

# Frequently Asked Questions

# ZILCH

ZERO INTEREST LOANS for CONSERVATION HELP

**Q. Can I have more than one ZILCH loan at a time?**

A. No, you may only have one outstanding ZILCH loan, but you may finance multiple projects in one loan.

**Q. What is a “good” credit standing with the Utilities?**

A. You should have no turn-offs for delinquency within the last two years, no more than one delinquency notice within the last year and no overdue amounts on billings.

**Q. Can I use the ZILCH loan for new construction?**

A. No, ZILCH funds may only be used for existing homes.

**Q. I’ve already ordered a new furnace for my home. Can I get ZILCH loan to pay for it?**

A. Loans are only for future projects, not ones that have already been started or completed. Work on a ZILCH project may only begin after the loan has been approved.

**Q. Can I use a ZILCH loan to complete more than one project?**

A. Yes, a single loan may include more than one project. For example, you could borrow money to remove a wood stove and install attic insulation, providing you do not exceed the maximum loan amount of \$2,300.

**Q. What does a “10-year simple payback” mean?**

A. It means that the energy savings from making the proposed improvement, when totaled over 10 years, equal or exceed the cost to do the project. For ZILCH loan approval purposes, the energy savings are calculated at current utility rates.

**Q. Am I required to do the most cost-effective energy improvements if I receive a ZILCH loan?**

A. No. You can complete any improvement, or combination of improvements, that meet the loan requirements.

**Q. Do I have to use the “low-bid” contractor?**

A. No, but we encourage you to get one or more bids.

**Q. Do I have to use the contractor who supplied the bid I submitted for loan approval?**

A. No, you can use another contractor, provided the project doesn’t change and the cost does not increase beyond the bid submitted with the loan application.

**Q. Can a ZILCH loan be used to replace my windows?**

A. Window replacements seldom meet the 10-year payback requirement because they’re generally quite expensive. However, sometimes it is possible to combine the replacement of a small number of windows with a more cost-effective improvement (like insulation). The total package may then meet the payback requirement.

**Q. Can I include the cost of the ENERGY SCORE, building permit or radon test in my loan?**

A. Yes, these costs may be rolled into the loan amount.

**Q. If I refinance my home, do I have to pay off the ZILCH loan?**

A. No, but the loan must be paid in full if you sell your home.

**Q. Can a ZILCH loan be used for do-it-yourself projects?**

A. Yes, but the loan will cover only the cost of materials, not labor.

