National Energy Assistance Directors' Association
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July 31, 2006

The Honorable George W. Bush
President
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

On behalf of the directors of the Low Income Home Energy Assistance Program (LIHEAP), I am writing to urge you to release all remaining contingency funds to help provide cooling assistance for poor families this summer. Searing temperatures across the United States this summer are putting many poor families at risk for heat-related illnesses because they cannot afford the cost of electricity to cool their homes. And those who have vulnerable health conditions are most at risk from high temperatures.

Public health studies have documented that summer heat and heat waves:

- can lead to hospitalization for those with pre-existing kidney disease, Type 2 diabetes and epilepsy;
- worsen cardiovascular disease (ischemic heart disease), increasing the risk of death from heart attack or stroke; and
- increase the risk of death from pneumonia and other ailments for those with respiratory disease.

Continued high temperatures, for example, have already been responsible for deaths reported recently in California and Missouri.

These conditions can be mitigated by access to cooling during the summer months. Yet many poor families will not have adequate resources to pay their electricity bills, which have risen markedly for two reasons. First, the price rate caps imposed by utility restructuring legislation passed in many states have now expired, resulting in significantly higher electric rates in those states. Second, the underlying fuel prices, including natural gas, coal and oil, have risen significantly.

To highlight the scope of the rising energy bills across the country, we have enclosed a list of major rate requests and increases by specific utilities.

State resources are also being stretched because more families are applying for program assistance. Last month, the state LIHEAP directors reported that, based on current applications, they are expecting to serve more than 6.3 million households, almost 900,000 more than last year.

Your release of all remaining contingency funds to help provide cooling assistance to poor families can safeguard the health—and the lives—of people across the country. Thank you for considering our request.

Sincerely,

Jo-Ann Choate
Chair

List of Rate Increases and Request

Approved electric increases:

- 72% ($743/year), Baltimore Gas & Electric (1 million customers)
- 39% ($468/year), PEPCO in Maryland
- 35% ($464/year), Delmarva Power & Light Company in Maryland
- 34%, Unitil Corporation in New Hampshire (71,100 customers)
- 22.4%, Connecticut Light & Power (1.1 million customers)
- 20%, Excel Energy in Colorado (1.3 million customers)
- 14.7%, Kentucky Power Company (175,000 customers)
- 14%, Empire District Electric in Kansas (157,000 customers)
- 10%, Central Maine Power (520,000 customers)
- 9%, Bangor Hydro-Electric in Maine
- 20%, Arizona Public Service
- 30.8%, Duke Energy Ohio
- 19%, Enstar Natural Gas, an average increase of about $16.21 per month. Enstar is the largest natural gas provider in Alaska.

Proposed electric increases:

- 14.4%, after 10% rate increase effected in January 2006 and 7% increase in 2005, Wisconsin Public Service Corporation; proposed increase to take effect over three years (450,000 customers)
- 10.8%, PacifiCorp in Oregon (535,000 customers)
- 8.5% , Portland General Electric in Oregon (775,000 customers)
- 10.3%, Union Light, Heat & Power in Kentucky (92,400 customers)
- 41%, Public Service Company of New Mexico (471,000 customers)
- 29%, Philadelphia Gas Works (500,000 customers)
- 26%, Unisource Energy in Arizona (136,000 customers)
- 24.4%, Sierra Pacific Power Company in Oregon (135,000 customers)
- 15.4%, PSE&G in New Jersey (1.7 million customers)
- 11%, North Carolina Utilities Commission (160,000 customers)
- 11%, PSNC Energy in South Carolina (407,000 customers)

Proposed natural gas increases:

- 22%, Central Hudson Electric & Gas in New York
- 9.5%, Cascade Natural Gas in Washington state (210,000 customers)
- Since January 1, 2006, ten natural gas utilities have requested rate increases between 28% and 68%.