

www.chicagotribune.com/news/nationworld/chi-weatherize_for_monmar23,0,736350.story

chicagotribune.com

Business, states see green in Obama energy plan

Stimulus stirs great interest in industry, training programs

By Jim Tankersley

Washington Bureau

11:11 PM CDT, March 22, 2009

WASHINGTON — Asa Foss spends his days fielding calls from construction workers who have been bulldozed along with Maryland's homebuilding market, and now want to join the state's unlikely boom industry: making houses more energy-efficient.

The callers tell Foss that they're desperate for work, and that the classes he teaches can help them get it. He tells them there's a two-year waiting list.

Foss runs Maryland Home Performance, a state-sponsored program based in the Washington suburb of Bethesda that trains workers in the science of re-engineering buildings to cut electricity use without ever touching a thermostat. The field, and Foss' voice-mailbox, got a steroid shot earlier this year when President [Barack Obama](#) and Congress set aside \$20 billion for energy efficiency in the federal stimulus package.

The result is a case study in the challenges of flooding federal dollars into a sector that long survived on a trickle.

The average American family spends about \$2,000 a year on home energy bills, the Energy Department reports. In most cases, a quarter to one-third of that energy is wasted: Air leaks

through windows, ducts and poor insulation; older appliances hog power. The Obama administration believes that offers a prime opportunity to create jobs and free up cash for homeowners.

The administration estimates the first wave of stimulus efficiency spending alone will employ 87,000 people, including energy auditors, who scour buildings for waste with high-tech sensors, and weatherization contractors, who install the often-simple upgrades that cut energy bills. In addition, the White House believes the program will significantly reduce greenhouse-gas emissions and help combat climate change.

Critics question the job projections and warn some money could be siphoned off by scam artists or bureaucrats. They worry that there aren't enough specific accountability measures attached to the money, or specific targets as to how the money will be spent. And they remember the late 1970s, when President Jimmy Carter launched an energy-efficiency drive that sputtered once he left office.

Nonetheless, states are racing to expand or even create training programs that will help displaced workers launch new careers in the efficiency field. Maryland's housing department plans to launch in three months a training program for workers who weatherize low-income homes.

Foss, who heads a different program through Maryland's state energy department, says he needs more staff to train the applicants piling up on his waiting list. "We have this year's budget with next year's expectations," he said.

In the private sector, firms nationwide say they're doubling or tripling work forces to upgrade millions of homes, businesses and government buildings. The reason? The stimulus spending and an accompanying batch of new tax breaks for efficiency.

CEOs and analysts expect the demand to last, in part due to some fine-print strings attached to the stimulus money that push states to adopt ongoing efficiency incentives.

"It's absolutely monstrous," said John Berger, CEO of Standard Renewable Energy, a Houston-based efficiency company with offices in four states, "both in terms of the opportunity for us and in terms of accomplishing what the objective was, which is use less energy."

Many states have seen their efficiency funds bulge overnight by as much as 10 times, including Maryland, which is getting \$113 million in stimulus efficiency funds; Illinois, which is getting nearly \$350 million; and California, which will receive \$411 million.

Yet veterans of the efficiency business say the rush of money and new contractors demands strict measures to ensure the upgrades actually save energy. "You basically have the word efficiency sprinkled throughout the stimulus package, but you don't have actual specific targets, or a list of priorities," said Edward Mazria, the founder of Architecture 2030, a non-profit group that works to improve energy efficiency in buildings.

States and the Department of Energy promise strict transparency and spending controls. The department's inspector general issued a report this month detailing the potential for waste, fraud and abuse in the efficiency programs and recommending ways to prevent it.

The department is rapidly hiring oversight staff and plans for repeat audits of homes that receive efficiency upgrades, to make sure their energy savings are real. It is helping to establish 40 training centers across the country, and will require states to show detailed training and oversight plans before they receive the bulk of their funding.

Many entrepreneurs, lured into the market over the past few years by soaring energy prices, say they're already hiring based on the promise of federal dollars.

Standard Renewable Energy, the Houston-based firm that combines efficiency upgrades with solar-panel installations and other high-tech methods of reducing energy bills, is set to jump from 250 employees to at least 400, and possibly more, by year's end. Berger said he is inundated with resumes, largely from construction workers, for jobs that range from \$10 an hour for starting installers to six figures for managers.

Home Energy Loss Professionals, a small efficiency firm in Maryland, has expanded from two employees to six. President Bob Logston said he could add six or seven more, if credit markets would thaw enough for him to borrow the money to buy equipment for the new workers.

"We've been working seven days a week," he said, "and we still can't keep up."

Government officials and efficiency contractors say the most important fuel for the industry could be the sheer volume of efficiency work remaining once the stimulus funds run dry.

"The stimulus package will only be able to improve 2 to 3 percent of the existing housing stock in the United States," predicted Peter Van Buren, president of TerraLogos Green Home Services in Baltimore. "We have a lot of work to do."

jtankersley@tribune.com

Copyright © 2009, [Chicago Tribune](#)

