

# **State Energy Activities: Innovative Solutions and Funding Issues**

**Tuesday, February 5, 2008**

**3:30 - 4:30 pm**

**430 Dirksen Senate Office Building**

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## **Remarks from Vaughn Clark**

Director, Office of Community Development, State of Oklahoma and  
President, National Association for State Community Service Programs (NASCSPP)

- Before we begin I would like to take a moment to thank the Members of Congress and their staff on behalf of the National Association for State Community Services Programs, the Weatherization Assistance Program managers across the country, and those families so desperately in need of help with their energy burden. Your continued support of the Weatherization Program has made a difference in their lives by helping them use energy more efficiently and saving both energy and money for years to come.
- In this past budget season the Appropriations committees faced a lot of difficult decisions. Nevertheless leadership in the House and Senate provided the WAP with \$227.4 million for Fiscal Year 2008 - \$21 million more than last year and \$83 million more than the Administration requested.
- The program has also been reauthorized at levels of \$750 million for 2008 up to 1.4 billion in 2012. We thank you again for such overwhelming bipartisan support for our Program from both chambers.
- Funded by the U.S. Department of Energy and administered by state governments, and a local network of 900 local agencies serving every political subdivision in the country, Weatherization Program is one of the largest energy efficiency programs in the country.
- The program provides assistance to improve the energy efficiency of dwellings occupied by vulnerable low-income households, including the elderly, the disabled and families with children.
- Despite measurable returns and numerous benefits to both the economy and the environment, the Administration has asked Congress to eliminate all funding for the Weatherization Assistance Program in the 2009 budget offered by the President. It is highly irresponsible that the Administration and the Department would do so now when our nation is nearing a recession and thousands of low income families across the nation are facing no heat situations.

- We have heard from officials inside the Department of Energy that there is intent to radically restructure the program to simply provide energy efficient lighting, or to replace the program with “blitz weatherization” projects that would reach more households by dramatically diluting program benefits and effectively turning back the progress and technology of our program by at least 20 years. Weatherization Works—and we do not understand the rationale for changes that would diminish our capacity to serve our public purpose.
- The Department of Energy has also failed to enact the National Evaluation agreed to by the Office of Management and Budget and the states. We have and continue to urge the Department conduct this evaluation to reaffirm the metrics for our program. We question why they have not already done so. The Department has received funding specifically allocated for this purpose. Yet, this evaluation has been put on hold indefinitely while the department revises the survey. There are no plans for one in the near future.
- A national evaluation would eliminate any justification from the Department of Energy for cutting altering, or dismantling this critical program. Recent evaluations held on the state level clearly demonstrate the program’s success and cost effectiveness.
- The University of **Delaware** completed a study which indicated that the WAP had saved significant amounts of energy in a cost effective manner, and contributed to measurable reductions in pollution in the state.
- Key findings indicated that for low-income homes heated with electricity, each weatherized household typically saved somewhere between 16% and 18% in energy usage annually. Saving percentiles were similar for natural gas.
- For every dollar invested the program returned \$1.71 in energy benefits and \$3.39 in non energy benefits, for electrically heated homes and produced similar returns for homes heated with natural gas.
- In addition, it was shown that each weatherized household in Delaware saved about 2,000 pounds of CO<sub>2</sub> emissions per year, equivalent to a 5% reduction in emissions
- A recent study in **New Hampshire** found that the program saved the average low income household over \$327 in energy savings per year. The overall present value of the lifetime energy savings is estimated at \$4,001 per household.
- Results indicated the program was cost effective without even considering any of the potential non-energy benefits it produced.
- **Vermont** conducted a study of the Weatherization Assistance program which reflected a fuel savings equivalent to 247,008 gallons of oil.
- These measures provided an average net present value of energy savings of \$6,991 over the life of the installed efficiency measures, providing a benefit-to-cost ratio of \$1.98 for every dollar invested.

- The “Report on the Impacts and Costs of the **Iowa** Low Income Weatherization Program in Calendar Year 2006” demonstrates first year client energy cost savings totaling \$941,643, averaging \$435 for dwellings receiving energy savings measures for the CY 2006 program. Even greater savings are anticipated this year.
- First year savings included over 2 million kilowatts of electricity, over 60 thousand gallons of propane, and nearly 4 thousand gallons of fuel oil. First year peak demand savings totaled even higher.
- These are just a few samples of the studies that are being conducted across the country that are showing the benefits of the weatherization program. We are confident this success is being replicated day after day, year after year on a national level. It is an extremely successful government investment.
- It is baffling that the Administration would dismiss a program that is currently, today producing substantial energy savings for our nation and reducing our energy demand by the equivalent of 18 million barrels of oil a year; a program that creates a 25% reduction in primary heating fuel use for the low income households we serve each and every year. This saves over \$400 per home that can be used for food, clothing and medicine.
- Again I thank Congress for its overwhelming bipartisan support of the Weatherization Assistance Program. And I also thank you on behalf of the 5.8 million families whose homes have been made safer and more energy efficient since our program began. And we hope to weatherize million more
- We are glad that we remain a priority to you. We will continue to do all we can to serve as the leader for home energy conservation and live our commitment to reducing our carbon footprint while improving the living conditions of those most in need. With your help we can do this. Thank you.