

Statement of Michael Furze

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Chair Kaptur, Ranking Member Simpson, Members of the Committee: it is a privilege to be here today. My name is Michael Furze, and I am the assistant director of the State Energy Office at the Washington State Department of Commerce. Today I appear before you to talk about the critical importance of the Low-Income Weatherization Program, both nationally and in our state of Washington.

Our state Department of Commerce's core purpose is to strengthen communities. The department has administered Washington's Weatherization Program since 1978 with an average of 20-25 million federal and state dollars per year from the U.S. Department of Energy, U.S. Department of Health and Human Services, Bonneville Power Administration and Washington state capital budget dollars. We partner with a network of 28 weatherization providers serving every county in Washington, delivering between 2,500 and 3,000 projects each year. Every fund source contributing to this program is critically important to ensure that families impacted by poverty can live in safe, healthy and energy-efficient housing.

Weatherization is a sound investment delivered by a program with a 40-year history of success. The program has a national savings-to-investment ratio of 1.4, meaning the savings resulting from the investment are more than paid back over the lifetime of the measures. Simply put, weatherized homes cost less to heat. They do a better job of keeping warm air inside the homes and cold air out — saving families money, improving their energy efficiency, and enabling them to live healthier and more stable lives.

Low-income households typically bear a disproportionate energy and housing cost burden relative to non-low-income households. Low-income households pay up to three times as much as the average household on their energy bills. A growing body of research emphasizes that this inequity is

a critical public health concern. Families who cannot pay energy bills often struggle to cover other basic needs, such as housing, food, and medication. High-energy bills in the winter can trap people in a “heat or eat” dynamic. One study by the Human Impact Partners found that adults and children in low-income households did what wealthier households did not — reduced their calories by 10 percent during the winter, resulting in lower weight.

This reality makes the Weatherization program all the more important. It also means the overall return-on-investment of Weatherization is even greater. Analyses of the benefits resulting from energy efficiency programs historically have focused only on energy and cost savings. The growing body of research linking Weatherization, and other energy-efficiency upgrades, to positive health impacts also must be considered. When the cost of health and safety benefits are included, the program has a ratio of 4.1 savings to investment.

Federal funding for this program over the last four decades has enabled our state to help thousands of low-income Washingtonians, and we appreciate that Congress has rejected calls to cut or eliminate it. However, there is significant unmet need among families in Washington state and across the country who could be served by additional funding.

In our state, Washington households participating in the state’s Low-Income Weatherization Program and Energy Assistance Program represent only a small fraction of the households that are eligible for services, with insufficient funding being our most limiting factor. There are 784,000 households in the state living at or below 200 percent of federal poverty level (FPL) according to the 2017 Energy Affordability Gap. Their income makes them eligible for Weatherization, yet an estimated 300,000 households living in eligible homes have not received services from the state’s Weatherization program. These homes are in need of health, safety and energy upgrades to ensure that families can remain in stable housing with affordable living expenses into the future. Those with incomes falling between 125 percent and 200 percent of FPL are of particular concern, as these households do not have sufficient minimum income to meet basic needs, including energy costs, and may stay on a waitlist for years before receiving Weatherization — while those households with a higher energy burden are served with the limited resources that do exist.

Despite limited resources, Washington state has been a national innovator in using funds to deliver integrated services that we refer to as, “Weatherization Plus Health.” Weatherization Plus Health

expands the Weatherization Program delivery model to include measures intended to reduce slip, trip and fall hazards for the aging adult population and asthma triggers, such as mold, mildew and dust, in homes with children. We are fortunate to receive support from our state capital budget to do so. Washington state can serve as a model for the nation if Congress has interest in scaling up the model nationally, with additional funding and expanded services.

We are now evaluating additional opportunities to better meet the needs of underserved populations. This work includes distributed energy generation such as community solar projects, seismic retrofits in our earthquake-prone state for those least likely to have earthquake insurance, and providing targeted pilot efforts to previously weatherized homes with technologies, such as ductless heat pumps, that were not market ready at time of weatherization. Washington state is driving toward a future in which all Washingtonians can thrive in a clean, affordable and just energy economy.

Federal funding for the Weatherization program improves lives by improving homes. I urge Congress to ensure a long and sufficiently funded future for this important program. Thank you again for the opportunity to testify, and I look forward to answering your questions.