

Annual Report – Program Year 2017
Weatherization Assistance Program
Department of Natural Resources and Environmental Control
Division of Energy, Climate & Coastal
April 15, 2018

Introduction

The annual operating budget passed by the General Assembly requires the Department of Natural Resources and Environmental Control (DNREC) to report to the Controller General and the Budget Director by April 15 on the status of the state’s Weatherization Assistance Program.

The Weatherization Assistance Program (WAP), overseen by the U.S. Department of Energy (DOE), reduces the energy costs for low-income households by increasing the energy efficiency of their homes. In addition, the program makes people’s homes healthier, safer, and more comfortable. The DOE estimates that the average household saves \$437 per year on their energy costs after receiving weatherization services. WAP provides an opportunity to significantly reduce the fuel assistance needed by low-income households, who spend over 14% of their total annual income on energy costs alone. Weatherization is a highly cost-effective investment; for every \$1 invested in the program, WAP returns an estimated \$2.5 to the household and society.¹

The DOE WAP requires states to contract with local agencies, referred to as “Subgrantees”, to deliver weatherization services to eligible residents. For the Program Year 2017 (PY17), defined as April 1, 2017 thru March 31, 2018, the one Subgrantee serving all of Delaware was the non-profit, Catholic Charities. Most notably in 2017, WAP opened a state competitive solicitation for WAP Subgrantees in September and received three proposals. Three-year contracts have been signed with Catholic Charities and Energy Coordinating Agency (ECA) for services to begin on April 1, 2018. ECA will provide WAP services for New Castle County and Catholic Charities will continue to provide services to Kent and Sussex Counties.

¹ For more information, see DOE’s website: <http://www.waptac.org/WAP-Basics.aspx>

Impacts

Some of the notable WAP impacts in PY17 are the total number of Delawareans that benefited from weatherization services; 470 citizens by weatherizing 253 homes. The estimated energy savings for the weatherization services delivered are 5,086 MBtus. WAP established partnerships with other organizations to bring more services to the low-income population; namely the Delaware Electric Cooperative (CoOp) and the Delaware Sustainable Energy Utility (DESEU). The CoOp provided funds to replace outdated heating systems for five of their clients. The five clients were identified through the WAP home energy audit process. The DESEU's Pre-Weatherization Assistance Program (Pre-WAP) provided home repairs on 104 deferred WAP homes; bringing deferred homes back into the WAP for services.

Synopsis of the Year's Activities (April 1, 2017 to March 31, 2018)

DNREC continues to comply with the federal standards of weatherization workmanship with particular attention on mechanical ventilation and indoor air quality. Some highlights of the year include:

- Partnership with the Delaware Electric Cooperative to provide energy efficiency upgrades to 5 of their WAP-eligible clients;
- Governor Carney's Proclamation celebrating 40 years of weatherization;
- Partnership with the DESEU's Pre-WAP brought 104 deferred WAP homes (homes that require repairs before installing weatherization) back into the WAP to receive the full complement of services;
- Conducted 5 trainings;
- Launched a radio advertising campaign that produced a significant amount of interest on the WAP website; an increase of web hits of 2,567%; and
- Program outreach was conducted throughout the year at community events, state service centers, community centers and workshops.

Planned & Proposed Activities PY18

For PY18 commencing on April 1, 2018, WAP will use a combination of Federal WAP Base Grant funds, RGGI WAP funds, Utility funds and LIHEAP funds to weatherize approximately

400 homes in Delaware. In planning for the next program year, the following are the anticipated activities:

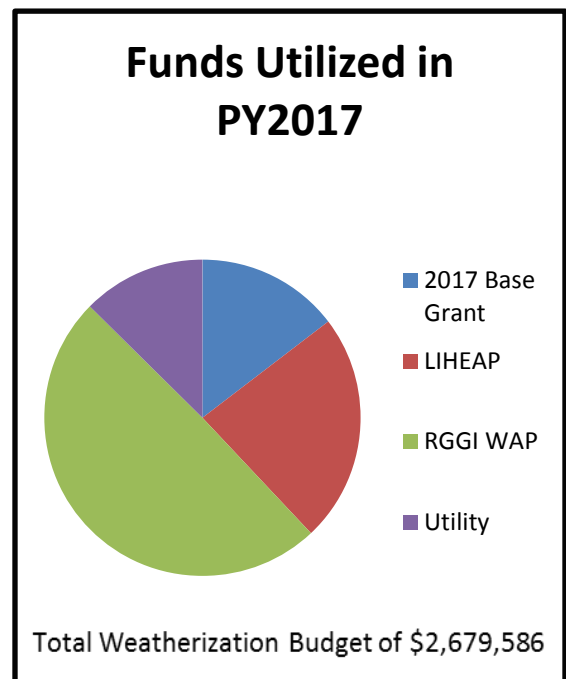
- **Training** will focus on providing training for the new Subgrantee, ECA, on the WAP Hancock Software and the required certifications. The State Program Monitor will bring training to the worksite through Tool Box Talks. WAP staff and contractors will attend the industry-standard conferences;
- **Administrative** will focus on weatherizing 400 homes and bringing 75 deferred homes back into the Program via Pre-WAP; and
- **Funding** is anticipated to be a total of \$3,400,000 to support all functions; \$890,000 of LIHEAP; \$830,000 of RGGI WAP for weatherizing homes and \$988,876 for administrative; \$400,000 of WAP Grant, and \$300,000 of Utility funds.

