



News Release

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DOE Announces FY'11 Budget -- State Energy Program Receives \$50 Million

On Thursday, May 19, the U.S. Department of Energy (DOE) announced the FY'11 budget, including funding for the State Energy Program (SEP) and Weatherization Assistance Program (WAP). SEP received \$50 million with \$39 million of that amount in formula funding and the balance in competitive and technical assistance support. For comparison, in FY'09 and FY'10 the state energy offices received \$25 million each year in SEP formula funding, and the Recovery Act provided \$3.1 billion for SEP formula grants. States use the SEP formula funding to develop strategies to address their energy priorities.

WAP received \$174.3 million with \$3.3 million of that amount going to technical assistance. DOE funded WAP at \$250 million in FY'09, and the Recovery Act provided \$5 billion. WAP funding is focused on reducing heating bills for low-income households through cost-effective efficiency and weatherization measures.

After Congress directed Energy Secretary Chu to develop the U.S. Department of Energy's budget for FY'11, twenty-five U.S. Senators, led by Senator Bingaman (NM), Chairman of the Senate Energy and Natural Resources Committee, sent a letter urging Chu to maintain funding by the U.S. Department of Energy (DOE) for SEP and WAP. Two additional Senators submitted their own letters of support. The Senators urged Chu to maintain funding for these critical programs at FY'10 levels.

The National Association of State Energy Officials (NASEO) praised Senator Bingaman for his leadership and the other Senators for their continued support of expanding energy-related economic development through SEP and for their recognition of the states' weatherization efforts. A number of Governors and private sector companies also sent letters to Secretary Chu touting the energy related economic development opportunities offered by these programs for consumers and businesses.

With the SEP funds and the resources leveraged by them, the 56 State and Territory Energy Offices develop and manage strategic programs that support the private sector in increasing energy efficiency, developing renewable and alternative energy sources,

promoting energy-related economic development, and reducing reliance on imported oil. SEP gives the governor- designated state energy officials discretion to allocate the cost-shared formula SEP funds toward a set of energy efficiency and renewable energy activities. In contrast, funding priorities under all other programs administered by DOE is set in Washington, D.C.

WAP helps low-income families, the elderly, and disabled citizens lower their energy bills through energy efficiency improvements. These energy savings can then be used to purchase other essentials.

The success of SEP and WAP in increasing energy efficiency and renewable energy opportunities and leveraging private investment is evidenced by an Oak Ridge National Laboratory study that estimates for every dollar invested in SEP, over \$7 in energy savings is gained and almost \$11 in non-federal funds is leveraged. WAP returns \$2.72 in benefits for every dollar invested.

“The FY’11 SEP and WAP funding levels signify the DOE’s recognition of the important roles these two programs play in reducing energy bills for citizens, accelerating technology adoption, and creating economic opportunities for businesses,” said David Terry, Executive Director of NASEO. “The message is that while nearly all of us strongly support targeting federal energy funds to the nation’s R&D needs, we also recognize the importance of cost-shared funds for the states to allocate to the energy priorities and opportunities of their citizens and businesses in support of national energy goals.”

About NASEO and the State Energy Program

Members of the National Association of State Energy Officials lead America’s 56 state and territory energy offices, which build on the unique resources of their states to advance key energy goals, including:

- Improving energy efficiency in homes, commercial buildings, industry and agriculture;
- Opening markets for renewable energy, such as solar, wind, geothermal and biofuels;
- Promoting sound residential, commercial and institutional energy building codes;
- Transforming transportation by advancing biofuels, plug-in hybrids, and other alternatives;
- Delivering cost-effective and verifiable greenhouse gas emissions savings;
- Developing and testing creative clean energy financing mechanisms in partnership with the private sector;
- Advancing practical energy policies; and
- Enhancing energy assurance and energy emergency preparedness.

Public and private sector energy organizations are welcome to join NASEO as affiliate members.

For more information, visit www.NASEO.org.

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