

State program will help pay for energy-saving projects

This winter's record cold temperatures found many Alaskan homeowners unable to keep warm and paying dearly for heating bills and repair of frozen pipes, so the Alaska Department of Community and Regional Affairs is introducing a program to help finance energy-saving home improvements, according to a press release from the department.

The \$800,000 program, called the Home Energy Loan Program, can also be used to help with the construction of energy efficient homes.

The program will allow private lenders, such as banks, credit unions and mortgage companies, to provide low interest loans for energy conserving products such as insulation, insulated doors and windows and efficient heaters.

Homeowners anywhere in the state will be able to apply for a loan from the lender of their choice. The department will pay a portion of the interest payment for approved loans so that the effective interest rate charged to the borrower is 5 percent.

The rate charged to homeowners who take advantage of this program could be even lower, as low as 2 percent, if the home improvements or housing construction produce a struc-

ture with an energy efficiency higher than the minimum energy standard established by the state.

The program, which is expected to be in place by the fall, will be funded from the state's share of an oil overcharge settlement by the federal government. By court order, the settlement funds must provide restitution to consumers through the support of energy conservation programs.