



# New York Energy \$mart<sup>SM</sup> Loan Fund

## APPLICATION KIT

For

### 1-4 Family Homes

(Revised April 1, 2004)

- Application Instructions
- Application (1-4 Family Homes)
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- Certificate of Project Completion

New York State Energy Research and Development Authority  
17 Columbia Circle - Albany, NY 12203-6399  
(518) 862-1090 / 1-866-NYSERDA  
Fax: (518) 862-1091



# New York Energy Smart<sup>SM</sup> Loan Fund Application Instructions for 1-4 Family Homes

The New York Energy Smart<sup>SM</sup> Loan Fund provides electricity consumers with an interest rate reduction on secured loans (effective on or after April 1, 2004) up to \$20,000 per loan per Eligible Borrower for up to 10 years from participating lenders for energy-saving improvements and renewable technologies. Funding for improvements at other Eligible Facilities also owned by the Borrower may be available on a case-by-case basis. For the purpose of determining the aggregate limits per Borrower, the term Borrower includes all entities of which the Borrower has a 10% or more interest in ownership or control. Participating lenders offer the secured loans at up to 4% below the interest rate normally available. To find a participating lender, visit [www.nyserda.org/lenders](http://www.nyserda.org/lenders).

### **\*\*IMPORTANT\*\***

To qualify for financing through the New York Energy Smart<sup>SM</sup> Loan Fund, borrower's must use a Building Performance Institute (BPI)-Certified Home Performance Contractor, except for: 1) purchase of ENERGY STAR<sup>®</sup> appliances; 2) purchase and installation of a grid-connected photovoltaic system (required to be installed by an eligible installer, a list of which is located at [www.nyserda.org/energyresources/installers.html](http://www.nyserda.org/energyresources/installers.html)); 3) purchase and installation of a grid-connected wind turbine (required to be installed by an eligible installer, a list of which can be obtained by contacting NYSEDA at 1-866-NYSEDA); and 4) purchase and installation of heat pump hot water heaters (required to be installed by an eligible installer, a list of which is located at [www.getenergysmart.org](http://www.getenergysmart.org)). Loans obtained for the four above-mentioned exceptions are eligible on a secured and unsecured basis.

ENERGY STAR<sup>®</sup> appliances are qualifying refrigerators, dishwashers, clothes washers, and room air conditioners. To obtain a listing of BPI-Certified Home Performance Contractors in your area, call 1-800-222-0050.

Costs may include removal of equipment or system to be replaced, purchase and installation of energy measures, and the purchase and installation of any required ancillary equipment and related services.

The following steps will help you through the process of applying for an interest rate reduction.

- |   |  |
|---|--|
| 1 | Obtain a Building Performance Institute-Certified Home Performance Contractor, have an energy audit conducted, and determine the amount of work to be done (not applicable for the four above-mentioned exceptions.)   |
| 2 | Meet with your lender and complete the Application form along with your lender's loan application documents.   |
| 3 | The lender completes the application and submits to NYSEDA for approval. NYSEDA notifies the lender upon approval of the application.  |
| 4 | The lender closes on the loan with the borrower and submits a copy of the note to NYSEDA. NYSEDA submits the interest rate reduction incentive to the lender on behalf of the borrower.  |
| 5 | Upon completion of the project, except for projects completed by BPI-Certified Home Performance Contractors, the Borrower must complete the Certificate of Project Completion, certifying to NYSEDA that the Eligible Improvements were installed as set forth in the Application. |

If you have questions about the New York Energy Smart<sup>SM</sup> Loan Fund, please visit [www.nyserda.org/loanfund](http://www.nyserda.org/loanfund) or contact us at 1-866-NYSEDA.

**Lender Section (to be completed by Lender)**

**1. Participating Lender Information**

Participating Lender:			
Address:	City:	State:	Zip:
Contact:		Title:	
Phone: ( )	Fax: ( )	E-Mail:	

**2. Loan Information**

Borrower:	Amount of Loan Approved by Lender:		
Amount for which below market interest rate is sought (see Instructions for maximum):			
Loan Term (Months):	Base Interest Rate:	Reduced Interest Rate:	

**3. Lender's Certification:** The undersigned certifies that:

1. The undersigned is authorized by the Lender to execute this document on its behalf.
2. The Lender is in full compliance with the Lender Participation Agreement.
3. The Application complies with the Terms and Conditions of this Application and the **New York Energy \$mart<sup>SM</sup> Loan Fund** Policy and Procedures Manual, including all additions and revisions as of the date of this Application, for which the Lender is responsible.

