



Roanoke Electric Cooperative

A Touchstone Energy™ Partner 

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To Whom It May Concern,

This open letter updates the one offered to the field in 2016 regarding Roanoke EMC's inclusive financing program called *Upgrade to \$ave*. In partnership with our local workforce, we have invested more than \$1 million in cost-effective energy efficiency upgrades that help our members lower their bills while also strengthening the financial position of our cooperative.

Because we do not make loans to customers, our tariffed on-bill program based on the Pay As You Save® (PAYS®) system reaches market segments that often face barriers to money-saving investments, such as renters, members with poor credit, municipal governments, and businesses with limited access to capital. Our board chose this approach after finding that (a) offering a lending program would not meet the interests of our members, and (b) an opt-in tariff assured our cooperative of high rates of cost recovery.

We appreciate the cooperatives that have shared their experiences with us, including leading cooperatives in Kansas and Kentucky that were among the first to offer tariffed on-bill programs. Drawing on the support of a Cooperative Agreement with USDA, we aim to join them in supporting the field by releasing at the NRECA Annual Meeting the second edition of a *Decision Tool for Utility Managers*, which guides decision-makers through key considerations related to a tariffed on-bill program. To learn more about our approach and receive a copy of the *Decision Tool*, visit www.roanokeelectric.com/pays.

Our *Upgrade to \$ave* investments are financed through the Energy Efficiency & Conservation Loan Program (EECLP) offered by the Rural Utilities Service (RUS). The process to secure \$6 million spanned 90 days, and our EECLP business plan template is available by request to those who agree to some basic conditions that promote cooperation. To share insights from that experience, we have created a dedicated page on the Roanoke EMC website: www.roanokeelectric.com/usda-eeclp. This resource may also be helpful for cooperatives that use non-RUS financing. For example, CFC has financed the successful *How\$mart* program at Midwest Energy, catalyzing \$8 million in efficiency upgrade investments.

As part of our commitment to promote cooperation among cooperatives, Roanoke EMC is offering assistance to cooperatives that want to implement a similar investment program and source capital through EECLP. Thus far, cooperatives from several states have sought assistance, and we congratulate Ouachita Electric in Arkansas for launching a successful investment program in just 6 months that has now reached a multi-million dollar scale and reached every multi-family renter in their service area.

We welcome your inquiries of interest and look forward to being in touch.

Sincerely,

Curtis Wynn
President and CEO