

# National Community Action Foundation

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Feb. 6 2006

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## **2007 Weatherization Assistance Program Budget Slashed by One-third; For Five Years, Growth was the President's "Priority"**

- **The FY 2007 Request slashes Dept. of Energy Weatherization Assistance For Low-Income Households by 32%, \$78 Million.**
- **Since the 2000 Presidential Campaign, increasing this program has been a Bush Priority, as it was for the National Energy Policy Development Task Force. Increases were requested for FY 2002 through 2005 and level funding for FY 2006.**
- **The most recent commitment to increase the program can be found at <http://www.whitehouse.gov/news/releases/2005/03/20050309-4.html>.**
- **Weatherization saves an average of 31 mcf of natural gas in gas-heated homes, thereby cutting the bills of the very low-income gas consumers it serves by about \$450 this winter, with comparable savings for fuel oil and propane users. Electric heat users also see their electric bills slashed between 20% and 30%.**
- **About 28,650 low-income families expecting Weatherization in 2007 will be denied service. Local waiting lists extend out 2-4 years at present.**

## **Weatherization Assistance Promises: A Short History**

In 2000, candidate George Bush included significant expansion of the DOE Weatherization Assistance Program in his energy platform.

In 2001, the National Energy Policy Development Task Force recommended that the Weatherization Assistance Program be doubled by 2010. The FY 2001 program had been reduced to \$153 million. Therefore, doubling the ten-year program spending would have required \$1.53 billion above the 'baseline' of projected spending.

The FY 2002-2005 Budget Requests consistently carried out that promise and included various requests from \$280-\$292 million. Congress raised funding to \$230 in FY 2002; appropriations through FY 2005 reflected that level minus Across the Board or other cuts. IN FY 2006 the funding is \$242.2.

The promise to double WAP remained part of the 2004 Presidential campaign platform. See 2003 paper still available (<http://www.doi.gov/Energy11-18-03.pdf>) . The 2005 Energy Policy posted at the White House site today reads "increase" Weatherization.  
<http://www.whitehouse.gov/news/releases/2005/03/20050309-4.html>

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Possibilities and Results

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The 2005 Energy Policy Act Authorized \$500 million for Weatherization in FY 2006 and \$600 and \$700 million for FYs 2007 and 2008 respectively.

## **Questions and Answers: Why is Weatherization on the 2007 chopping block?**

Q: Is it one of the ineffective programs the President's State of the Union speech promised to terminate?

A: **Not according to Department of Energy's own website.** It says, "Weatherization Works". <http://www.eere.energy.gov/weatherization/about.html>; at another page, we find "When the energy- and non-energy-related benefits are added together, the DOE Weatherization Assistance Program returns \$3.71 for every dollar invested by DOE.". A figure calculated when energy prices were much lower. [http://www.eere.energy.gov/weatherization/ne\\_benefits](http://www.eere.energy.gov/weatherization/ne_benefits).

**Not according to Oak Ridge National Laboratory**, whose multi-state evaluation is updated at <http://weatherization.ornl.gov>. It found Weatherization reduces use of the main fuel, on average by 30% (31 mcf). That would make the year-long avoided cost to a low-income consumer average about \$450 in 2006; this figure does not even include electricity savings.

Q: Is it one of the outdated programs the President promised to cut?

A: **High fuel prices mean the value and return on investment is higher** than at any time in history. Between 15 and 20 million low-income homes still lack Weatherization improvements.

A 30% reduction in the energy bills of low wage workers or retirees means the difference between safety and great hardship. There has been no time like the present for energy costs.

Q: Should it be a lower priority than energy research that will help us end our national "addiction" to oil?

A: Weatherization immediately delivers a better future for the consumer it helps. That future begins the day the skilled crew leaves the site, and persists for two decades or more. These improvements last. They are not short-term, quick-fix measures; rather, they are insulation, efficient equipment, sealed ducts, walls, attics, and crevices, and electronic controls to manage energy use wisely.

The more homes weatherized, the less painful the waiting for new 21st century energy sources.

(NCAF represents the nation's Community Action Agencies, the local delivery network for Weatherization and energy assistance programs as well as Community Services Block Grant, Head Start and other initiatives to make low-income people and communities more self-sufficient.)