Authorized Signature and Title: \_\_\_\_\_ Date: \_\_\_\_\_

**Submit a copy of the Loan Commitment along with this Application and mail or fax to:  
 New York State Energy Research and Development Authority  
 17 Columbia Circle, Albany, NY 12203-6399  
 Attention: Loan Fund  
 Fax: (518) 862-1091**

For NYSERDA Use Only:

Loan Application Approval: \_\_\_\_\_ Loan No: \_\_\_\_\_

Lump sum payment amount approved:	
Signed:	Signed:

For NYSERDA use in approving lump sum payment upon loan closing:

Changes from initial approval:

Term:	Reduced Interest Rate:	Loan Amt.:	Lump sum payment:
Approved:			

New York Energy \$mart<sup>SM</sup> Loan Fund Application (1-4 Family Homes)

**Borrower Section (to be completed by Borrower)**

**4. Borrower Information**

Please provide all information regarding the property where improvements will be made.

Name of Borrower

Address of Property

City

State

Zip

Phone (daytime)

Fax

Email

# of Units

Sq. Ft. of Structure

**5. Utility Information**

Please indicate the name of the electric utility that provides service to the home.

Central Hudson Gas & Electric Corporation

Orange and Rockland Utilities, Inc.

Rochester Gas and Electric Corporation

Niagara Mohawk Power Corporation

New York State Electric & Gas Corporation

Consolidated Edison Company of New York, Inc.

**6. Contractor Information**

Provide the name and address of any contractor(s) who will install the energy-saving improvements.

**7. Cost of Energy-Saving Improvements**

Cost of Pre-Qualified Measures installed by BPI certified

\$

Cost of other Pre-Qualified Measures installed (See Application Instructions)\*

\$

Total Cost

\$

\* Please provide a description of proposed energy saving improvements (i.e., make, model number, cost estimates)

**8. Proposed Completion Date**

Please state the date by which the energy-saving improvements will be installed in absolute terms (e.g., June 30, 2003) or in relative terms (e.g., 90 days after the closing of the loan):

**9. Borrower's Certification**

The Undersigned certifies that I am the Borrower, as defined in the Application Instructions, and that:

1. All information on this Application, including all Worksheets and attached documentation, is true and complete to the best of my knowledge and belief.
2. The 1-4 family home where the improvements will be made is assessed the System Benefits Charge by one of the following entities: Central Hudson Gas & Electric Corp., Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation, Rochester Gas & Electric Corporation, or Orange and Rockland Utilities, Inc.
3. The Borrower has the authority to make and install the proposed improvements.
4. I understand that obtaining the interest rate reduction on the loan requires that the improvements be purchased and installed as set forth in this Application, including all Worksheets and documentation.
5. Except for Applications using a BPI-certified home performance contractor, I will submit a Certificate of Project Completion to NYSERDA and the lender within 90 days of the Proposed Completion Date stated in Section 8 of this Application.
6. I understand and agree to the Terms and Conditions set forth in this **New York Energy \$mart<sup>SM</sup> Loan Fund** Application.

Signature

Date

Co-Borrower Signature

Date

## Terms and Conditions

### 1. Interest rate reduction

Subject to these Terms and Conditions and approval by New York State Energy Research and Development Authority (NYSERDA), NYSEDA will provide through a Participating Lender to eligible applicants an interest rate reduction on **secured or unsecured** Approved Loan Amounts. Submission of an Application does not entitle borrower to participate in the Loan Fund. The **secured or unsecured** Approved Loan Amount must be used to purchase and install the Eligible Improvements as set forth in this Application, including all Worksheets and documentation.

### 2. Eligibility

**NYSERDA reserves complete discretion to approve or deny any Application.** Interest rate reductions are available to borrowers whose 1-4 Family Homes are assessed the System Benefits Charge by one of the following entities: Consolidated Edison Company of New York, Inc., Central Hudson Gas & Electric Corp., Niagara Mohawk Power Corporation, New York State Electric & Gas Corporation, Orange and Rockland Utilities, Inc., or Rochester Gas & Electric Corporation and who otherwise meet the eligibility criteria of the Loan Fund. Eligible improvements for 1-4 Family Homes are Pre-Qualified Measures as set forth in this Application only.

