The Subcommittee will come to order. Welcome everyone to our second hearing of the new Congress. Thank you all for coming and I want to especially thank all of the witnesses here today. We appreciate your understanding and flexibility in rescheduling this hearing.

Last week our hearing focused on energy trends and future outlook – which offered a 30,000 foot perspective of our country’s past, present, and future energy needs. This week we will do the opposite – take a deep dive into one specific program at the Department of Energy that has been hard at work BTU-tifying America for over 4 decades.

DOE’s Weatherization program has a direct, positive impact on the lives and pocketbooks of every day Americans, particularly elderly and low-income Americans, spanning all 50 states, U.S. territories, and Native American Tribes.
Just two weeks ago, it was colder in the Midwest than on the surface of Mars or throughout the Arctic. And the data is clear – according to the CDC, weather-related death rates were 2 to 7 times as high in low-income counties as in high-income counties. Additionally, poorer households rely on alternative temperature regulating devices such as space heaters, which according to the National Fire Protection Association, cause about one third of all winter house fires and 80 percent of all winter fire deaths. This goes to show how crucial DOE’s Weatherization dollars are in ensuring low-income energy insecure families can protect themselves, their homes and mobile homes from the elements.

This program was created after the 1973 oil crisis, when the price of oil quadrupled from $3 per barrel to nearly $12 per barrel, causing severe disruptions within our country. Low-income individuals, particularly in cold weather states who relied on oil to keep warm, suffered greatly. The Weatherization program has been a life saver. Since its first appropriation in 1977, the Weatherization program has made millions of homes energy efficient, resulting in an average of $283 in annual energy cost savings per weatherized unit. It was estimated that over a 20 year lifetime, the program would save the equivalent of 12 million barrels of oil.
Because investments in weatherization pay off, it is a tragedy that this Administration continually targets this program for cuts. For each of the last two fiscal years, this Administration has proposed to zero out this important program. And sadly, I expect the forthcoming budget to again propose to eliminate this program.

In 1983, the program received $473 million in 2010 dollars. Since then, this program has been on a downward curve in terms of funding. This fiscal year, the program received only $266 million. Despite these funding challenges, as of 2012, 3.2 million units have been weatherized, averaging about 110,000 units per year.

We will hear today from Terry Jacobs of the Great Lakes Community Action Partnership in Toledo, Ohio who can attest to the many benefits of this program across Ohio. We will also hear from Michael Furze from the Washington State Department of Commerce who will speak to the health benefits of weatherizing homes – another example of how this program saves lives.

Annamaria Garcia from DOE will give us some background and history. In looking at this history, it takes me back to my service in the Carter Administration, where I worked on housing and neighborhood revitalization efforts. The Weatherization program was still new at the
time, but it has become clear that weatherization is a significant tool in a tool box with unrealized potential that can be used to help lift struggling families and neighborhoods out of poverty by a focus on the cost of energy.

As successful as this program has been, there is always room for improvement and innovation. Amy Klusmeier from the National Association for State Community Services Program actually began her career on a weatherization crew, Amy will talk about what happens on the ground, at all levels, and how the program can be improved.

I want to again thank our witnesses for their testimony today, and we look forward to hearing from you.

I’d like to turn now to our Ranking Member, Mr. Simpson for any opening remarks.