



National Fuel Funds Network

1010 Vermont Ave., NW, #718

Washington, DC 20005

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

info@nationalfuelfunds.org www.nationalfuelfunds.org

November 4, 2005

Energy Safety Net Bulletin #82

Member Letter

Dear NFFN Member: NFFN Chairperson Carol Clements this week wrote to the CEOs of 10 major oil companies offering this organization's help in distributing any charitable contributions the companies choose to make to fuel funds.

The letter was sent after twelve U.S. Senators wrote to the oil companies urging them to use ten percent of their profits to help low-income households and seniors cope with skyrocketing home energy costs.

The letters, signed by Sens. Jack Reed, Maria Cantwell, Mark Dayton, Barbara Mikulski, Herb Kohl, Tim Johnson, Debbie Stabenow, Frank Lautenberg, Edward Kennedy, John Kerry, Hillary Rodham Clinton, and Harry Reid, were sent to the ExxonMobile Corp., the Chevron Corp., ConocoPhillips, Sunoco Inc., the Valero Energy Corp., the Marathon Oil Corp., the Amerada Hess Corp., the Tesoro Corp., and the CITCO Petroleum Corp.

In her letter, Ms. Clements explained the role of fuel funds to the CEO's and wrote "If you are inclined to make a contribution to these programs, the National Fuel Funds Network stands ready to receive funding for support of our members' programs through extant distribution channels, for on-going NFFN efforts to build the national energy safety net and assist you in any local impact grants to NFFN members that you may decide to make."

Sen. Chuck Grassley, chairman of the Senate Finance Committee, has written to the American Petroleum Institute, the Natural Gas Supply Association and the Independent Petroleum Association of America to urge the groups' members to "do their part to assist America's seniors and low-income households by providing contributions to energy assistance programs like fuel funds..."

Sen. Grassley also requested that the associations' members report to him on the status of their charitable contributions.

The flurry of letters to the oil producers followed reports that the major oil companies had generated profits averaging from 50 to 200 percent in the last three months. Exxon

Mobile announced third quarter earnings of \$9.9 billion on revenue of \$100 billion and Royal Dutch Shell said it had profits of \$9 billion.

Next week, several oil company executives are expected to come to Washington to testify before a joint hearing by the Senate Energy and Natural Resources Committee and the Senate Commerce Committee.

LIHEAP

- The Senate passed the FY 2006 Labor-HHS Appropriations bill, and it now goes to a House Senate Conference. The bill calls for \$1.883 billion in regular LIHEAP funding and \$300 million in emergency funds. The House bill, passed on June 24, contains \$2,006,799,000 regular funds and no emergency funds. The Conference will reconcile the two levels.

The Senate version of the bill was passed after three attempts to add an amendment that would have increased funding for LIHEAP to \$5.1 billion failed on procedural votes. For a complete list of the votes on these amendments see the NFFN's **LIHEAP Update** dated October 28, 2005.

One billion dollars in additional funds for LIHEAP are contained in the House version of budget reconciliation legislation, but the Senate version of the bill contains no funds for the program. The House version of the bill is scheduled for a vote next week.

State and Local Government Actions

- The Attorneys General of Illinois, Iowa, Minnesota, and Wisconsin have written to the investor-owned local distribution companies in their states asking them to provide projections of prices and demand for natural gas in the coming heating season and to explain the measures they are taking to protect consumers.

The letters were sent to the presidents of Aquila Inc., Atmos Energy, Fidelity Natural Gas, Laclede Gas Co., Southern Missouri Gas, Southern Union Co., and Union Electric Co.

- Chicago Mayor Richard Daley announced that he was adding \$5 million to the city's heating assistance programs. The money will come from the proceeds of the leasing of the city's Skyway. Mayor Daley had earlier committed \$1 million in city funds to the programs, and Peoples Energy also contributed \$2 million.

Utility Actions

- Xcel Energy is donating more than \$5 million across its service territories to heating assistance programs this season. The utility gave \$2 million to Energy Outreach Colorado and announced that it would match up to \$ 1 million more in customer contributions. In Minnesota, Xcel Energy gave \$ 1 million to the Salvation Army's HeatShare program and said it would match up to \$500,000 in customer contributions to Minnesota HeatShare.

The utility gave \$300,000 to be divided among Salvation Army groups in Amarillo and Lubbock Texas and community action agencies in New Mexico. In North Dakota, the company said it would double its previous contribution to Energy Share, granting an additional \$20,000. This contribution comes in addition to an earlier \$20,000 grant to the organization. Xcel also set aside \$80,000 for energy conservation programs for North Dakota customers.

In Energy Safety Net Bulletin #81, Xcel was incorrectly identified as Excel Energy.