

National Community Action Foundation

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Bush Administration to Low-Income Energy Consumers: Tough Luck!

WASHINGTON (March 19, 2007) – The Administration’s fiscal year 2007 Department of Energy spending plan slashes this year’s Weatherization Assistance Program budget by \$37.4 million from last year’s level of \$242 million.

The energy spending plan was released after close of business Friday to comply with the Continuing Resolution that funds the balance of the current fiscal year. Although the CR increased DOE’s Energy Efficiency and Renewable Energy budget by \$300 million over last year’s level, it also gave the Administration considerable discretion in how the funds are allocated to these energy programs.

“The Administration has broken trust with Congress which intended that 2007 spending would maintain funding for effective 2006 programs,” said David Bradley, executive director of the National Community Action Foundation. “As a result, at least 14,500 low-income retirees and low-wage working families will be denied the investments in energy savings that they expected to receive this year.

“This cut implements the absurd Administration energy policy of ‘spend now, save later,’ under which it is switching all federal energy investments away from proven efficiency upgrades to long-term, speculative research,” Bradley said. “The nation needs a balanced portfolio of energy investments -- one which takes full advantage of proven technologies that the market itself will not support, and also develops the breakthroughs we need to change our fossil fuel dependence.”

According to the Department of Energy’s statistics, home energy bills of the average Weatherization Assistance Program participant drop by \$358 each year after the weatherization improvements are made, and energy usage remains lower for nearly two decades.

“Small consumers need relief from today’s exorbitant energy bills right now,” Bradley said. “But, once again this White House has demonstrated its indifference by denying tens of thousands the proven new technology solutions they have long been wait-listed to receive.”

DOE’s action also defies the wishes of many in Congress. In separate letters to Secretary of Energy Sam Bodman and Office of Management and Budget Director Rob Portman earlier this month, 35 senators and 76 representatives urged a minimum allocation for 2007 of \$254.5 million, the amount provided in the House-passed 2007 Energy and Water Appropriations Act. Signers included Senate Appropriations Chair Robert Byrd, Senate Energy Chair Jeff Bingaman and co-chairs of the Senate Northeast-Midwest coalition, Sens. Jack Reed and Olympia Snowe. The House letter also was spearheaded by a bipartisan group of leaders of the House Northeast-Midwest coalition, including Reps. Steve LaTourette, R-Ohio; Randy Kuhl, R-N.Y.; Martin Meehan, D-Mass., and Bobby Rush, D-Ill.