JCP&L Residential Energy Efficiency Financing

Contractor FAQ's

Q: What is the JCP&L Energy Efficiency Financing opportunity?
JCP&L Energy Efficiency Financing provides access to low- or no-cost financing to promote easy and cost-effective access to energy efficiency measures by JCP&L customers.

Q: What is the relationship between JCP&L and National Energy Improvement Fund (NEIF)?
JCP&L has engaged NEIF to offer 0% interest rate financing to JCP&L customers who participate in their energy efficiency programs according to program terms and eligibility. NEIF or their designee is the lender and servicer of the loans. JCP&L provides funds to bring interest rates down from market rates to 0% to enable participation in their energy efficiency programs.

Q: Who is NEIF? And what should I know about NEIF?
NEIF is a full-service, multi-state licensed consumer and commercial lender focused on program-driven financing plans for energy and resilience improvements. NEIF works with a network of contractors, distributors, manufacturers, utilities and governments to promote affordability for upgrades that make businesses and homes resilient, energy efficient, healthy, & comfortable. It is the nation's only specialty energy efficiency lender third-party certified as a B Corporation®. Certified B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability. NEIF is also a Home Improvement Expert Lender Partner of the U.S. Department of Energy.

The top five things to know about JCP&L Residential Energy Efficiency Financing:

1. The program is FREE to offer for NEIF-Approved contractors. There are no "dealer-fees."
2. Financing covers 100% of your customer's project costs, less applicable JCP&L energy efficiency program rebates.
3. Financing requires no money down.
4. Customer financing must be used in conjunction with JCP&L rebates/incentives.
5. Financing is a fixed rate, simple interest installment loan with no penalty for pre-payment. It is fully transparent with no hidden fees or charges.

Q: How does NEIF work with contractors?
All loans are made directly to the borrower by NEIF for qualifying work performed by an NEIF-Approved Contractor. NEIF-Approved Contractors are established companies of all sizes with a reputation for quality work and fair business practices. There is no charge to become an NEIF-Approved Contractor. General qualifications are:

- Minimum 3 years in business (or relevant experience), history of financial stability, satisfactory insurance and your certification of a minimum $50,000 company net worth or compensating factors
- Satisfactory company, Better Business and personal credit (if required) histories
- Overall reputation for a high level of service and workmanship .
- If you are not currently a NEIF-Approved Contractor, please apply at https://www.neifund.org/distinction/jcpl

Q: As a contractor, why should I offer financing to my customers?
Through JCP&L's energy efficiency programs, special financing rates of 0% are available to make projects more affordable for customers.

Additionally, NEIF transforms financing from a contractor's cumbersome afterthought to an integral part of the value proposition for energy efficiency and resilience projects.

The **Top 5 Benefits** to a contractor that routinely offers financing to its customers are:

1. Accelerate your cash flow. NEIF pays you quickly via ACH as soon as the job is within two business days of program approval.
2. Fair, fixed monthly payment options allow you to service more customer by mitigating "sticker shock" and promote faster buying decisions.
3. Close more comprehensive projects. Increase the size and scope of projects by offering monthly payment affordability.
4. Close more deals when you offer a monthly payment option with every job bid.
5. Work with a trusted partner. Your association with NEIF means you are working with a Certified B Corp. NEIF meets the highest standards of social and environmental performance.

Q: As a contractor, how much does it cost to work with NEIF?
There are no charges or dealer fees to access NEIF or program services.

Q: What types of equipment are eligible for residential financing?
JCP&L Energy Efficiency Financing is available for equipment that falls within eligible program terms. Please see www.energysavenj-financing.com for a list of eligible measures.

Q: As a contractor, when do I get paid and who pays me?
When the project is complete, both you and the customer will sign off on the project. NEIF will verify the rebate documentation has been submitted and approved and at that point the funds will be released to you by an Automatic Clearing House (ACH) electronic funds transfer.
Once you are paid, the borrower will begin receiving bills for their monthly finance payments, which they make directly to NEIF.

Q: Can I or my customer use utility rebates to reduce the financed cost?
All NEIF financing provided through this JCP&L program is provided net of any applicable rebates.

Q: Are there any closing costs/fees to the customer?
No.

Q: Do customers need to make a down payment?
No. Down Payments are not required for NEIF financing; however, they are allowed should a customer want to reduce the amount being financed. Any down payment made by the customer must be accounted as a line item on the written contract.

Q: What is the turnaround time? When will I hear back on the status of the application once submitted? How long does approval take? When can the contractor start the work?
Applications are credit-decisioned instantly. Customer is notified immediately of the credit decision on-screen and contractor can see decision immediately in their contractor portal.

Upon credit approval the contractor uploads estimate/proposal to NEIF. Most applications require no further information from the customer, and loan documents are sent as soon as the contractor has uploaded their contract and/or proposal showing qualifying improvements and final amount to be financed to the contractor portal. On occasion, NEIF may need to verify income and other information with the customer before final approval is issued. This typically happens on the same business day but could be impacted by customer and contractor response time.

Q: What is the minimum credit score requirement?
The minimum credit score requirement is 640.

Q: Can a co-applicant be added to the loan?
Yes; as per our program guidelines, the co-applicant must credit qualify as well as own and occupy the home.

Q: What Credit Bureau will you pull from?
We pull from TransUnion for our loan programs.

Q: What is the maximum loan amount?
For JCP&L Energy Efficiency Financing, the maximum loan amount is $15,000.00, subject to credit qualification.

Q: What is the minimum loan amount?
For JCP&L Energy Efficiency Financing, the minimum loan amount is $2,500.00, subject to credit qualification.

Q: What is the interest rate?
0.00%

Q: What are the available loan terms?

- For HVAC energy efficiency installations there are 3- or 5-year terms available. If the customer is Low- Moderate Income (defined as up to 400% of the Federal Poverty Income Guidelines) qualified, they have the option of a 7-year term.
- For Home Performance with ENERGY STAR projects less than $10,000 there are 5-or 7-year terms and for projects between $10,000.01 and $15,000 a 10-year term is also available.

Are there any prepayment penalties?
No, the loan may be paid off or paid ahead at any time without penalty.

Q: Will there be a lien against the customer's property?
JCP&L Energy Efficiency Financing is an unsecured loan, there is no lien against the property.

Q: Do you offer financing for rental properties?
Currently we offer financing for 1–4-unit owner occupied residential primary and secondary homes.

Q: Are mobile homes eligible?
Yes, financing is available for mobile homes that are affixed to a permanent foundation on property owned by the applicant.

Q: Who can perform the work?
To participate in the JCP&L Energy Efficiency Financing Program, the work must be done by an approved contractor.

Is this loan tax deductible? Will the customer receive a tax statement in the mail?
The customer will not receive a tax statement in the mail since this is an unsecured loan. The customer should contact a tax advisor for tax related questions.

Does the customer need to have an email address to submit an application? What if the customer does not have an email address? Can the contractor submit the application for the customer?
Yes, the customer is required to have their own email address to apply for the loan since the loan documents are sent to the customer email address on the application. This is a direct loan and the contractor cannot apply for the customer. The customer can set up a free email online on several websites.

Is E-Sign required for the loan documents?
Yes, we do require electronic signatures for the loan documents.

How long can the customer keep the loan application open?
Approvals are good for work to be funded within 120 days of the day of application (which is the day credit is pulled).

Q: Any other questions?
A: We'd love to answer them! Please contact NEIF at 484-838-5460, option 4.