rating for your new or existing home, which will tell you and the lender how energy efficient it is. A rating typically involves an inspection by a professional energy rater who is certified under a nationally or state accredited home energy rating system (HERS). There are several options regarding HERS, so the type of HERS used will depend on where you live. Some states even have more than one HERS.

For the most part, an energy rater will inspect the energy-related features of a home, such as insulation levels, window efficiency, heating and cooling systems, and air leakage. After the inspection, the energy rater will probably give you a report that includes the home's energy rating, along with an estimation of annual energy use and costs. The report also may include recommended energy improvements, if needed, and their costs, as well as the potential annual savings and eventual payback of the improvements.

To help qualify for most energy-efficient financing, the report usually must show that the home is energy efficient or that recommended improvements are cost effective. Ultimately, any improvements will save you more money than you'd be borrowing to install them. While calculating whether a borrower qualifies for a mortgage, a lender can recognize these savings and add the cost of the improvements into the mortgage. Or, if the home is already energy efficient, the lender can stretch the debt-to-income qualifying ratio, which is expressed as a percentage (the ratio is calculated by dividing a borrower's monthly payment obligation on long-term debts by the borrower's net effective income or gross monthly income).

The cost of a home-energy rating and how it can be paid—by the borrower, the seller, the lender, the real estate agent—or financed as part of the mortgage, as well as the availability of certified energy raters, can vary from state to state and from one energy-efficient financing program to another.

Visit: www.energysavers.gov for more info. on financing energy efficient homes