

Weatherization Assistance Program (WAP)

The Weatherization Assistance Program is the largest residential energy efficiency program in the nation and performs a vital role in reducing the burden of high energy prices on low-income families. Born out of the oil-crisis in the 1970s, the Program was institutionalized within the Department of Energy (DOE) in 1979 and is operated in all 50 states, the District of Columbia, U.S. Territories, and by Native American Tribes. With a network of over 1,000 local agencies providing services across the country, the WAP employs more residential energy efficiency professionals than anyone in the nation.

Network providers use program funds to improve the energy efficiency of low-income dwellings, utilizing the most advanced technologies and testing protocols available in the housing industry. **Since the Program's inception, more than 7.3 million homes have been weatherized using federal, State, utility, and other funds.**

WAP benefits include:

- Approximately 10,000 full time, highly skilled jobs within the service delivery network, and many more in related businesses, such as materials suppliers;
- Savings of \$250 to \$450 per year in heating, cooling and electric costs, depending on their housing type, location, and fuel source.
- In 2010, weatherized homes nationally saved \$2.1 billion for low-income families.
- For every \$1 invested in the Program, Weatherization returns \$2.51 to the household and society. This includes:
 - \$1.80 returned in reduced energy bills
 - \$0.71 is returned to ratepayers, households, and communities through increased local employment, reduced uncollectible utility bills, improved housing quality, and better health and safety through the reduction of heat-related illness and death and risk of death from home fires due to utility disconnection.
- Weatherization measures reduce national energy demand by the equivalent of 24.1 million barrels of oil per year.
- Weatherization saves an average of 32% in gas space heating. This comprises a total fuel consumption reduction of 23%.
- Reducing energy demand decreases the environmental impacts of energy production. Each weatherized house mitigates approximately 2.65 metric tons of carbon dioxide per year. Over the life of the measures, weatherization saves 53 metric tons of CO₂ per house. Weatherization also reduces emissions of methane and nitrous oxide.
- Weatherization creates non-energy benefits as well, including increased property values, reduced incidence of fire, reduced utility arrearages and bad debt, federal taxes generated from employment, income generated from indirect employment, avoided costs of unemployment benefits, and reduced pollution.
- Additional benefits that are more difficult to quantify include improved health and safety conditions, increased comfort for occupants, a reduction in homelessness, and extended lifetime of affordable housing.

Because of the advanced diagnostics and technology developed in WAP, the program is the foundation for the emerging green energy efficiency retrofit workforce. There are approximately 10,000 jobs in the Weatherization network, with many more supported in related businesses, such as material manufacturers and suppliers. These jobs are good, living wage jobs, which are more important than ever due to the economic downturn in the housing and construction industries. Workers are highly trained and receive on-going instruction to further develop their skills. WAP is at the core of an expanding residential energy efficiency retrofit market, and its training centers and curricula, diagnostics, and installation techniques play an integral role advancing the larger home performance industry. WAP managers, trainers, and technical experts have been key players in the development of the Guidelines for Home Energy Professionals, a collaborative industry wide effort with a suite of resources including work quality specifications, training program accreditation, job task analyses, and worker certifications.

Over the course of its history, the WAP has been a pioneer in deploying technology and facilitating greater industry adoption of more efficient and effective practices and tools. Through these tools, WAP will continue to help define residential energy upgrade work as a distinct and professional industry and as a desirable and sensible product for consumers.

WAP has also benefitted the construction industry and given a boost to American manufacturers and small businesses. The program supports thousands of local, American businesses, providing a marketplace for innovation in the energy retrofit industry. The materials for residential energy efficiency retrofits are overwhelmingly American made, and the workers providing the upgrades are well-trained technicians whose jobs cannot be outsourced.

Dissecting dollars expended in WAP, an estimated 25% are for the materials installed to make the homes more energy efficient. Another estimated 10% are used for tools, supplies, and diagnostic equipment to identify and perform the retrofits. Both of these investments have the added value of benefitting the supply side businesses. The vast majority of the balance of WAP spending is for the jobs of the energy auditors, crew supervisors, and weatherization technicians – skilled jobs that have a real impact on local economies and families throughout the nation.

The Weatherization Assistance Program is still as relevant now as it was when it was formed in response to the energy crisis 30 years ago. The savings to America's most vulnerable citizens are significant and make a huge, immediate difference in their lives. These families have an average energy burden – the percentage of their income needed to pay residential energy bills – around 15% of their income as compared to around 3% for non-low income households, or five times greater. And the poorest families have a much higher energy burden than that. For example, in my home state of Oklahoma, there are over 82,000 households below 50% of the federal poverty level. Those families have an energy burden of 70.7% - over two-thirds of their income. With lower energy bills, these families can increase their usable income and buy other essentials like food, shelter, clothing, medicine, and health care and thus put those dollars back into their local businesses and communities. WAP provides a positive return on investment to

meet its primary objectives of making homes warmer in winter and cooler in summer and creating safer and healthier indoor environments.

Yet there are still so many needy families living in substandard housing who cannot afford to weatherize their homes. While the Weatherization network has successfully leveraged other funds and resources into the program for many years and has many partnerships with utilities to expand low-income weatherization services, there is a continued need for strong Federal support.

Under the current CR, the WAP network is in extreme jeopardy. The 2012 funding level of only \$68 million was the lowest history and significantly below the pre-Recovery Act levels of around \$225 million. Going into 2012, some unexpended Recovery Act and other funds was available to some, but not all, states to at least sustain the program, and it has squeaked by. That is simply not the case for 2013 as those funds have been almost totally expended. The \$68 million in the CR is a budget anomaly – what barely is maintaining the program in the 2012 WAP program year will devastate the program in 2013, and what has traditionally been a national program with local operations in every U.S. city, county, and political jurisdiction, will likely have local agencies and perhaps entire states that will cease weatherization services in 2013.

We urge you to support WAP by highlighting this budget anomaly to OMB and ensuring that the Department of Energy upper management is aware of Senate support in the event that DOE determines 2013 allocations among the programs in its Energy Efficiency and Renewable Energy portfolio. We further urge your support, at the very least, the \$145.4 million passed by the Senate Energy and Water Appropriations subcommittee. The Senate number for 2012 was \$174.3 million, the same as the actual 2011 funding, and generally recognized as the minimum amount needed to sustain a full national program.

Weatherization is a clearly proven investment and has provided significant energy savings while helping over 7.3 million families live in safer, more comfortable living conditions. This is a program which has proved its worth and effectiveness for over thirty years. In these difficult budgetary times, we understand that tough decisions have to be made. However, WAP is proven, cost-effective, measurably successful, and vital to the nation's energy security and energy efficiency movements, delivering savings to low-income Americans, businesses, and industry. It is necessary to fund WAP at adequate levels in order to sustain its historic infrastructure in and widespread impact on all states and local communities as well as the training and technical assistance expertise.

Our sincere thanks for all you can do restore 2013 funding to needed levels so this vital program can continue its positive impact for program recipients as well as America's businesses and communities.