

I. Energy Savings During the Non-ARRA Period

Net Present Value of Energy Savings from DOE Study of non-ARRA Period

Time Horizon	Discount Rate		
	3 Percent	6 Percent	10 Percent
10 years	\$2,090	\$1,803	\$1,505
16 years	\$3,077	\$2,476	\$1,917
20 years	\$3,645	\$2,810	\$2,086

Note: The table reports the net present value of energy savings (in dollars) implied by the DOE's household-level energy savings estimates (\$245) using a range of discount rates and assumed time horizons. Reductions in energy bills associated with the estimates are assumed to accrue over the life of the measure without depreciation.

II. Energy Efficiency Investment Costs

The DOE's description of the costs per household in this period is summarized here (p. xiv of http://weatherization.ornl.gov/Retrospectivepdfs/ORNL_TM-2014_338.pdf):

* WAP funds supported the weatherization of 97,965 units in PY 2008: 59% single family site built, 18% mobile home, 5% small multifamily, and 18% large multifamily

* DOE expenditures on WAP were \$236,000,000. Including leveraged funding, the total expenditure on units weatherized according to WAP rules was \$460,000,000. The total spent by the national weatherization network in PY 2008 for weatherization was \$850,000,000.

* The average cost to weatherize a unit was \$4,695 (the DOE share was 48%)

III. Conclusions

Our conclusion is that the costs of the WAP energy efficiency investments substantially exceed the present valued energy savings benefits.