

NATIONAL ASSOCIATION FOR STATE COMMUNITY SERVICES PROGRAMS

WAP Reauthorization - 2020/2021

Agenda

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What is Reauthorization?

- Underlying statute creating the program
 - Lays out Congressional intent
 - Authorizes Congress to appropriate funds to the program for X amount of years
 - Authorization expires -> Needs reauthorization
- Reauthorization
 - What can be changed/improved?
 - What should stay the same?
 - What is better addressed by DOE rather than legislation?
 - How can the program grow and innovate?
 - Often part of larger bill (as it was this year)
- Distinct from the yearly Appropriations process that determines funding level



Walk Through the <u>Consolidated</u> Appropriations Act of 2021

Addendum

- As with any enormous bill, certain details may be unclear at first glance.
- For more clarity for what rollout of these new rules will look like we await DOE guidance.
- DOE is meeting internally and with their general counsel to craft that guidance. We will share as soon as it is released.

Reauthorization (pg 3256)

SEC. 1011. WEATHERIZATION ASSISTANCE PROGRAM.

- (a) Reauthorization of Weatherization Assistance Program.—Section 422 of the Energy Conservation and Production Act (42 U.S.C. 6872) is amended by striking paragraphs (1) through (5) and inserting the following:
 - "(1) \$330,000,000 for fiscal year 2021; and
 - "(2) \$350,000,000 for each of fiscal years 2022 through 2025.".



Appropriation

Weatherization and Intergovernmental Program.—The agreement provides \$310,000,000 for Weatherization Assistance Grants, \$5,000,000 for Training and Technical Assistance, and \$62,500,000 for the State Energy Program. Within available funds, \$500,000 is provided for technical assistance to continue the Sustainable Wastewater Infrastructure of the Future Accelerator. Within available funds, the agreement provides \$1,000,000 for WAP grant recipients that have previously worked with the Department through the Weatherization Innovation Pilot Program to now implement and demonstrate programs to treat harmful substances, including vermiculite, at the state and regional level.

Renewables (pg 3256)

- (b) Modernizing the Definition of Weatherization Materials.—Section 412(9)(J) of the Energy Conservation and Production Act (42 U.S.C. 6862(9)(J)) is amended—
 - (1) by inserting ", including <u>renewable energy</u> technologies and <u>other advanced technologies</u>," after "devices or technologies"; and

Health Benefits (pg 3257)

- (c) Consideration of Health Benefits.—Section 413(b) of the Energy Conservation and Production Act (42 U.S.C. 6863(b)) is amended—
- "(4) The Secretary may amend the regulations prescribed under paragraph (1) to provide that the standards described in paragraph (2)(A) take into consideration improvements in the health and safety of occupants of dwelling units, and other non-energy benefits, from weatherization.".

Contractors (pg 3258)

"SEC. 414C. CONTRACTOR OPTIMIZATION.

"(a) IN GENERAL.—The Secretary may request that entities receiving funding from the Federal Government or from a State through a weatherization assistance program under section 413 or section 414 perform periodic reviews of the use of private contractors in the provision of weatherization assistance, and encourage expanded use of contractors as appropriate.

Contractor Training (pg 3258)

"(b) Use of Training Funds.—Entities described in subsection (a) may use funding described in such subsection to train private, non-Federal entities that are contracted to provide weatherization assistance under a weatherization program, in accordance with rules determined by the Secretary."

"SEC. 414E. HIRING. Hiring (pg 3268)

"The Secretary may, as the Secretary determines appropriate, encourage entities receiving funding from the Federal Government or from a State through a weather-ization program under section 413 or section 414, to prioritize the hiring and retention of employees who are

- "(A) from the community in which the assistance is provided; and
- "(B) from communities or groups that are underrepresented in the home energy performance workforce, including religious and ethnic minorities, women, veterans, individuals with disabilities, and individuals who are socioeconomically disadvantaged.

Increase in Admin (pg 3268)

(f) Increase in Administrative Funds.—Section 415(a)(1) of the Energy Conservation and Production Act (42 U.S.C. 6865(a)(1)) is amended by striking "10 percent" and inserting "15 percent".

Note on Admin

 One of our board members raised an additional issue: may need to raise \$\$ number in the statute.

