

Chippewa Valley Electric Cooperative
Safety First Rewiring Loan/Grant
Frequently Asked Questions

Who is eligible for a rewiring loan?

Members with dairy farms on an existing homestead.

How much can I borrow?

80% of the total cost of the project, up to \$20,000, is available in the form of a loan from the electric cooperative at 3% interest.

How Much grant money is available?

20% of the total cost of the project, up to \$5,000, is available in the form of a grant from Wisconsin Electric Cooperative Association (WECA).

What is the term of the loan?

You have up to 5 years to repay the loan.

How will the loan be billed?

The monthly loan payment will be included on your electric bill.

Will I have to sign a service agreement?

Yes. A service agreement indicating that you will receive energy from the electric cooperative for the duration of the loan is a condition of the loan.

Can I apply for a grant and not a loan?

Yes, 20% of the total cost of the project, up to \$5,000, is available without applying for a loan.

Why are the electric Cooperatives offering this program?

To assist dairy farmers with the cost of rewiring their operation, to promote safety, and to help ensure that rewiring is completed according to the National Electric Code (NEC).

What are the credit eligibility requirements?

You can only have one late payment within the past 12 months. A payment is late if it is received after the due date on the monthly electric bill.

Who will do the electrical work?

You can choose your electrician as long as he/she is a Master Electrician

Can I get a loan for wiring a new barn?

No. Only existing structures are eligible. New barns must be wired according to the latest version of the code.

What happens if I default on my loan?

If you are delinquent on your loan (not paid for 2 months in a row) the loan will become due and payable immediately and the electric service may be subject to disconnection.

Can I pay off the loan early without a penalty?

Yes

Are there any processing fees?

The \$13.00 UCC (Uniform Commercial Code) filing fee will be your responsibility. PRE- and Post-inspections, by an approved State Certified Inspector required for the loan, will be paid for by the electric cooperative.

When will I receive the grant money?

After a post-inspection, when the wiring work is completed according to NEC and all of the invoices and the wiring affidavit are given to the electric cooperative.

Is there a lien on my property?

Yes. The rewiring project serves as collateral for the loan.

Will funds be available to rewire my house as well as the barn?

Only if the service for the barn is served from a main panel in the house.

How do I apply?

Contact Chippewa Valley Electric Cooperative's Member Services Department. They will schedule an appointment with an approved State Certified Inspector and a representative of the electric cooperative to determine the extent of the project.

What happens next?

You choose two approved Master Electricians to give you a bid on the project and provide the electric cooperative with a copy of the bid. If the bid meets the loan/grant requirements, the project is given preliminary approval.

What happens after the rewiring is completed?

The cooperative will schedule the State Certified Inspector to inspect the work and he/she provides written documentation that the work was completed according to NEC. You provide invoices from the electrician and the wiring affidavit. You choose if you want the cooperative to pay the electrician or the electrician and yourself. We send a check request for the grant money and you choose to whom you want the check payable to – the electrician, or the electrician and yourself.

What expenses are covered under the loan and/or grant?

Labor and materials needed to rewire the farm. Isolation transformers, rings of life, and other systems not defined in the NEC are not eligible expenses under this program.

How long is the program available?

This was a three year program, beginning November 1, 2002, but it has been extended and will be reviewed annually, so program could be discontinued at any time.

How is the grant program funded?

Wisconsin's electric cooperatives contribute \$10.00 per farm annually towards the grant money.

Is there unlimited money to fund the program?

No - Generally, the program will operate on a first-come, first-served basis. Depending on the number of applicants, a waiting list will be created until enough loans and grant money becomes available.