

Managing the “Good” and the “Bad” in the Weatherization Assistance Program



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How Much Does WAP Spend?

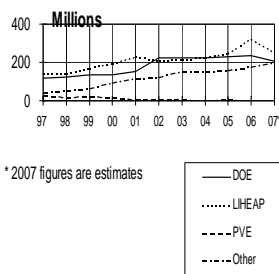
(Figures Available for 2007 from NASCSP Funding Survey)

- DOE Allocation to States - \$204.4 million
- LIHEAP - \$255.9 million
- PVE Funds - \$2.0 million
- Utility, State Funds, Other - \$201.2 million

TOTAL - \$662.5 million

(Reduction of nearly \$70 million from 2006)

Weatherization Program Funding from Each Source, 1997-2007



Funding Updates

- President's 2009 WAP Request - \$0
- 2009 Congressional Appropriations - None to Date
- 2009 Supplemental Budget Request – or “Economic Stimulus Package Part II” – WAP Not Likely Included
- 2012 “Cap” and “Trade” Legislation – Still in Senate

Cap and Trade Legislation

- “CAP” Refers to Limits on Carbon Emissions for Each Industry Sector
- “Trade” Refers to the Allowance to Buy and Sell Carbon Credits in the Marketplace
- By 2013 All Limits Set Through 2050
- Auctioning of Credits Produce Revenues
- Revenues Used to Help Hold Harmless
- WAP, LIHEAP, Rebates Being Considered
- Up to \$3.5 Billion Available for WAP in Out Years

Home Performance Through Energy Star

- Began as a Rating for New Homes
- Moving Rapidly to Existing Home Market
- Provides a Rating and a List of Services to Improve Energy Use (RemRate, Energy Gauge, TREAT Software)
- Certification Required Through RESNET
- Opportunities for WAP through Energy Mortgage and Rehabilitation Projects
- Fee for Service to Other than Low-Income

Next Steps in WAP - Weatherization Plus Strategies

- Expanded Resources: Leveraging Partnerships
- Consistent Delivery of Quality Services
- National Information Exchange Resource

Expanded Resources: Leveraging Partnerships

- Strengthen network capability to pursue partnership opportunities
- Strengthen the network capability to develop leveraging strategic plans based on local commitments
- Identify/create/design/plan linkages to other DOE Programs, other Federal Programs, and other stakeholders.

What is Leveraging?

- Acting in pursuit of more resources to combine with energy/weatherization affordability programs.
- The resources can be:
 - Money for
 - The same consumers or activities, increasing units
 - Complimentary activities
 - Integration with other programs or investments to enhance Weatherization
 - Regulations or policies concerning efficiency and quality in buildings and equipment

Consistent Delivery of Quality Services

- Job descriptions for common WAP positions including education, skills and salary ranges
- Technical functions required at the state and local levels
- Define a set of inspections, tests, and documentation that a monitor or inspector should perform in the field when assessing units
- Develop a set of minimum technical program standards that states could use to create consistent quality of Weatherization services.

National Information Exchange Resource

- Create a central repository for information/products developed over the years
- States/regions to benefit from information developed for the WAP
- Identify information/materials/mechanisms that will assist agencies in advancing their current programs
- Vision to help attain Weatherization *Plus* – a whole-house, whole-community program
- Northrup Gruman database, WAPTAC Library, WAP SIRTT, State Web sites

Fee for Service

- Best Energy Efficiency Experts in the Area
- Can Rapidly Deploy to “Other Than Low-Income” Homes
- Provide an Array of Services Including:
 - Energy Audits
 - Air Infiltration Reduction
 - Home Ratings
 - Insulation in Walls, attics and Floors
 - Hot Water Treatment
 - Base Load Measures
 - Health and Safety Protocols
 - And More.....

Fee for Service (continued)

- Must Establish Business as a Separate For-Profit Entity
- Must Maintain Separate Records for All Transactions
- Must Learn to Price work According to the Market
 - WAP Allows for Errors in Costing Jobs
 - Poor Pricing Could Cost the Business
 - Could be “Out of Business”
- Allows Flexibility with Staff
 - Salary Improvements
 - Incentives and Bonuses
 - Staff Retention
- Profits can Help Non-Profit Become More Self Sufficient and Serve More Families

What Does the Future Hold for WAP?

- “CAP and Trade” the best source for future WAP funding from Congress
- “Fee for Service” operations will create funding independence
- DOE funding will terminate in its present form
- LIHEAP funding may continue in some states
- Utility Funding will reach sunset and outcomes will determine continuance
- “Hope for the **Best** but plan for the **Worst**”