"a State may provide in the plan adopted pursuant to subsection (b) for recipients of grants of less than \$350,000 to use up to an additional 5 percent of such grant for administration if the State has determined that such recipient requires such additional amount to implement effectively the administrative requirements established by the Secretary pursuant to this part."

Reweatherization Date (pg 3268)

"(2) Dwelling units weatherized (including dwelling units partially weatherized) under this part, or under other Federal programs, (in this paragraph referred to as 'previous weatherization') may not receive further financial assistance for weatherization under this part until the date that is 15 years after the date such previous weatherization was completed. This paragraph does not preclude

Reweatherization Date (pg 3269)

ization was completed. This paragraph does not preclude dwelling units that have received previous weatherization from receiving assistance and services (including the provision of information and education to assist with energy management and evaluation of the effectiveness of installed weatherization materials) other than weatherization under this part or under other Federal programs, or from receiving non-Federal assistance for weatherization.".

Waivers (pg 3270)

Not later than 180 days after the date of enactment of this Act, the Secretary of Energy shall submit to Congress a report on the status of any request for a waiver of any requirement under section 200.313 of title 2, Code of Federal Regulations, as such requirement applies with respect to the weatherization assistance program under part A of title IV of the Energy Conservation and Produc-

Note on ACPU

- ACPU is the average cost per unit, the average cost that a state has to be under per home weatherized in a given grant year
- Was NOT raised from current level ~\$7,500
- This \$ is set in statute, last raised under ARRA, adjusts up slightly per year based on inflation
- Became a big priority to raise during COVID or at least give DOE authority to waive/adjust

Innovation Program History

- First proposed in 2013, members of Congress wanted to inject competition into the program post ARRA
- Past Versions
 - Modeled after Weatherization Innovative Pilot Program (WIPP) under ARRA
 - Unclear what innovation meant, simply serve more homes and promote new models of weatherization
 - Current WAP subgrantees were not eligible to apply

- Clear Purposes
 - Addressing deferrals
- "(1) to expand the number of dwelling units that are occupied by low-income persons that receive weatherization assistance by making such dwelling units weatherization-ready;

- Clear Purposes
 - Renewables
 - Weatherization Plus Health
 - "(2) to promote the deployment of renewable energy in dwelling units that are occupied by low-income persons;
 - "(3) to ensure healthy indoor environments by enhancing or expanding health and safety measures and resources available to dwellings that are occupied by low-income persons; and

- Clear Purposes
 - Innovative practices

"(4) to disseminate new methods and best practices among entities providing weatherization assistance.

Who can apply?

- State WAP Grantees
- WAP Subgrantees
- Other Non-profits

Funding

- 2% if appropriation is between \$225 million and \$260 million
- 4% if appropriation is between \$260 million and \$300 million
- 6% if appropriation is above \$300 million
- Total program capped at \$25 million
- Each grant up to \$2 million

- Why is this better than previous versions?
 - True competition, traditional WAP network compete against new applicants (if any)
 - Funds can be used for priorities of the network (e.g. healthy homes, renewables, deferrals, new tech, etc.)
 - Preference for partnerships & regional coordination in the award factors
- Concerns remain
 - What is DOE's capacity to administer this?
 - Slightly higher appropriation needed to trigger warm weather formula
 - DOE contracting directly with local agency is uncharted territory

Additional Points

- Provides \$1.5 mil for neighborhood scale weatherization pilot
- Encourages states to disperse funds in a timely manner
- Encourages DOE to improve policies around combining funding sources

The agreement provides \$1,500,000 within funds for technical assistance to create a pilot that supports community and neighborhood scale weatherization, including the feasibility of integrating renewable and alternative energy infrastructure, and reiterates House direction on this matter and regarding a report.

Similarly, it is important for states to provide funding to local weatherization implementers as quickly as appropriate, and for the local providers to implement projects as quickly as possible.

The Department is encouraged to work with all relevant stakeholders to identify efficiencies for delivering weatherization services and examine options to streamline policies and procedures when other funding sources are used, such as Low Income Home Energy Assistance Program (LIHEAP) funds in conjunction with funds from the Department.

Welcome to a new era for WAP!

Please send questions to igray@nascsp.org