

Commonwealth of Pennsylvania



April 6, 2017

DEPARTMENT OF
ENVIRONMENTAL PROTECTION

DEPARTMENT OF
COMMUNITY AND
ECONOMIC DEVELOPMENT

The Honorable Rick Perry
U.S. Department of Energy
1000 Independence Ave. SW
Washington, DC 20585

Dear Secretary Perry:

We are writing to express our concern about the impact proposed cuts to the budget of the U.S. Department of Energy (USDOE) will have on families and businesses of Pennsylvania. In particular, we would like to share our disappointment about the proposed elimination of the Weatherization Assistance Program (WAP) as well as the State Energy Program (SEP), both of which enjoy broad bipartisan support in Pennsylvania, and have helped improve quality of life for thousands of residents of the commonwealth.

The administration has noted that it is eliminating funding for these two important programs in order “to reduce federal intervention in state-level energy policy and implementation.” In truth, the elimination of these programs does not reduce federal intervention, but instead cuts valuable resources that Pennsylvania relies on to implement an all-of-the-above energy policy. This includes fossil, renewable and energy efficiency programs designed to benefit families, businesses, schools and local governments. This funding allows Pennsylvania to work in partnership with the federal government to plan for, respond to, and mitigate the impacts of energy supply emergencies.

In Pennsylvania, WAP funds provide energy conservation, heating emergency interventions and weatherization services to more than 8,000 low-income families. This program increases the energy efficiency of the clients’ homes and ensures adequate heating during a cold Pennsylvania winter. Approximately \$41 million per year is directed to the Pennsylvania Department of Community and Economic Development (DCED) for the program.

The elimination of this program would not only discontinue much-needed assistance to thousands of Pennsylvania households, it would also eliminate good paying jobs in a significant skilled workforce. The services provided through a statewide network of non-profits, local governments and local housing authorities employs nearly 1,000 highly skilled auditors, quality control inspectors and private construction and heating subcontractors. The program also sources building materials from more than 300 suppliers.

In addition, the Pennsylvania WAP was recently selected by the USDOE to be included in a National Radon Study with five other states. DCED, along with a number of project partners, will study the long-term effects of radon gas, the second leading cause of lung cancer. Of 67 counties in Pennsylvania, 49 have high incidence of radon, making this study crucial to the health of Pennsylvania’s residents, particularly those with low incomes. Elimination of the WAP will discontinue this important study.

State Energy Program funds allow the Pennsylvania Department of Environmental Protection (DEP) Office of Pollution Prevention and Energy Assistance (Energy Office) to design and carry out energy programs tailored to the needs of our residents and businesses. In recent years, \$1.5 million has been provided annually in SEP funding, effectively leveraged at least four to one.

These funds help boost economic development, save businesses money through energy conservation, and fund new technology. Elimination of this funding would limit our project partners' ability to enhance economic development within Pennsylvania, as well as to lower energy bills and conserve resources.

Elimination of SEP funding will cause the following important programs to close:

- **Development of new energy security technology** such as the microgrid project at the Philadelphia Navy Yard, which is demonstrating how Marcellus Shale natural gas combined heat and power can be integrated with renewables to provide cost-effective energy security solutions.
- **Energy efficiency training for building managers to operate schools, local government buildings and state government buildings** at the highest efficiency to save an estimated \$3.5 million per year for schools and taxpayers.
- **Development and use of tools to respond appropriately to energy supply disruptions** caused by weather, cyber security or other events.
- **Nearly 100 energy efficiency assessments annually for small and mid-sized manufacturers** with implemented energy saving measures resulting in 2.8 million kWh per year of electricity conserved and \$700,000 in economic benefits.
- **At least 60 energy assessments for small business owners of urban restaurants and corner stores in at-risk neighborhoods**, which result in energy retrofits with significant annual energy savings.
- **Training college students**, who benefit from participating in the implementation of these programs to prepare them for tomorrow's energy-related jobs in Pennsylvania.

Pennsylvania has benefitted from a long partnership with the U.S. Department of Energy through these and other programs, resulting in significant improvements to the diversification of energy in Pennsylvania's economy. Together, we have helped to improve the health, quality of life and economic prosperity for our citizens.

We urge the Trump Administration to preserve funding that contributes in a meaningful way to the quality of life of Pennsylvania families and the economic prosperity of Pennsylvania businesses. We hope to work with you to strengthen our relationship with USDOE and keep moving forward with our joint efforts to keep energy costs low, increase competitiveness and drive economic growth in Pennsylvania.

Respectfully submitted,



Patrick McDonnell
Acting Secretary
Pennsylvania Department of
Environmental Protection

Respectfully submitted,



Dennis Davin
Secretary
Pennsylvania Department of Community
and Economic Development