

LA PLATA ELECTRIC ASSOCIATION, INC.

DURANGO, COLORADO

Board of Directors Policy

Subject: On Bill Financing for Energy Efficiency and Beneficial Electrification			Policy No: 304
Original Issue: 5/18/16	Last Revised: 9/16/20	Last Reviewed: 9/16/20	Page 1 of 2

I. OBJECTIVE

To support and encourage energy efficiency by offering an on-bill financing program to La Plata Electric Association Inc.'s (Cooperative's) members/customers.

II. POLICY

- A. The Cooperative will collaborate with approved banks to establish a program that offers financing for the purchase and installation of eligible energy efficient, demand-side management, and beneficial electrification products and projects to its members/customers.
- B. Each bank, in cooperation with the Cooperative, will establish the processes for taking loan applications and approving loans.
- C. Each bank will be responsible for setting the interest rate.
- D. Each bank will be responsible for drafting all loan documents and overseeing their proper execution.
- E. The debt payment will be included on the member/customer electric bill and the member/customer shall make the debt payment through the Cooperative.
- F. The Cooperative shall remit the debt payments to the banks for processing.
- G. Each bank will be responsible for any and all collections issues that may arise as a result of non-payment by the member/customer.
- H. The Cooperative and the banks will agree that the Cooperative shall not serve as a guarantor on behalf of the member/customer that receives loan funds under this on-bill financing program. The Cooperative's role shall be strictly to facilitate loans that enable members/customers to install energy efficiency, beneficial electrification, and distributed generation projects on their businesses or residences. The Cooperative shall review projects on a case by case basis to determine eligibility.
- I. The Cooperative will establish review processes to verify the validity of eligible items.

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III. RESPONSIBILITY

The Chief Financial Officer is responsible for the administration of this policy.

9/16/2020

Date

Secretary