



## *National Fuel Funds Network*

1010 Vermont Ave., NW, #718

Washington, DC 20005

202 824-0638 (fax), 202 824-0660 (phone)

[info@nationalfuelfunds.org](mailto:info@nationalfuelfunds.org) [www.nationalfuelfunds.org](http://www.nationalfuelfunds.org)

August 9, 2007

### **Energy Safety Net Bulletin #111**

Dear Member: Congress, as expected, went home for its August recess this past weekend without completing action on the appropriations bill that funds the Low Income Home Energy Assistance Program.

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

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

When Congress returns following Labor Day, the full Senate is expected to begin considering the remaining appropriations bills with the end of the federal fiscal year looming on September 30. If the appropriations bills are not completed by the end of the fiscal year, Congress will have to approve a continuing resolution to keep the government funded until the appropriations bills are passed.

To further complicate the situation, the President Bush has said he would veto the appropriations bill if the House version of the legislation were sent to his desk. The president objects to several increases in funding contained in the bill, including the funding level for LIHEAP. The Senate version of the bill also contains funding increases that were not included in the president's budget request.

#### **Fuel Fund Activities**

- The Philadelphia City Council has made \$1 million available to the Utility Emergency Services Fund (UESF) for grants to help eligible customers of the Philadelphia Gas Works pay their home energy bills.

The grants will go to consumers whose income is at or below 175 percent of the federal poverty guidelines and whose service is either shut off or in imminent danger of being shut off. UESF executive director John Rowe said “Through the help of the Philadelphia City Council, UESF will be able to make a significant impact in the lives of many PGW customers.”

- Energy Outreach Colorado will distribute \$741,809 in August to emergency assistance agencies across the state to help low-income families, the elderly and individuals with special needs catch up on their home energy bills before the next heating season.

Skip Arnold, executive director of Energy Outreach Colorado said, “These funds are particularly important to help low-income families and seniors get their accounts paid up because natural gas costs are expected to increase significantly this coming winter.

Energy Outreach Colorado will contribute a total of \$6.15 million to about 100 assistance programs during the fiscal year, which ends on September 30. The organization is also funding energy efficiency measures for affordable housing projects by providing \$600,000 in grants to groups like Habitat for Humanity and Rebuilding Together.

- PeopleCare, a special program to help Michigan residents in need, is celebrating its 25<sup>th</sup> anniversary. The program is a cooperative effort between Consumers Energy and the Salvation Army and provides a wide range of aid including energy bill assistance, food, shelter, transportation, clothing, and medical needs to families. Consumers Energy also provides bill credits for its low-income gas and electric customers.

PeopleCare is funded through donations from Consumers Energy customers and employees and has helped over 300,000 households since its inception in 1983. Donations to PeopleCare have totaled more than \$12.4 million and Consumers Energy has contributed \$25.3 million in energy bill credits.

PeopleCare received 2nd place in the NFFN 2007 National Media Fair, Advocacy/Awareness Campaign Category.

### **Utility Actions**

- The Laclede Gas Company will increase funding for its Low-Income Weatherization Program to \$950,000 annually effective August 1. The program will be administered by the Department of Natural Resources and will provide energy education and weatherization assistance to low-income customers.

In addition, Leclde has announced that effective November 1, 2007 its Low-Income Energy Affordability Program will be funded at a total annual level of up

to \$600,000 plus one third of the carry-over balance remaining from prior program years.

The program consists of both a bill credit and arrearage repayment feature under which Laclede will provide customers with bill credits and/or match their monthly arrearage payments.

### **State Government Actions**

- Maryland Governor Martin O'Malley has asked the state's Public Service Commission (PSC) to determine whether using the purchasing power of Maryland's Electric Universal Service Program could secure lower rates for low-income consumers.

In a letter to the PSC, the governor said he believes that aggregating the purchasing power of the 93,000 low-income clients of the universal service program could save about 8 percent on their rates.

The PSC is expected to take up the issue before the end of September.

- Oregon Governor Ted Kulongoski has signed legislation that increases the fee that funds energy assistance programs for customers of Portland General Electric and PacifiCorp by 17 cents. The increase is expected to raise \$15 million per year for the program.

The program is available to households with incomes at 50 percent or less than the federal poverty level. Last year, the program aided 22,514 households with an average benefit of \$321 per family. It is estimated that the additional funds will allow the program to reach an additional 16,000 families.

### **Energy Price Projections**

- The Energy Information Administration's Short Term Energy Outlook published in August projects that home heating oil prices will increase 37 cents to \$2.88 per gallon this winter compared with last year. The EIA pointed to high crude oil prices, lower inventories, and predictions of colder winter weather for the increase.

The EIA also projected that the cost of natural gas will rise to an estimated \$7.96 per million cubic feet during the fourth quarter of this year. It also said the price of natural gas may average \$8.06 per million cubic feet for 2008 compared with \$7.45 per million cubic feet in 2007.

## **Sen. Reed Reiterates Need for President to Release Energy Assistance Funds**

### **Heat Wave Shows Need for Emergency Aid**

As temperatures continue to soar across the nation, U.S. Senator Jack Reed (D-RI) today renewed his call on the President to release emergency funds from the Low Income Home Energy Assistance Program (LIHEAP) to help alleviate the burden high energy prices have placed on working families and seniors throughout the country.

In July, Reed and 37 of his colleagues sent a letter to President Bush calling on him to release \$201.52 million in emergency funds from LIHEAP to address extreme hot weather across the nation. To date, no response to the July 13th letter has been received from the White House.

“I am disappointed by President Bush’s inaction on this matter,” stated Reed. “Congress has given the President the ability to help working families and seniors who are struggling to keep up with their energy bills. As temperatures rise, Americans continue to face record high energy bills, and many are facing the prospect of having their electricity and gas turned off because they are unable to pay. It is time that the President does the right thing and releases this additional funding.”

### **Reports and Studies**

- The Annie E. Casey Foundation has released the 18th annual *KIDS COUNT Data Book*, a national and state-by-state effort to track the status of children in the U.S. The annual data book is available on-line at [www.kidscount.org/sld/databook.jsp](http://www.kidscount.org/sld/databook.jsp).