

FOR IMMEDIATE RELEASE TUESDAY, MAY 5, 2009  
CONTACT: Mike Owen (319) 338-0773, [ipp@Lcom.net](mailto:ipp@Lcom.net)

## Energy Leader Iowa Can Shine With Stimulus Help Choices Must Focus on Economic Boost, Long-Term Strategies

IOWA CITY, Iowa (May 5, 2009) — A boost in energy-efficiency funding from the federal stimulus package offers Iowa a chance to improve its energy use, its economy and prepare for the future, Iowa researchers say.

Almost half of the \$170 million in energy-related stimulus funding for Iowa will go toward weatherization, to be administered by community-action agencies. Most of the rest, however, will be coordinated by the Office of Energy Independence, for state strategies to reduce energy consumption with state and local policy efforts.

A new report from the nonpartisan Iowa Policy Project (IPP) examines the new energy-related money coming from the American Recovery and Reinvestment Act, known as the federal stimulus legislation passed this year and signed by President Obama.

Weatherization efforts will see a big change with the stimulus funds, authors Beth Pearson and Teresa Galluzzo said. Iowa's weatherization program has typically been around \$15 million; with the stimulus funds, over \$80 million will be available over three years.

In addition, eligibility is being expanded to more households above the official poverty line than currently receive help.

"In other words, the new funding enables more Iowans to receive assistance, and to receive more of it," Pearson said.

Pearson cautioned, however, the new money won't come without growing pains for Iowa's current weatherization efforts and private industry.

"A key goal with stimulus funding across the board is to get funds working quickly in the economy. Translating increased funding and eligibility into expanded access to low-income weatherization services will depend on the capacity of local agencies to quickly scale up existing programs," she added.

For example, there will be a challenge to recruit and train new energy auditors to work on energy efficiency, and construction workers will have to be recruited and put to work quickly as well.

Galluzzo noted more than \$60 million will be going to the State Energy Program (SEP) and to local governments to improve energy efficiency.

Smaller amounts of energy-related funding may also be available through other programs noted in the report.

— m o r e —

“We know the SEP is a good investment,” Galluzzo said. “In 2005, each federal dollar invested resulted in a savings of \$7.22 — and over 1 million source BTUs in energy savings.”

The report noted that with \$40.5 million in SEP funding, the state could save almost \$293 million in energy costs and 41.7 million source BTUs — or more than 12.2 million megawatt-hours of electricity — by fully implementing stimulus funds targeted for energy efficiency and renewable energy.

Pearson and Galluzzo noted Iowa must, to receive the stimulus funds, take some required policy steps. The state must adopt new energy codes for building, and assure compliance at levels far greater than appear to be the case. The state must also work on policies that help utilities increase energy efficiency.

Likewise, local governments will need to offer defined objectives and strategies for use of federal funds through the Energy Efficiency and Conservation block grant, with \$21 million available for Iowa.

“Meeting these federal funding requirements will take well-designed and well-executed plans,” Pearson said. “Iowa is going to have a lot of money available in short order. State and local leaders need to make sure they move deliberately, to get the best use of the funds immediately and prepare Iowa for continued efficiency efforts in the years ahead.

The Iowa Policy Project is a nonpartisan, nonprofit policy research and analysis organization in Iowa City. IPP reports are on the web at [www.iowapolicyproject.org](http://www.iowapolicyproject.org).

# # # # #