### 3. Pre-Application Purchases and Audits

**The Interest Rate Reduction is not available for any purchases made prior to the Date of Application, except for the purchase of a furnace or boiler made 14 days or less prior to the Date of Application. NYSEDA will permit reimbursement for an energy audit completed by a Building Performance Institute-Certified Home Performance Contractor conducted not earlier than six (6) months prior to the Date of Application.**

### 4. Follow-up Visits

NYSERDA reserves the right to make a reasonable number of post-installation follow-up visits to the project during the 24 months following project completion. Such visit(s) will be at a time convenient to the Borrower and will be made with at least one week's advance notice to the borrower. The purpose of the follow-up visit(s) is to provide NYSEDA with an opportunity to ensure that the Eligible Improvements are installed consistent with the Application, Loan Fund eligibility requirements, and generally accepted engineering practices.

### 5. Limited Scope of Review

The scope of review by NYSEDA of the installation of the Eligible Improvements is limited solely to determining whether criteria set forth in the Application have been met and it does not include any kind of safety or other review.

### 6. Changes to and Termination of the Loan Fund

The Loan Fund and these Terms and Conditions may be changed by NYSEDA at any time without notice. However, Applications will be approved under Terms and Conditions in effect as of the Date of Application. NYSEDA will accept Applications on a first-come, first-served basis. If there are insufficient funds available in the Loan Fund to fund additional Applications, NYSEDA will notify the Participating Lenders that new Applications will be placed on a waiting list until more funds become available, or that the Loan Fund has ended and no further Applications should be submitted.

### 7. Indemnification

The Borrower shall protect, indemnify, and hold harmless NYSEDA and the State of New York from and against all liabilities, losses, claims, damages, judgments, penalties, causes of action, costs and expenses (including, without limitation, attorney's fees and expenses) imposed upon or incurred by or asserted against NYSEDA, its agents, or the State of New York resulting from, arising out of or relating to the performance of this Agreement. The obligations of the Borrower under this section shall survive any expiration or termination of this Agreement.

### 8. No Warranties

NYSERDA does not endorse, guarantee, or warrant any particular manufacturer or product, and NYSEDA provides no warranties, expressed or implied, for any product or services. The Borrower's reliance on warranties is limited to any warranties that may arise from, or be provided by, contractors, vendors, manufacturers, etc. The Borrower acknowledges that neither NYSEDA nor any of its agents are responsible for ensuring that the design, engineering, construction, or installation of the Eligible Improvements is proper or complies with any particular laws (including patent laws), codes, or industry standards. NYSEDA does not make any representations of any kind regarding the results to be achieved by the Eligible Improvements or the adequacy or safety of such measures.

### 9. Title to Equipment

Title to equipment purchased under this Application shall not vest with NYSEDA.

**10. Vendor Selection**

To qualify for financing through the Loan Fund, the borrower must use a Building Performance Institute- Certified Home Performance Contractor, with the exception of the purchase and installation of grid-connected photovoltaic systems and wind turbines, and the purchase of ENERGY STAR<sup>®</sup> Appliances. NYSERDA expects the borrower to competitively procure products and services related to this Application. Notwithstanding the foregoing, the borrower acknowledges that NYSERDA has the right to exclude a vendor or contractor from participation in the Loan Fund.

**11. Removal of Equipment**

The borrower agrees, as a condition of participation in the Loan Fund, to remove and dispose of the equipment being replaced by the Eligible Improvements in accordance with all laws, rules, and regulations.

**12. Entire Agreement**

This Application and these Terms and Conditions are the entire agreement between the borrower and NYSERDA and supersedes all other communications and representations.

**13. Events of Default by Borrower and Remedy**

An Event of Default shall be deemed to exist if any one or more of the following events occurs:

- a) Failure to comply with the approved Application, including the Terms and Conditions;
- b) Omission or misrepresentation of material facts attested to in the Application regarding the eligibility of the facility, the borrower, or the improvements;
- c) Failure of the Borrower to complete the Eligible Improvements as set forth in the Application or in a manner consistent with the purpose of achieving energy savings, or consistent with generally accepted engineering practices;
- d) Failure of the Eligible Borrower to provide NYSERDA or its agents reasonable access to the Eligible Facility for the purpose of monitoring, inspecting, or otherwise investigating the installation of the Eligible Improvements; or
- e) Failure of the Borrower to submit, if required, the Certificate of Project Completion within 90 days following the Proposed Completion Date.

