

MUNICIPAL UTILITY RESIDENTIAL CLEAN ENERGY PROGRAM (EXCERPT)
Act 408 of 2014

460.971 Report.

Sec. 11.

(1) The report on the proposed residential clean energy program required under section 7 shall include all of the following:

(a) A form of contract between the municipality and record owner governing the terms and conditions of financing under the program.

(b) Identification of an official authorized to enter into a program contract on behalf of the municipality.

(c) A maximum aggregate annual dollar amount for all financing to be provided by the municipality under the program.

(d) An application process and eligibility requirements for financing energy projects under the program, including the classes of property eligible.

(e) Subject to section 9(3), a method for determining interest rates on loan installments, repayment periods, and the maximum amount of a loan.

(f) An explanation of how monthly installment payments on loans will be billed and collected under section 9(4) or otherwise.

(g) A plan for raising capital to finance improvements under the program. The plan may include any of the following:

(i) The sale of bonds or notes, subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(ii) Amounts to be advanced by the municipality through funds available to it from any other source.

(iii) Owner-arranged financing from a commercial lender whether or not facilitated by a nonprofit corporation under section 9(2). Under owner-arranged financing, a municipal electric utility may collect monthly installment payments on the electric utility bills pursuant to section 9(4) and forward payments to the commercial lender or the record owner may pay the commercial lender directly.

(h) Information regarding all of the following, to the extent known, or procedures to determine the following in the future:

(i) Any reserve fund or funds to be used as security for bonds or notes described in subdivision (g).

(ii) Any application, administration, or other program fees to be charged to a record owner participating in the program. The fees shall be used to finance costs incurred by the municipality as a result of the record owner's participation.

(i) A requirement that the term for repayment of a loan to a property owner as described in section 9(2) not exceed the anticipated useful life of the energy project paid for by the loan or 180 months, whichever is less.

(j) Provisions for marketing and participant education.

(k) Provisions for adequate debt service reserve fund.

(l) Quality assurance and antifraud measures.

(m) A requirement that a baseline home energy audit be conducted before an energy project is undertaken. After the energy project is completed, the municipality shall obtain verification that the renewable energy system or energy efficiency improvement was properly installed and is operating as intended.

(2) The municipality shall post the report under subsection (1) on the municipality's website, if any, and make the report available for review at the office of the clerk or the official authorized to enter contracts on behalf of the municipality under the residential clean energy program.

History: 2014, Act 408, Imd. Eff. Dec. 30, 2014