



Empower Loan Program

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PROGRAM OVERVIEW

- Program began in June 2016
- **28** active agreements with a current loaned principal total of **\$480K**
- **2** completed loans since launch - early payoffs
- Loans can be up to **\$20k** and paid out over **10** years
- Volume of new loan applications have diminished due to application requirements and rising interest rates:
 - 2016: **10** new agreements
 - 2017: **17** new agreements
 - 2018 YTD: **3** new agreements
- Number of loans became KPI Metric in 2017



PROGRAM CHALLENGES

- **Expertise:**
 - Highly regulated area
 - Maintaining training or experience with industry best practices
- **Staffing:**
 - Energy Services Team manages the program and coordinates submissions for:
 - Credit checks
 - Tax verification
 - Income verification
 - Internal committee approval
 - Property ownership verification
 - This team's primary focus should be field-related energy audits and interconnect installments
- **Systems:**
 - Members do not have access to a loan dashboard or portal for updated loan information
 - Loan status inquiries require coordination with Member Services and Finance with multiple member interactions (call backs) to update the member



PROGRAM IMPROVEMENTS

- **Discontinue accepting new loan applications:**
 - Existing loans will continue until completion of payout
 - Removing the application process will alleviate staff to only monitor existing loans
- **Partner with 3rd party loan provider(s)**
 - Utilize an industry-experienced vendor to manage financing
 - Allow the member to explore more competitive rates for loans (PEC rate currently 6%)
 - Remove the challenges of:
 - Credit checks for loan approvals
 - Multiple verification submissions
 - Regulatory and tax compliance
 - Loan payment penalties, delinquencies, bad debt and equipment repossession

