

TESTIMONY OF RAY JUDY, ENERGY SERVICES DIRECTOR,  
NATIONAL ASSOCIATION FOR STATE COMMUNITY SERVICES PROGRAMS  
(NASCSPP), BEFORE THE HOUSE ENERGY AND WATER DEVELOPMENT  
APPROPRIATIONS SUBCOMMITTEE IN SUPPORT OF FY 2018 DEPARTMENT  
OF ENERGY FUNDING  
May 3, 2017

As Energy Services Director for the National Association for State Community Services Programs (NASCSPP), I am pleased to submit testimony in support of the Department of Energy's (DOE) Weatherization Assistance Program (WAP) and State Energy Program (SEP). We are seeking an FY 2018 appropriations level of \$230 million for the Weatherization Assistance Program. We also seek \$70 million for the State Energy Program (SEP), and of this amount that Congress specify not less than \$50 million in support of base program formula funding, with the remainder targeted to priority energy emergency and cyber security preparedness and response. NASCSPP believes these funding levels are essential to support these truly effective state grant programs on a nationwide scale.

NASCSPP is the member organization representing the weatherization grantees and directors in all 50 States, DC, and 5 US territories on issues related to the WAP. The state offices represented by our organization would like to thank this Committee for its support of the WAP and SEP through the years. I have been working in Weatherization for over 29 years beginning my career on a Weatherization crew in southern Indiana, climbing under mobile homes and through crawl spaces and into attics. I later became a state monitor, working to ensure quality across the program statewide. I eventually became the WAP State Manager in Indiana, serving in that role for approximately five years prior to coming to NASCSPP. I have witnessed firsthand the impact that the WAP

has on America's most vulnerable households from multiple perspectives, while seeing the program grow stronger and more effective each year.

Weatherization provides the foundation for residential clean energy investments that sustain jobs and save families money through improved energy efficiency. In its 40-year history, the WAP has weatherized over 7.4 million homes nationwide, helping hard working American families, particularly the elderly, disabled, and families with children. The need for weatherization services is significant; DOE estimates that 20-30 million families are eligible for WAP each year. Furthermore, our nation's existing housing stock is aging and inefficient, with 40% of homes built before 1970 resulting in a median home age of 37 years according to HUD. This represents an incredible opportunity for energy savings that cannot be attained without the WAP. Weatherization measures like insulation, air sealing, and high efficiency HVAC systems are investments that pay off for the life of the home, reducing energy waste and saving families money month after month, year after year. With lower energy bills, these families can increase their usable income and buy other essentials like food, clothing, medicine, and health care.

In addition to delivering savings to families, the WAP plays a significant role in supporting jobs and workforce development. The WAP supports at least 8,500 jobs in weatherization and thousands more across the supply chain of material suppliers, vendors, and manufacturers. These are good, living wage jobs that provide fulfilling and rewarding careers- something I can personally attest to. Additionally, because of the advanced diagnostics and technology developed in WAP, the program stands as the foundation for the home performance industry (HPI), which employs thousands of contractors who complete energy efficiency retrofits across the entire residential sector.

It is also important to highlight that the work performed under WAP meets extremely high quality standards set forth by DOE. In recent years DOE has developed and implemented Standard Work Specification and Guidelines for Home Energy Professionals that ensure all homes receive the highest quality weatherization services. As of 2016, there are over 1,600 Building Performance Institute certified Quality Control Inspectors. This workforce of QCI's ensure that 100% of units weatherized with DOE funding are inspected for quality. Additionally, the WAP Grantees inspect 5% of those units ensuring another layer of review and quality assurance. The Standard Work Specifications undergo a yearly review and comment process soliciting feedback from WAP managers, trainers, and technical experts to ensure that the latest building science is being incorporated into the program.

Another critical benefit of the WAP is its positive impact on the health and safety of families. It makes sense that in a home that's cold and drafty, or full of mold and excess moisture, there is an increased risk of recurring illnesses. What we have learned over the years is that the non-energy benefits of weatherization results in a healthier living environment. This was confirmed by the Oak Ridge National Laboratory Evaluation, which found that residents of weatherized homes experienced fewer asthma, allergy, and cold symptoms. Weatherization mitigates factors that can trigger an asthma attack resulting in fewer emergency room visits and hospitalizations. WAP measures can also prevent other life threatening events such as carbon monoxide poisoning and fires from unsafe heating sources. After Weatherization, families have homes that are safer and more livable resulting in fewer missed days of work and school.

These outcomes pay off - every weatherization dollar spent returns \$2.78 in health and safety benefits. The Oak Ridge National Laboratory Evaluation found that families reported decreased out-of-pocket medical expenses by an average of \$514. The total health and household-related benefits for each unit is estimated to be \$14,148. These economic benefits are even more significant when viewed in light of our nation's staggering healthcare costs. According to the Green and Healthy Homes Initiative, \$82.4 billion in healthcare costs are lost each year due to inefficient and unhealthy housing - that's 3% of total U.S. healthcare costs. The CDC estimates that asthma alone costs the U.S. \$56 billion per year. One study of WAP in Massachusetts found significant savings potential for Medicaid and Medicare as a result of weatherization.

While I've spoken mostly about the WAP today, I'm also here advocating for funding for the State Energy Program. In many States, WAP and SEP are housed in the same division of government. The State Energy Program enables states to assist with the development of energy efficiency and renewable energy projects, such as improving the efficiency of hospitals and schools, working with utilities and energy service companies to install clean energy and energy efficiency projects, developing energy emergency preparedness and response plans, and supporting private sector energy innovations through business incubators and job training. The Oak Ridge National Laboratory found that for every dollar of federal funding, the SEP leverages over \$10 for energy related economic development.

Despite the wide range of benefits and proven cost effectiveness of the Weatherization Assistance Program and the State Energy Program, the Administration's FY 2018 Budget Blueprint zeroed out both programs, citing a need "to reduce Federal

intervention in State-level energy policy and implementation”. However, WAP and SEP are models of successful federal, state, and local partnership- not federal intervention. They are the only two DOE programs specifically identified in the National Governors’ Association transition recommendations, which ask the Administration to “Continue and expand existing energy grant programs the states rely upon”. Elimination of these programs will result in the loss of jobs as well as decreased investment in local businesses, which will harm the financial stability, health, and safety of families across the country.

NASCSP respectfully urges the Subcommittee to fund the WAP at not less than \$230 million for FY 2018, the funding level necessary to sustain a national program and that is in-line with historical funding levels. NASCSP also supports the appropriation of \$70 million in FY 2018 for the State Energy Program. NASCSP looks forward to working with Committee members in the future to ensure that these programs continue to deliver cost effective results that support our economy and make a difference in the lives of the most vulnerable in our communities.

Respectfully submitted,

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