

What is How\$mart®?

How\$mart® is a program to provide money for energy efficiency improvements such as insulation, sealing, and heating and cooling systems. It allows customers to make efficiency improvements with no upfront capital. The investment is paid back through a charge on the utility bill. However, the charge on the utility bill MUST be less than the estimated savings associated with the efficiency improvements.

1. Who can use this program?

The program is available to Midwest Energy electric and/or gas customers in good standing. Good standing means current on utility payments.

2. I rent my home – can I use the program?

Yes. Both the landlord and the tenant must agree to participate in the program, and both can benefit from the program.

3. I'm interested in the program. How do I get started?

A How\$mart® energy audit from Midwest Energy is the first step. The audit is an extensive evaluation of the whole building structure to determine the safety, comfort, and efficiency of the building systems.

4. How much does the audit cost?

There is no charge for the audit when the customer participates in the program. If program is not used for financing the recommended improvements, Midwest Energy may charge customers \$200 for the How\$mart® audit.

5. Do I need to be home for the audit?

Someone should be there to show the auditor through the building and answer questions that may arise.

6. Do I need to do anything before the audit?

*If there is a fireplace, it needs to be clean and the damper closed. When the auditor does the blower door test, the test creates a vacuum in the home which could draw soot from the fireplace into the air if the damper is not closed and the fireplace is dirty.
The auditor will need access to the attic in order to check the insulation. If access is in the garage, the auditors have their own ladder to check the insulation. If access is in a closet, make sure boxes, etc. are not in the way.
If the customer is a gas-only or electric-only customer, they need to provide the past three years' usage from the other utility provider.*

7. What is a blower door test?

A blower door is a test to determine air leakage in the home.

8. What is Infrared (IR) Scanning?

Heat and infrared radiation, although invisible to the naked eye, is easily detected with infrared thermography equipment. An infrared scan of the home can detect voids in insulation in the building cavity and provide an infrared "snapshot" of the home's energy loss.

9. Will windows and siding be covered by this program?

Only if the savings pays for the improvement. Doing several improvements at the same time may create enough savings to pay for improvements that otherwise would not be covered if considered separately.

10. How will I know what the results of the audit are?

The audit report will be mailed to the customer within two weeks from the audit date. For rental property, the report will be mailed to the property owner AND the Midwest Energy customer responsible for the utilities.

11. Do I have to make all the improvement on the plan?

Some improvements may be required first before others will be allowed. For example, attic insulation up to R-38 may be required before and when replacing the heating and air system. Otherwise, you may install a system that becomes too large when insulation is added later.

12. Why is insulation important?

Insulation keeps the home warmer in the winter, which lowers the heating costs. In the summer, insulation keeps the home cooler which eases the load on the air conditioner.

How\$mart® Q&A Sheet

13. Who performs the work to make the efficiency improvements?

Midwest Energy maintains a list of participating contractors. We do not recommend any particular contractor.

14. Where can I find a list of participating contractors?

Current HVAC Contractors:

https://www.mwenergy.com/assets/documents/Howsmart_HVAC_Contractors.pdf

Current Insulator/air sealing list:

https://www.mwenergy.com/assets/documents/Howsmart_Insulation_Contractors.pdf

Current Geothermal Contractors:

https://www.mwenergy.com/assets/documents/Howsmart_GT_Contractors.pdf

Current Lighting Contractors:

https://www.mwenergy.com/assets/documents/Howsmart_Lighting_Contractors.pdf

15. What if my contractor is not on the list?

If a contractor is NOT listed, advise Midwest Energy and we will ask them to sign the agreement.

16. Can I install my own insulation or equipment?

Yes, but Midwest Energy will only pay for the materials, not the labor costs.

17. What is the interest rate? Are there other fees?

The current interest rate for residential customers is 3.0% over 15 years. Commercial is 4.5% over 10 years. How\$mart program fees are 5.0% of the Midwest Energy investment.

18. Is there a penalty for paying off early?

No.

19. Can I double up on my payments?

No. Otherwise, the savings will not exceed the payment amount.

20. Will How\$mart® cover 100% of the improvements? If not, can I still use the program?

How\$mart® will pay for the amount justified by energy savings. Not all improvements have enough savings to pay for the improvements. The customer is responsible for the difference when Midwest Energy cannot cover 100% of the improvements.

21. Will you put a lien on my property?

Midwest Energy will file a Uniform Commercial Code (UCC) form with the county's Register of Deeds for all How\$mart® obligations. A UCC will provide information to potential buyers, brokers, or real estate agents that obligations exist at the property. It will help protect from inadvertently not providing written notice to the buyer of the property.

22. What happens if I sell my home?

With proper written disclosure, the payment obligation will be transferred to the new owner. If written disclosure is not given, the remaining How\$mart® obligation is to be repaid by the former owner within thirty (30) days of the sale of the property.

23. I live in a mobile home park but own my home. Do I qualify for this program?

The home must be attached to a permanent concrete foundation such as a basement or crawlspace.

24. I'm building my own home. Can I use this program?

Yes. Midwest Energy also offers other services for new and existing homes and businesses. They are on our web site at <http://www.mwenergy.com/energyservices.aspx>.