




Your Touchstone Energy® Partner 

## Financing Program

Nodak Electric Cooperative has a financing program whereby members can obtain loans for the installation and/or repair of electric heating, heat pumps, air conditioning, electric water heaters, insulation and backup heating systems.

Any bonafied member, that is, a person receiving electricity from Nodak, and who has an Application for Electric Service on file, can apply for a loan. A member's credit statement, furnished by Nodak, must be completed and submitted to the Nodak office to request the financing.

Signed estimates or final billing statements for the contractor, giving a breakdown of the costs, must accompany the credit statement when requesting a loan.

The loan application will then be referred to the Finance Committee. The member will be advised of the loan status by letter. A check for the amount of the loan will be mailed to the member upon completion of installation or when a final bill is submitted for material and labor for services rendered.

The other side of this sheet provides specific information on the financing program.

If the member is a tenant, the landowner is required to sign a guarantee of repayment. These papers are forwarded to the member for proper signatures after the loan has been approved.

All members receiving loans from Nodak Electric Cooperative to assist them in the installation or repair of their electric heating system or off-peak backup system will be required to use their electric system as their main source of heat for the duration of the loan period. Failure to comply with this regulation will deem the remainder of the balance of the principle plus interest due immediately upon notification.

## **Financing Programming Details**

To qualify for a loan, a signed estimate of the actual installation costs must be submitted with the completed credit statement. A customer may have more than one loan for different purposes. Checks will be mailed after the installation is complete or the material/equipment for self-installation has been purchased.

Loans are available for electric heating, heat pumps, air conditioning, home weatherization, electric water heaters, off-peak backup systems and power line service extensions. The following conditions will apply:

- Customer is required to pay a 20 percent down payment directly to the contractor.
- Nodak will finance 80 percent on all loans.
- Interest rate is based on the 30-year U.S. Treasury index at the time of the loan application, plus one percent.
- Maximum loan amount is \$20,000.
- All member loans that have a value over \$7,500 will require suitable approved security prior to disbursement of funds. Preferred loan security would include, but is not limited to, an irrevocable letter of credit, or first position recorded mortgages involving real property owned by the borrowing member.
- Payments will be made monthly and are due upon receipt of monthly electric bill.
- Minimum monthly payment is \$25.
- Loans are available for a period of up to five years.

## **Off-peak Backup System**

Nodak members who have an off-peak heating system can apply for loans to repair and/or replace their backup heating system. This loan is intended to be utilized as a means of maintaining backup heating systems for off-peak (load management) purposes only. Loans are not available for the purchase of a gas or fuel oil heating system that is intended to be the only source of heat.

The off-peak backup system loan is subject to the following conditions stated above, and the loan shall be paid in full if:

- Electric heat is not used as the primary source of heating in the home or building.
- The member no longer receives electric services from Nodak for any reason.
- The member requests removal of the load management equipment.
- The property is sold or ownership is transferred.

If you have any questions, please call 701-746-4461 or 800-732-4373.