Total Expenditures & Itemized List of Funding Sources

Weatherization has traditionally been a federally funded program and has existed in Delaware since the early 1980's. In Delaware, annual federal funding for the WAP Base Grant program has varied with congressional appropriations over the course of the last several years between \$500,000 and \$600,000 per year. The appropriation for PY17 was \$604,501.

A summary of funding and expenditures is as follows:

- A total of 65 Delaware homes were weatherized in PY17 with DOE funds; expending the full amount;
- DNREC receives funds yearly from the Delaware Department of Health and Social Services (DHSS) LIHEAP (Low Income Home Energy Assistance Program) grant appropriation. Under a Letter of Agreement that DNREC has with DHSS, the WAP received \$626,464² of funds toward weatherizing 81 homes;



² Based on the number of completed LIHEAP homes that had been invoiced to DNREC by March 31, 2018; the end of the WAP PY17.

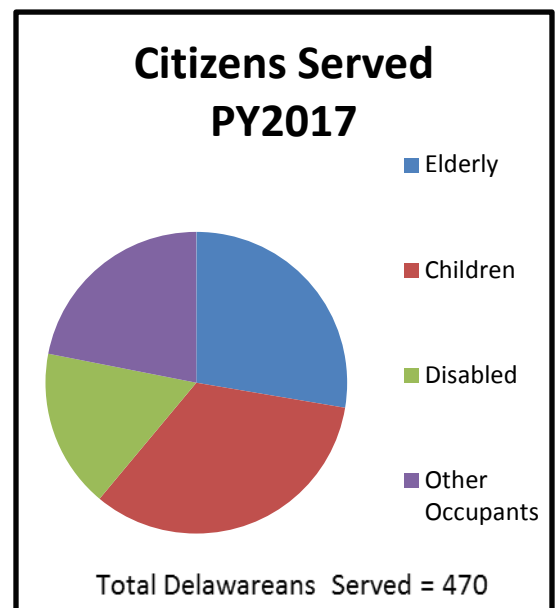
- Contained in a DNREC/DHSS Letter of Agreement, the agencies have agreed to dedicate 50% of Utility funds (authorized under 26 Del Code §1014) to the WAP; DNREC utilized \$337,136 of these funds weatherizing 53 homes within Delmarva Power’s service territory; and
- Under 7 Del Code §6054, WAP receives 10% of the Regional Greenhouse Gas Initiative (RGGI) auction amounts for Delaware. RGGI WAP funds provide the core of the administrative costs for the Program. The total amount of RGGI WAP funds expended is \$1,324,862, of which, \$303,304 were used to weatherize 54 homes.

Estimated Energy Savings

This is the first year that WAP is able to estimate energy savings specific to WAP-weatherized homes in Delaware. This is possible by using an algorithm based on Delaware weatherized homes and client utility data. The total number of completed homes is broken down into how they are heated (combustible fuel or electric) and then multiplied by a factor. The factor was developed using actual WAP client utility bills, energy saving measures installed into the homes, and a comparison to similar data collected in a 2015 study conducted by the Oak Ridge National Laboratory. The estimated energy savings for PY17 for 253 completed homes is 5,086 MBtus which is equivalent to removing 81 cars off the roads each year³.

Reporting metrics required by DOE

- The number of Delaware citizens served by the Delaware WAP for PY17 is: 130 elderly, 157 children, 80 disabled, plus the other home occupants totaling 470 citizens.
- The DOE requirement to have all final inspectors certified with a Quality Control Inspector certification is still being met in Delaware. Delaware has three certified individuals, two energy auditors employed with the Subgrantee and the State Program Monitor employed by DNREC.



³ http://www.energy.ca.gov/commissioners/rosenfeld_docs/Equivalence-Matrix_2001-05.pdf; Table 1.0

- State and local quality monitors have been on-site during various aspects of weatherization work, prior to a final inspection, on over 50% of all homes weatherized to date. In Delaware the WAP uses home energy auditors that perform the audit, create a work order, and complete the final inspection of the work.
- The WAP Program employs 29 individuals in the program, which includes, contractors, office workers, and staff at the Subgrantee.
- Contractors working in the program were selected based on the highly specialized weatherization skills required. The contractors continue to receive extensive and specialized training in all aspects of weatherization work, including DOE required safety training.
- A programmatic monitoring of the single Subgrantee was conducted on February 20-21, 2018 for the PY2017. There were no significant findings to report and there were nine recommendations for process improvements. The technical monitoring portion is slated for April 17-19, 2018 under the direction of the new State Program Monitor.
- All clients are certified as eligible for services under DOE rules and required documentation is included in both paper and electronic files at the Subgrantee.
- All completed homes receive a detailed final inspection by a Quality Control Inspector. Any incorrect or incomplete work is resolved before final billing.

END OF REPORT