



# Financing a DTE Energy Natural Gas Service Line with Michigan Saves

## Customer Checklist

January 1, 2020

Michigan Saves is partnering with DTE Energy (DTE) to make financing available for new natural gas service lines. Homeowners often need financing due to the high cost of connecting to a new natural gas main and upgrading equipment and appliances to run on natural gas. Thus, Michigan Saves is making its low-interest, unsecured financing available to homeowners who wish to finance the gas service line and new, high-efficiency equipment.

Michigan Saves is a nonprofit organization dedicated to making energy-efficiency improvements easy and affordable through low-interest, unsecured financing. With rates as low as 5.50% APR, loan amounts up to \$30,000, and loan terms up to ten years, the Michigan Saves Home Energy Loan is an affordable option for financing a new gas service line and high-efficiency equipment upgrades.

Michigan Saves has created the following checklist to guide homeowners through the financing process for gas service line projects.

## Homeowner Checklist

- Learn about Michigan Saves as a financing option for a new gas service line through a DTE gas marketing representative
- Complete the DTE application for new gas service and pay the \$300 commitment fee
  - DTE will provide homeowners with an approximate installation date two to four weeks beforehand.
- Call a Michigan Saves authorized contractor to receive a quote for the installation of new, high-efficiency equipment
  - Authorized contractors can be found using the contractor locator tool at <https://michigansaves.org/find-a-contractor/>.

- Apply for Michigan Saves financing no more than 45 days prior to installation
  - A homeowner applies for financing through the Michigan Saves loan application center using a special program code only available from a Michigan Saves authorized contractor. The loan application process takes ten minutes, and a loan decision is provided at the end of the phone call.
  - A homeowner can only finance the gas service line when also financing one or more eligible improvements that exceed \$1,000 in cost.
  - A homeowner should apply for financing when they are ready to install new equipment and connect to natural gas line, but no earlier than 45 days prior to scheduled gas service line and meter installation. The financed amount should include the cost of eligible improvements, the gas service line base charge, and extended line charge, if applicable.
  - The loan must be closed within 90 days of the initial approval. If the loan remains open for more than 90 days, the lender reserves the right to pull a new credit report or ask the homeowner to reapply for the loan.
  - If a homeowner has to draw down an existing propane supply first, they should initially finance the gas service line through DTE, so the monthly cost appears on their utility bill.
  - Once propane supplies are drawn down, the homeowner should apply for Michigan Saves financing and include the remaining balance of the gas service line cost in the financed amount.
  - Michigan Saves will pay off the existing gas service line cost on the utility bill and refinance the cost through the Michigan Saves Home Energy Loan Program.
- Obtain loan approval and confirmation letter from the loan application center
  - Once approved by the loan application center, the homeowner should provide the authorized contractor with a copy of the loan confirmation letter, which will be mailed to the customer within three business days of approval.
- Receive the gas service line from DTE
  - The cost of the service line and meter is added to customer's utility bill within the next two billing cycles, usually 30 to 60 days after installation.
  - DTE will not set the new meter while a customer is still connected to another fuel source, such as propane. Existing fuel supplies must be used or disconnected before DTE will set the meter and connect the natural gas service line.
- Work with the authorized contractor and DTE to schedule an installation date
  - The customer should coordinate the installation date with the contractor and DTE. The contractor must be present for DTE to set the meter and connect the service line.
  - The contractor pulls applicable permits, installs the new equipment, and connects to the new gas meter.

- Sign the Michigan Saves certificate of completion when work is finished
  - The contractor submits the certificate of completion, along with an itemized invoice, to Michigan Saves through NGEN, the new online contractor portal. These items are automatically transmitted to Genisys Credit Union (Genisys) to initiate the loan closing process.
- Sign the loan closing documents
  - Genisys closes most loans electronically via DocuSign and will send a link to the homeowner who will close the loan with a digital signature.
  - Upon loan closing, Genisys processes payments to the contractor and DTE
    - Genisys pays DTE for the base service charge and extended line charge, if applicable.
    - DTE applies that payment to the homeowner's gas service line charge, paying off the charge in full.
    - Genisys pays the authorized contractor for the equipment upgrades.
- Begin repaying the loan through Genisys

## Frequently Asked Questions

- **Can a homeowner finance only the gas service line work?**

No, a homeowner cannot finance just the gas service line. A homeowner must finance at least \$1,000 in qualifying measures/equipment to finance the gas service line through Michigan Saves.

- **Can a homeowner work with any contractor?**

No, the contractor must be authorized by Michigan Saves to offer Michigan Saves financing for these projects. If a contractor would like to become eligible, they can sign up via the Michigan Saves website at <http://michigansaves.org/contractors/overview/requirements/>.

- **Can the \$300 commitment fee be financed?**

No, the commitment fee must be paid in cash to DTE before they will include the home on the installation schedule.

- **Are rebates available for these projects?**

Possibly. Rebates for appliances are only available to existing DTE customers—not new customers. A homeowner receiving a gas service line is considered a new customer. Rebates for insulation and other shell improvements may be eligible; contractors should contact DTE with questions about rebate eligibility.

- **Can a homeowner finance a furnace or water heater conversion kit?**

No, not as a standalone measure. However, if a homeowner finances more than \$1,000 of qualifying measures/equipment, they would be eligible to finance a conversion kit.

- **Can a homeowner finance a household appliance?**

No, not as a standalone measure. ENERGY STAR®-rated household appliances can only be financed if other qualifying measures/equipment are financed.

- **Are any upgrades prohibited?**

Yes. Michigan Saves will not finance general household improvements or cosmetic gas equipment, like gas inserts for fireplaces.

- **Should a homeowner use up existing propane supplies before applying for financing?**

Yes. A homeowner must draw down existing propane supplies or disconnect from other fuel sources before DTE will set the new meter and connect the natural gas service line. In this situation, a homeowner should finance the natural gas service line and meter through DTE so that the charge is placed on the homeowner's utility bill. When the propane supply drops to 5 percent, a homeowner should apply for Michigan Saves financing through an authorized contractor. The homeowner should request enough financing for the qualifying equipment upgrades and the remaining balance of the gas service line charge. If approved for financing, Michigan Saves would pay off the existing gas service line cost and refinance the cost through the Home Energy Loan Program.

If a homeowner is not approved for Michigan Saves financing, they will continue paying for the gas service line on their utility bill. They would have to pay for equipment upgrades with cash, credit card, or other payment options.

- **When should a homeowner apply for Michigan Saves financing?**

A homeowner should apply for financing when they are ready to install new equipment *and* connect to natural gas line, which should be no earlier than 45 days prior to scheduled gas service line and meter installation. A Michigan Saves Home Energy Loan approval is only valid for 90 days, so a homeowner should not apply for the loan until DTE provides an approximate date for gas service line and meter installation.

## Contacts

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