In the Event of Default, NYSERDA reserves the right to require additional work by the borrower to achieve compliance with the Application or to reduce the amount subject to an interest rate reduction.

## New York Energy \$mart<sup>SM</sup> Loan Fund Application (1-4 Family Homes)

### Pre-Qualified Measures List

**New York Energy \$mart<sup>SM</sup> Loan Fund** is designed to promote the installation of high efficiency measures. Therefore, to be eligible for an interest rate reduction, each measure installed must meet the minimum efficiency requirements below. This sheet provides you with the minimum efficiency requirements for measures eligible for an interest rate reduction through the **New York Energy \$mart<sup>SM</sup> Loan Fund**. Only the measures listed below that are to be installed in 1-4 Family Homes will be eligible for an interest rate reduction under the **New York Energy \$mart<sup>SM</sup> Loan Fund**.

At least one major measure on the list of measures financed must be a major ENERGY STAR<sup>®</sup> labeled measure (furnace, boiler, central or room air conditioner, thermostat, windows, refrigerator, freezer, clothes washer, dishwasher, dehumidifier, lighting fixture, or six-pack of compact fluorescents). A secure or unsecured interest rate reduction on a loan of no more than \$20,000 may be obtained for a single measure or combination of measures from the following list. The minimum loan amount is \$2,500.

<b>Heating System</b>	<b>Minimum Efficiency Requirements</b>
Furnace – Natural Gas or LP++ Furnace – Fuel Oil++  Boiler – Hot Water  Boiler – Steam Air Source Heat Pump (electric)++ Air Source Heat Pump (gas-fired)++ Ground Source Heat Pump++ Wood Stove Renewable Energy systems	AFUE 90% (as long as not prohibited by local codes) AFUE 84% (below 90% AFUE, and not ENERGY STAR labeled, requires that another major measure have the ENERGY STAR label) AFUE 84% (below 85% AFUE, and not ENERGY STAR labeled, requires that another major measure have the ENERGY STAR label) AFUE 81% 12 SEER / 7.6 HSPF 1.2 COP (h) / 1.25 COP (c) EER of 14.1 and 3.3 COP EPA phase 2 Installed in accordance with local & national codes & standards
<b>Cooling Equipment</b>	<b>Minimum Efficiency Requirement</b>
Central Air Conditioner++ Room Air Conditioner Whole House Fans	13 SEER ENERGY STAR labeled Positive air-tight damper on fan
<b>Water Heater</b>	<b>Minimum Efficiency Requirement</b>
Natural Gas, Propane or Oil Electric Indirect-Fired Tank Solar Wood Pre-Heat Heat Pump Water Heaters	EF .61 EF .92 UL Approved Solar Rating Certification Corp. Certified Installed to National Plumbing Code EF >2.0
<b>Building Shell</b>	<b>Minimum Efficiency Requirements</b>
Insulation (attic, wall, floor, band joist, basement, crawl space) Air Sealing Replacement Windows or Glazing Storm Windows and Storm Doors Movable Window Insulation Exterior Doors	NYS code and efficiency requirement Conducted by professional with blower door ENERGY STAR (NFRC rated U-value of .35 or less) No minimum efficiency requirement R-3 R-4.4
<b>Appliances &amp; Lighting</b>	<b>Minimum Efficiency Requirements</b>
Refrigerator, Freezer, Dishwasher, Clothes Washer, Dehumidifier Heating Recovery Ventilator Ventilation Fans  Photovoltaic Solar Electric Systems  Wind Turbines Light Fixtures  Thermostats	ENERGY STAR labeled No minimum efficiency requirement Energy efficient “bath” fan (<45 watts), centrally-ducted fan system, or kitchen range hood Available only for systems installed by an eligible installer. Refer to <a href="http://www.nysesda.org/energyresources/installers.html">www.nysesda.org/energyresources/installers.html</a> Call 1-866-NYSERDA for a list of eligible installers. Installed in accordance with local & national codes & standards ENERGY STAR labeled for compact fluorescent, or electronic ballast for fluorescent tubes ENERGY STAR labeled
<b>Health and Safety Measures</b>	
Smoke Detectors, Radon Detectors, and Carbon Monoxide Detectors	These measures can be either hard wired or battery operated

