Federal Energy Affordability Programs: Prospects for Money and Modernization

Meg Power, PhD.
LIFE Statewide Conference
Albany, NY May 2014
Congress in Paralysis:
The Disagreement on Spending is **Real**
# House – Passed Budget 2015-2024

## Budgets vs. Current Policy

<table>
<thead>
<tr>
<th></th>
<th>House Budget</th>
<th>Progressive Caucus</th>
<th>Black Caucus</th>
<th>Van Hollen</th>
<th>President's Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Taxes</strong></td>
<td>$0</td>
<td>↑$6.6T</td>
<td>↑$2.3T</td>
<td>↑$1.8T</td>
<td>↑$1.8T</td>
</tr>
<tr>
<td><strong>Spending</strong></td>
<td>↓$5.1T</td>
<td>↑$3.3T</td>
<td>↑$1.6T</td>
<td>↑$740B</td>
<td>↑$791B</td>
</tr>
<tr>
<td><strong>Deficits</strong></td>
<td>↓$5.3T</td>
<td>↓$3.3T</td>
<td>↓$764B</td>
<td>↓$1.0T</td>
<td>↓$1.0T</td>
</tr>
<tr>
<td><strong>Debt</strong></td>
<td>↓$5.3T</td>
<td>↓$2.9T</td>
<td>↓$988B</td>
<td>↓$995B</td>
<td>↓$1.4T</td>
</tr>
<tr>
<td><strong>Defense</strong></td>
<td>↑$483B</td>
<td>↑$7B</td>
<td>↑$189B</td>
<td>↑$189B</td>
<td>↑$200B</td>
</tr>
<tr>
<td><strong>Balance?</strong></td>
<td><strong>2024</strong></td>
<td><strong>Never</strong></td>
<td><strong>Never</strong></td>
<td><strong>Never</strong></td>
<td><strong>Never</strong></td>
</tr>
</tbody>
</table>

All comparisons relative to current policy as estimated by the House Budget Committee.
Is This Year The High-Water Mark for Domestic Discretionary Programs?

• Leadership Defenders
A PICTURE OF THE PROBLEM
Weatherization Assistance Funding
2008-2015 Budget: ARRA & Core Funds

ARRA Expenditures
Core DOE Program

In million $$

Q: What Programs Grow in a Budget Freeze?
A: **Priority Programs** with

- Popular Recognition & **Congressional Champs**

  *Including LIHEAP? Maybe!*

  *Including WAP? Not yet!*
Competing Good Programs

“It’s Lamb Eat Lamb Out There” [anon.]

1. Other Efficiency – esp. Industrial
2. Anti-Poverty Brethren
   – Affordable Housing Owners
   – Service Groups: Habitat, Rebuilding Together, Catholic Charities
3. “novelty approaches” - mostly OMB
The DOE WAP Network’s Resources for Low-Income Efficiency 2013

$959 Million!!

[DOES WAP MATTER?]

Funding Sources for the WAP Network in 2013 Totalling $959 Million

- Ratepayer: 35%
- LIHEAP: 33%
- State: 7%
- WAP & ARRA: 25%

Weatherization is now Weatherization PLUS
Compared to Pre-ARRA year: 8% Smaller
ARRA Almost TRIPPLED
Annual WAP Resources:
$1 B. in 2008
$2.8 in 2010 & 2011

NOT a 10-fold increase!
Unless you live here:

or Here
Weatherization PLUS: Not a National Program

Less than $1 Mil. Leveraged

No Non-federal Funds

Economic Opportunity Studies
400 North Capitol St NW • Suite G-80 • Washington, DC 20001
202 628 4900 • www.opportunitystudies.org
Why WAP DOES Matter

{For Now}
Why WAP DOES Matter [cont’d]

WAP is an Asset

This is Your Program Delivering Value
Opportunity?

All Utility Low-Income $$ = $651 M
v. WAP- Coordinated $$ = $332 M
Opportunity #2: Change Your Design

New York Programs’ Options

• Can You Capture Energy Smart work?
• More EmPower share?
• Separate utility direct program?
• Change LIHEAP – WAP fund uses?
• Win related new tasks? Lead? Healthy homes? Education?
• Consolidate areas and save?
What Should Future WAP Look Like?

• New Emphasis on Quality Assurance:
  – Necessary or Unnecessary Hindrance??
  – Affordable?

• Maybe – a Chance to Re-Write the Authorization

• Maybe a Chance to Change Policy
What Are the Big Questions to Address?

• Is the SIR CONCEPT obsolete?
• Is WAP leading the Home Performance Industry? Should it?
• Value of non-energy benefits in the competition for utility $$? Public??
• Importance of assigning delivery in organizations that serve low-wage working families and retirees multiple ways?
REPRISE

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Money – Big Gains will be in the Utility partnership sector for those who act

Change – We can address it together- as a state & nationwide network, before February 2015 and the 114th Congress
www.WeatherizationPLUS.org

Technical Assistance

• Linkages
• Networking
• DOE Supported for W.A.P. agencies
• EOS team serves as leveragers’ “staff”
• Customized to your needs
The Weatherization Leveraged Partnerships Project

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