

## **NORA Release and Response to GAO for publishing in NEON – 8/13/2010**

Senate Energy Committee Chairman Jeff Bingaman (D-NM) called for a Government Accountability Office (GAO) review of the two national energy check-off programs, the National Oilheat Research Alliance (NORA) and the Propane Education and Research Council (PERC). The GAO took more than a year to complete its work and the report was published on August 5, 2010. Officials at NORA and state and local oilheat associations worked closely with GAO staff during the review and were responsive to their every request. The core mission of the GAO review was to determine the extent in which NORA funding was used to complete its mission under its authorizing statute and what might be done to strengthen the program to ensure its statutory compliance.

NORA leadership and state associations were scrupulous and diligent in their handling of program funds. ***As a result, no NORA funds were used for political purposes or lobbying.*** There were a few instances where the NORA logo had been inadvertently placed on state association letterhead or in the wrong place on an association website. These few instances of misplaced NORA logos were corrected long ago. There are steps that NORA can and will take to ensure that state activities continue conform to the law.

The study also suggested that NORA might revisit the amount of money spent on research and development. NORA already has an accomplished record on this front, especially with respect to efficiency, safety & training and bringing biofuels to the home heating market. NORA can and will expand its commitment research, development and deployment of a cleaner, greener fuel that can be utilized by a new generation of ultra-efficient home heating systems.

We take the GAO review and Congressional oversight of the NORA program seriously. While the GAO review found nothing that is not easily addressed, industry trade groups are already discussing with Congress the necessary legislative steps that will strengthen and reauthorize the program.

No one looks forward to being audited. However, we're gratified that the GAO audit of NORA does not include any serious allegations about misuse of funds.

Senator Bingaman has announced that he will conduct an oversight hearing of NORA and PERC when Congress returns this fall, and will discuss needed improvements prior to reauthorization. We believe that any Congressional review of NORA will acknowledge that NORA management and the 24 NORA-participating states have a record to be proud of in research & development, technical and safety training, and consumer education. It will also provide an opportunity to discuss NORA's important role in introducing a new, cleaner and more environmentally secure product in the future, a new generation of ultra-efficient equipment and the integration of solar and other cutting-edge technologies to reduce consumption, save consumers money and create American jobs.

We will continue to work with the Congress to improve NORA and we will keep members up-to-date. If you have any additional questions or concerns about the GAO study or NORA reauthorization, contact NEFI President & CEO Shane Sweet at (617) 923-5011 or [shane@nefi.com](mailto:shane@nefi.com), or contact your local or state oilheat association.

The GAO report all can be found at <http://www.gao.gov/products/GAO-10-583>