Implementing energy efficiency measures is a smart choice for Iowans who want to reduce their use of electricity, natural gas and heating fuels. When customers purchase energy efficient appliances and equipment, businesses are able to create jobs and help keep the economy growing.

For many Iowans and small business owners, the cost is prohibitive for them to purchase more efficient appliances; replace inefficient furnaces, air conditioning units, and water heaters; upgrade insulation, windows, and doors; install electric vehicle plug-ins; and install solar panels or wind turbines. Loans are not readily available for these purchases.

The following Energy Efficiency Finance Program\(^1\) would provide the source of funds to support Iowans in energy efficiency upgrades:

- The utility energy efficiency programs would manage the program
- The state would sell bonds for energy efficiency work
- The money received from the sale of bonds would be loaned to residents of Iowa and small business owners for energy efficiency projects that would remain with the property when ownership transfers
- Every month a portion of the loan would be repaid
- If a person sells the property, the loan would continue to be paid by the new property owner
- Prior to participating in the program, the property owner or business would be required to participate in an energy audit
- Landlords would be eligible to participate in the program, updating rental property
- Individuals and businesses that reduce their energy consumption will find their energy bills will be reduced. Some of the money to pay the loan would come the difference between the customer’s average bills before and after the upgrade.
- Currently Iowa utilities have programs to give rebates to customers who purchase energy efficiency solutions. Instead of giving the rebate to the customer, the rebate would be used to pay for the loan.
- The program would fund individual homeowners, non-profit corporations, small businesses, and landlords who rent housing units or business property.

Energy efficiency programs are a win-win for the customers and for the utilities, plus energy efficiency creates jobs for those people who are employed installing the energy efficiency upgrades and selling the materials for the upgrades. Utilities benefit from energy efficiency programs, including delaying the construction of expensive power plants and upgrading transmission lines, as well as reducing the emissions from the burning of fossil fuels.

\(^1\) The Iowa Economic Development Authority, along with Iowa Area Development Group, has a financing program for businesses and industries to implement energy efficiency, renewable energy, and energy management. This uses private funds. The State also uses public money for loans to schools, local governments, and state agencies for implementing energy efficiency projects.