

**TESTIMONY OF KANSAS HOUSING RESOURCES CORPORATION
TO THE SENATE UTILITIES COMMITTEE**

**PRESENTED BY CHRISTINE REIMLER, HOMEOWNERSHIP MANAGER
REGARDING KANSAS ENERGY EFFICIENCY PROGRAM
JANUARY 17, 2007**

Mr. Chairman and Honorable Members of the Committee, my name is Christine Reimler and I am the manager for the Kansas Energy Efficiency Program (KEEP). I appreciate the opportunity to testify before you about energy efficiency loans for the citizens of Kansas.

Two million dollars were awarded to Kansas Housing Resources Corp. to develop a program to provide low interest loans for energy efficient improvements to Kansans' homes. KHRC partnered with Sunflower Bank to develop a program, and KEEP was announced in November 2006.

KHRC funds half of the loan amounts, up to a maximum of \$7,500. Total loan amounts could be higher as determined by Sunflower. The zero interest rate on KHRC funds translates into a lower blended rate than obtained through a normal second mortgage loan.

Eligible families must have incomes at 100% or below of the statewide median income. For instance, a household of four could earn no more than \$65,777 to qualify. Examples of home improvements allowed under KEEP include: installing specified ENERGY STAR furnaces, central air conditioners, heat pumps, water heaters, ventilation systems, installing wall & floor insulation, new doors and windows and weather-stripping, air sealing, duct work and the purchase of certain ENERGY STAR appliances such as refrigerators, washers, dryers, dish washers and programmable thermostats.

Interested applicants apply for KEEP directly to Sunflower bank; they have 34 locations across the state. Sunflower underwrites, monitors the construction phase, and services the loans.

As of today, one KEEP loan in the amount of \$7,500 has been made. Sunflower currently has at least two loans pending and has received many requests for applications. To help publicize the program, KHRC is providing Sunflower Bank branches and our community action program agencies with KEEP brochures which explain the program and provide homeowners with basic energy conversation tips. Westar Energy is also excited to partner with KHRC and plans to promote KEEP to its customers by placing a promotional insert in utility bills and posting a link on the company's website about KEEP loans.