



National Fuel Funds Network

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Dear Member: Congress has returned from its August recess, but the situation around funding for LIHEAP for the next fiscal year remains unclear. With the start of the new fiscal year only a few weeks away, action on the appropriations bill, containing funding for the program, has not been completed. Additionally the bill faces the possibility of a Presidential veto when it finally is sent to the White House.

Several possible scenarios have been mentioned as the clock ticks toward the end of the current fiscal year, including passing an omnibus spending bill that would bundle all remaining appropriations bills into one piece of legislation; approving a continuing resolution that would keep LIHEAP funding at the same level as the current fiscal year and buy time for Congress to complete passage of the various appropriations bills; passing the bill containing LIHEAP funding before the deadline; or allowing the government to shut down forcing a stand-off between the Congress and the President.

At this time, the House has passed the Labor, Health and Human Services and Education appropriations bill that sets funding for LIHEAP at \$2.662 billion, with \$1.98 billion in regular block grant funds and \$682 million in contingency funds. The House bill represents a \$500 million increase in LIHEAP funding for FY 2008 over the previous fiscal year.

In the Senate, the Appropriations Committee has approved legislation that keeps LIHEAP funding for FY 2008 at \$2.161 billion, the same level as FY 2007. The Senate bill awaits action by the full Senate.

Meanwhile, a group of 52 Senators have signed a letter to President Bush urging him to release the remaining \$151 million in LIHEAP contingency funds before the end of September when the funds will expire. In the House, more than 100 members signed a similar letter. Additionally, the Coalition of Northeastern Governors wrote to the president urging the immediate release of the LIHEAP contingency funds.

Last month, the Bush administration released \$50 million in LIHEAP contingency funds to a dozen states that had experienced severe heat waves. The funds were to be used to help people deal with high utility bills resulting from the hot weather.

We will continue to monitor this situation and will keep you informed as events move forward.

Fuel Fund Actions

- The third annual Natural Gas Industry Charity Golf Tournament raised \$150,000 to benefit Energy Outreach Colorado. The event, held at the Inverness Golf Club in Englewood, was organized by the Denver based National Fuel Marketing in partnership with St. Mary Land & Exploration.

Dan Joss, president of National Fuel Marketing, said “Being in the energy industry, we at national Fuel Marketing are particularly aware of and sensitive to current historically high energy costs, and how they impact our fellow Colorado citizens. We are thrilled to assist Energy Outreach Colorado as they help those who struggle to cope with this issue, especially in the winter when the needs are greatest.”

Other supporters and participants included Colorado Mining Association, Enserco Energy, Noble Energy, Hein & Associates, National Fuel Corporation, Rosetta Resources, US Bank, RTS-Oil and Gas Recruiting Specialists, Hogan and Hartson, Janus Intech, SourceGas, Xcel Energy, JW Operating Company, American National Bank, and Bentek Energy.

Utility Actions

- In Minnesota, Xcel Energy reported that about 20 percent of the 204,000 customers with past due accounts were “significantly behind” meaning at least two months past due. So far the utility has disconnected 27,700 households across the state, a 12 percent increase compared with last year.

CenterPoint Energy, which serves Minneapolis and its western suburbs, reported about double the usual number of households being cut-off. The utility said it is owed about \$66 million this year and is running ads encouraging customers behind on their bills to get in touch with the company to try to work something out.

- Ameren Illinois Utilities has launched a four year \$6 million program to assist not-for-profit agencies and small businesses hit hard by increased electric costs. The Non-Residential Hardship Assistance Program will provide assistance up to \$5000, which will be applied as credits on electric bills to qualifying organizations.

To qualify, organizations must provide proof of their non-profit status and have experienced at least a 30 percent increase in their electric bills from July 2006 to July 2007.

Public Service Commission Actions

- In Kentucky, the Public Service Commission has approved Kentucky Utilities’ home energy assistance program but questioned why the utility did not donate

money from its profits to fund the program instead of using a surcharge on its customers.

The program require customers to pay a 10 cents monthly per meter charge and the PSC estimates the surcharge will raise more than \$2.5 million. The PSC pointed out that Kentucky Utilities' net income in the three previous years ranged from \$112.1 million in 2005 to \$151 million in 2006.

The utility does support other assistance programs including WinterCare, in which private donations are matched by the utility.

2008 National Energy and Utility Affordability Conference

- The National Fuel Funds Network and the National Low Income Energy Consortium have restructured their longstanding annual conferences to offer one combined program, the 2008 National Energy and Utility Affordability Conference, next June. The two organizations will be holding one three-day conference from Monday, June 16 to Wednesday, June 18 at Denver's Adam's Mark Hotel. Registration will open in early 2008.

Conference planning began on September 12 in Denver with a brainstorming session of NFFN and NLIEC Board members and Colorado participants to suggest possible speakers, workshops and hot topics for the June conference. NFFN members may join this process. Please offer suggestions on subjects that you would like the conference to address and potential speakers or workshop/hot topic presenters to NFFN Executive Director George Coling, coling@nationalfuelfunds.org by September 25. Feel free to suggest new topics or ones covered in past NFFN annual conferences.