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December 1, 2010

The Honorable Dr. Steven Chu
Secretary of Energy
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

Dear Secretary Chu:

I write to ask that you use your oversight authority to closely examine New Jersey's management of its Weatherization Assistance Program (WAP), a program designed to weatherproof the homes of low-income families. I am very disturbed by reports I've received recently about the state's program, and as a strong supporter of WAP, I want to ensure that funds are being spent as they were intended and that the program is being operated efficiently and effectively. It has been well documented that the state has lagged behind the nation in expending its weatherization dollars, but my office has recently heard allegations that the state may be targeting several non-profits for funding cuts or termination, rather than focusing on the broad range of problems that have been identified in the program.

As you know, the Recovery Act we worked so hard to pass allocated \$118.8 million for New Jersey to weatherize almost 13,400 homes by March 2012. This program is a win, win, win for the country because it creates jobs, reduces energy bills, and reduces pollution. Unfortunately, recent press reports indicate that the state is well behind schedule, having weatherized only 2,157 homes so far.

The program is structured so that non-profit organizations weatherize homes while the state administers the overall program. By all accounts, the actual weatherproofing of homes has been slow. However, it appears that instead of taking responsibility for administering a failing program and shoring up oversight of participating organizations, the state has instead proposed funding cuts for over one-third of the non-profit organizations who carry out the weatherization program.

No one is more concerned about ensuring that every federal dollar is spent wisely than I am, but this rescission of funding is so large and implicates so many different non-profits that I believe it warrants a federal review. Specifically, I believe the following questions should be explored:

1. Is the New Jersey program, as a whole, being managed responsibly with appropriate oversight and direction to participating non-profit organizations?
2. Are these non-profits solely to blame, or have there been implementation delays and obstacles from the state or federal government that have slowed their progress?
3. Is the state ensuring that the communities served by non-profits who are having their funds rescinded will still have the same number of homes weatherized as originally envisioned?

Among the agencies targeted for loss of WAP funds is Camden County OEO, which on August 19 was named by the New Jersey Department of Community Affairs ("NJ DCA") as the best weatherization assistance program in the entire state. It was recognized for delivering "superior" home energy and weatherization assistance to low-income residents. How is it possible that this agency went from the best in the state to being so mismanaged that all of its federal funding must be cut?

I fought hard to get the \$118 million in WAP funds for the state of New Jersey in the Recovery Act, and I am very concerned by the recent reports indicating that the state has not performed well in expending these funds quickly and effectively. Thank you for your attention to this matter. I look forward to working with you to improve the weatherization program in New Jersey, and I hope that independent non-profit weatherization agencies remain a central part of the program.

Sincerely,



ROBERT MENENDEZ
United States Senator