



## *National Fuel Funds Network*

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### **Energy Safety Net Bulletin #105**

Dear Member: The \$1 billion reduction in funding for the Low Income Home Energy Assistance Program (LIHEAP) this year has resulted in states reducing benefit levels and transferring summer cooling funds to heating assistance programs to meet the shortfall, according to a survey prepared by the National Energy Assistance Directors Association (NEADA)

Mark Wolfe, executive director of NEADA, said "State LIHEAP directors are very concerned about a potential increase in arrearages and shut-offs as winter shut-off moratoria expire beginning later this month and a lack of available funds to address summer cooling needs."

The NEADA survey, complete with state-by-state breakdowns, can be found and downloaded from the NEADA website at <http://www.neada.org/news/news070307.pdf>.

#### **LIHEAP**

- The House Democratic leadership announced yesterday that they have included \$400 million in funding for LIHEAP for this fiscal year in their proposed legislation to provide supplemental funding for the war in Iraq and Afghanistan. At this time, it is not clear how the funds are divided between regular program funds and emergency funds.
- Half of the full Senate, 50 Senators, have signed a letter to the leadership of the Budget Committee asking that full funding in the amount of \$5.1 billion be included in the committee's budget resolution. The Budget Committee is scheduled to mark-up the budget resolution on Monday, March 12.

The letter was circulated by Senators Reed (D-RI) and Collins (R-ME) and points out that the "request to fund LIHEAP at its full funding level is consistent with action taken during last year's debate of the fiscal 2007 budget resolution in which the Senate passed an amendment, 51 to 49, to increase the funds available to carry out LIHEAP to \$5.1 billion. Funding LIHEAP at this level in

regular funding and advance appropriations can help working low-income families, senior citizens, and disabled individuals maintain economic stability.”

Representatives Meehan (D-MA), LaTourette (R-OH), Arcuri (D-NY) and Graves (R-MO) are circulating a similar letter to the House Budget Committee leadership.

- The American Gas Association announced that the CEO’s of 57 of its largest member companies had signed a letter calling on Congress to maintain funding for LIHEAP at \$3.1 billion for the current fiscal year.
- A group of 35 governors have written to the Congressional leadership urging them to increase funding for LIHEAP to \$3.1 billion for FY 07. The letter also said that it was “imperative” that funding for FY 08 be returned to a “base line of at least \$3.2 billion.

### **Fuel Fund Activities**

- To mark its 30<sup>th</sup> anniversary Operation Fuel will hold a fundraising dinner on April 27 at the Mohegan Sun Hotel. The statewide fuel fund will use the occasion to honor the contributions of Gov. M. Jodi Rell, Raymond Necci, president and COO of the Connecticut Light and Power Company and Yankee Gas, the late Gov. Ella Grasso and the late Father Thomas Lynch of the Archdiocese of Hartford.

Former Gov. Grasso and Father Lynch started Operation Fuel in 1977.

- Oregon Heat has received a \$150,000 grant from the PGE Multnomah County Charitable Fund of the Oregon Community Foundation to help low-income residents of Multnomah County with their energy bills.
- The Heat and Warmth Fund (THAW) of Michigan raised over \$1 million during three fund raising events in February. Contributions to the fourth annual Winter Survival Radiothon in Detroit, the second annual WTRV-FM Winter Warmth Radiothon in Grand Rapids and the 3rd annual “Heat the Streets” 5K/10K run produced the record-breaking totals.

The Winter Survival Radiothon, held February 9-10, was conducted in partnership with Detroit radio station WWJ Newsradio 950. The radiothon received more than \$400,000 in contributions and with a matching donation from DTE Energy the fundraiser brought more than \$900,000 for energy assistance in the state.

On February 23-24 THAW partnered with Regent Communications to host the Second Annual WTRV-FM Winter Warmth Radiothon for THAW, Feb. 23-24, in Grand Rapids. The Winter Warmth Radiothon raised more than \$51,000 in

donations and with the addition of DTE Energy's matching contribution the total for the event reached more than \$100,000.

The same weekend as the radiothon THAW and the Detroit Department of Human Services held the 3rd annual "Heat the Streets" 5K/10K run. The February 9<sup>th</sup> event, which was run through the streets of downtown Detroit, featured Detroit Mayor Kwame Kilpatrick as Grand Marshall. The "Heat the Streets" races raised more than \$50,000 for THAW.

### **State Government Actions**

- Legislation designed to make more funds available for energy assistance by exempting heating and cooling bills from the state sales tax has begun moving through the Indiana State Senate. According to the bill's sponsor, state senator Tim Lanane, the exemptions would make an additional \$2.45 million available for direct heating or cooling assistance.
- In New Mexico, the state House has approved a bill that will provide a dedicated source of money for the state energy assistance program. The bill would funnel one third of the revenue from the natural gas processor tax into the state's Low Income Home Energy Assistance Program.

Ben Lujan, the bill's sponsor, said the tax is estimated to generate about \$33 million in the upcoming budget year and would add about \$11 million to the LIHEAP fund.

### **Utility Actions**

- Ameren Corporation's Illinois utility subsidiaries are seeking approval from the Illinois Commerce Commission of a plan that would provide \$20 million in relief to residential electric customers. If approved the plan would give one-time credits of up to \$300 to consumers based on electricity usage.

In addition to the relief plan filed by Ameren, the company has also pledged \$6 million to energy assistance programs for low-income customers.

- ComEd has announced a three-year \$30 million expansion of its customer assistance and education programs that will increase financial assistance for low-income customers, working families, and seniors in Illinois.

In 2007, ComEd will contribute \$10 million to expand assistance program with \$1 million going to the LIHEAP program and \$5 million to support a series of initiatives recommended by State Sen. James Clayborne and others.

Another \$1 million will be used for the creation of the “Power Up” program, which will provide energy assistance grants to households who are not eligible for LIHEAP. ComEd is collaborating with the City of Chicago on the “Power Up” program.

### **Resources**

- The Coalition on Human Rights has made a series of reports and analyses of the President’s’ budget request available. The reports and analyses can be found at the Coalition’s website [www.chn.org](http://www.chn.org).
- The Coalition to Keep Michigan Warm has created a directory of low-income energy assistance programs in the state and it is now available through the Internet. The information can be found at [www.michigan.gov/bewinterwise](http://www.michigan.gov/bewinterwise).