

#139 Weatherization Is the Next Step

Weatherization doesn't capture the immediate attention and priority of most of us. But, that is about to change and for several very good reasons – such as lots of benefits and lots of assistance in obtaining these benefits. Maybe you missed National Weatherization DAY a few weeks ago but it is now enjoys national recognition like many more familiar iconic subjects.

In the vaunted Federal Stimulus Package to the states, weatherization receives one of the highest levels of appropriation. This is the work of Secretary of the Department of Energy, Stephen Chu, a Nobel Laureate scientist and is an example of the difference an election can make in how government functions. Secretary Chu thinks weatherization is the single best investment the nation can make.

Weatherization is based on superb building science that revises a lot of contemporary construction methods and materials. Many local residents have recently completed national certification training in this new breakthrough construction science and are available to analyze and audit local buildings of every description as well as provide detailed recommendations for retrofits that save money, health and environment.

The New York State Legislature has just authorized municipalities to use their bonding authority and other measures to establish revolving loan funds to rapidly increase the scope of weatherization of buildings. The new law, PACE, Property Assessed Clean Energy, allows local government to development revolving loan programs that eliminate the barrier of upfront costs of energy audits and retrofits. Weatherization measures, by reducing utility bills by at least 30%, are the source of funds for repayment of the loans.

In fact, building owners enjoy a positive cash flow from day one of the installed measures. These financial benefits are made possible by a loan that spreads the payments over a period of 10-15 years at a rate of monthly repayment up to 25% less than the utility bill paid before the weatherization measures were undertaken. This positive cash flow not only begins immediately but adds very substantial savings over time as the loan is paid off and the measures continue to produce savings for many additional years. These low cost loans, financed by energy savings, also cover the cost of administering the local program.

Since the weatherization contract is attached to the building and not the owner and payment is attached to utility bills or local tax bills, there is almost no possibility of default without restitution and no need to hesitate to enter such a program if there is some thought of selling the property or moving before the loan contract is completed. Such smart program protocols preserve the integrity of the municipal revolving loan fund and stimulate higher rates of participation.

When local programs of this type are inaugurated, loans should be available for agricultural, industrial, commercial and residential buildings. With dedicated efforts to keep hiring, purchasing, installing and financing local, all the elements are assembled for a new, permanent and ever growing weatherization industry of significant size, paying good wages and producing great value.

40% of green house gases which ruin our environment and personal health are emitted from our buildings. Weatherization and self-financing local revolving loan funds show the way to make the radical shift in our economy towards a secure, clean and affordable

energy future at a lower cost than currently self-destructive building practices. There are 60,000 local buildings waiting and as many people who badly need the financial and health benefits of weatherization.