**++ Air Duct systems for warm air furnaces, heat pumps and central air conditioners should be tested and duct sealed to reduce leakage to the outside. This will help ensure that the total system will operate efficiently.**

**Pre-Qualified Measures List**

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**ELIGIBLE ACCESSORIES:**

- Any costs associated with the installation of the above measures are also eligible for an interest rate reduction under the **New York Energy \$mart<sup>SM</sup> Loan Fund**. (Work such as duct work, grills, diffusers, chimney liners, air cleaners, furnace humidifiers, thermostats, moisture barriers, attic venting, and service contracts or warranties. Service contracts or warranties are not eligible.)
- Fuel switching to any of the eligible heating systems listed above and any associated costs (such as gas main extensions, new oil tanks, service laterals, and piping) are eligible for an interest reduction under the **New York Energy \$mart<sup>SM</sup> Loan Fund** if a new heating system or water heater complying with the relevant Minimum Efficiency Requirement is installed and the measure is cost-effective.
- Services associated with the above eligible improvements (Energy Rating, blower door test, energy audit or construction management) are eligible for an interest reduction under the **New York Energy \$mart<sup>SM</sup> Loan Fund**.

The following repairs are eligible for an interest rate reduction under the **New York Energy \$mart<sup>SM</sup> Loan Fund** up to a maximum \$2,000 per loan:

- When a heating or cooling system is replaced, asbestos abatement or electrical service upgrade necessary to install the new heating /cooling unit may be included.
- Radon and lead abatement work is eligible for an interest reduction.
- The cost of removing an oil tank is eligible for an interest reduction when done in connection with a heating system replacement.
- Repairs to the home due to water damage, molds and mildew, ice dams or other symptoms of poor building performance, are eligible for an interest reduction, as long as the causes of building performance-related damage are being addressed. Additional repairs that are critical to achieving energy efficiency may be approved for an interest reduction, on a case-by-case basis, upon approval by NYSERDA.

**For further information please call or write:**

**Tel: 518-207-4500**

**Fax: 518-207-4550**

**Home Performance with ENERGY STAR**

**c/o CSG**

**477 New Karner Road**

**Albany, New York 12205**

**Certificate of Project Completion**

**NOTE: This Certificate of Project Completion is only required for loans for 1-4 Family Homes which do not use a BPI-certified home performance contractor to install the eligible improvements.**

Upon completion of the installation of Eligible Improvements, Borrower must certify to NYSERDA that the eligible improvements were installed as set forth in the **Application**. Failure to submit the **Certificate of Project Completion** and any other requested documentation within 90 days following the Proposed Completion Date stated by the Borrower in the **Application** may be considered an Event of Default and result in withdrawal of the interest reduction.

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**1. Borrower Information**

Provide the name and address of the Borrower as they appeared on the Application.

Borrower Name & Address:

Phone:

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**2. Lender Information**

Provide the name of the Lender for this Loan.

Lender:

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**3. Completion Date**

State the date on which the installation of eligible improvements was completed.

Completion date:

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**4. Contractor**

Identify the primary contractor and provide a contact and phone number.

**Firm name:**

Address:

Contact:

Phone Number:

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**Certificate of Borrower**

- The eligible improvements funded by the above-referenced loan have been completed.
- To the best of my knowledge and belief, the Eligible Improvements conform to, and were installed as set forth in, the Application approved by NYSERDA.
- True and correct copies of all invoices and receipts for labor and materials for Eligible Improvements funded by the Loan are attached to this Certification.

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Borrower

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Date

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Print Name

**Certificate of Project Completion**

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**Certificate of Contractor**

- All Eligible Improvements funded by the Loan were constructed and installed according to generally accepted engineering standards.
- The information contained in the attached invoices and receipts is true and correct to the best of my knowledge.

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Contractor

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Date

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Print Name

Please mail one copy to your lender and forward the original to NYSERDA:

**New York Energy \$mart<sup>SM</sup> Loan Fund**

**NYSERDA**

Attn: Loan Fund Manager  
17 Columbia Circle  
Albany, New York 12203-6399  
Phone: 518-862-1090  
Fax: 518-862-1091