

2005 NATIONAL ENERGY ASSISTANCE SURVEY REPORT

KEY FINDINGS

The Low Income Home Energy Assistance Program (LIHEAP) provided \$2.183 billion in heating and cooling assistance in FY 2005 to more than 4.9 million low-income households. The National Energy Assistance Directors' Association (NEADA), representing the state LIHEAP directors, received funding from the FY 2005 Labor, Health and Human Services and Education Appropriations Act to conduct a national survey of 1,100 LIHEAP recipients to collect information on the choices made by households in FY 2005 when faced with high energy bills. The survey was designed to update the information provided by same recipients as part of a similar survey conducted by NEADA in 2003.

Among the key findings of the study:

Who Receives LIHEAP?

- 94 percent have at least one member who is elderly, disabled, a child under 18, or has a single adult living with one or more children.
- 82 percent reported an annual income at or below \$20,000, and 61 percent have annual income at or below the federal poverty level.
- The average household spent an average of 14 percent of their annual income on residential energy.

Medical and Health Problems

- 47 percent have a household member asthma, emphysema, heart disease, or stroke
- 19 percent have a household member that uses medical equipment requiring electricity, most commonly nebulizers and oxygen machines and 47 percent of those households reported that they went without medical care due to unaffordable energy bills in the past five years
- 32 percent reported that they did not fill their prescription or took less than their full dose of a prescribed medicine due to energy bills in the past five years. This included 41 percent of households with asthma, emphysema, heart disease, or stroke
- 16 percent reported that as a result of a home that was too cold, they became ill in the past five years. This included 21 percent of households with a serious medical condition and 26 percent of households with medical equipment requiring electricity.

Signs of Unaffordable Energy Bills:

- 73 percent reported that they reduced expenses for household necessities because they did not have enough money to pay their energy bills
- 19 percent that they kept their home at a temperature they felt was unsafe or unhealthy
- 18 percent left their home for at least part of the day because it was too cold or too hot
- 24 percent used their stove or oven to provide heat
- 20 percent reported that they went without food for at least one day in the past five years.

Inability to Pay Energy Bills: Many households were not able to pay their energy bills and some suffered the consequences of service terminations in the past year.

- 44 percent said that they skipped paying or paid less than their entire home energy bill in the past year. Households with children (67 percent) and those with income below 50 percent of the federal poverty level (62 percent) were more likely to do so.
 - 30 percent reported that they received a notice or threat to disconnect their electricity or home heating fuel. Again, households with children (51 percent) and those with income below 50 percent of the federal poverty level (51 percent) were more likely to experience this problem.
-

- 8 percent reported that their electricity or gas service was shut off in the past year due to nonpayment of utility bills. In addition, 16 percent of households with children and 22 percent of with income below 50 percent of the poverty level reported a service termination in the past year.
- 18 percent said that they were unable to use their main source of heat in the past year because their heating system was broken and they were unable to pay for its repair, because they ran out of their bulk fuel and could not afford to pay for more, or because their utility used for heat was disconnected, Households with children (27 percent) and households with income below 50 percent of the poverty level (36 percent) were more likely to face this problem.
- 13 percent reported that broken air conditioners or termination of electric service prevented them from using their air conditioner. Households with a disabled member (19 percent), households with children (19 percent) were somewhat more likely to report this problem.

Change In Financial Situation and Affordability of Home Energy Bills:

- 28 percent spent more than \$2,000 on energy bills in the past year, compared to 23 percent in 2003.
- 54 percent reported that their energy bills were higher than they were the previous year,
- 39 percent said that it was more difficult to pay their energy bills than they were in the previous year.

Constructive Actions Taken To Meet Energy Expenses: All respondents reported that they took constructive actions to reduce their home energy bills, including putting plastic on windows, turning down the heat at night, keeping shades and curtains closed in the daytime, using fans, washing clothes in cold water, and using compact fluorescent light bulbs.

Effects of Unaffordable Energy Bills of Housing: 24 percent reported that they made a partial payment or missed a whole rent or mortgage payment in the past five years due to their energy bills, two percent of respondents reported that they were evicted from their home, four percent reported that they moved in with friends or family, and two percent reported that they moved into a shelter or were homeless in the past five years.

Impact and Importance of LIHEAP Benefits for Recipient Households

- 63 percent said that they would have had to keep their home at an unsafe or unhealthy temperature
- 54 percent said that they would have had their electric or gas service disconnected, if LIHEAP benefits had not been available
- 93 percent said that LIHEAP had been very important in helping them to meet their needs.

Changes Since the 2003 Survey: One of the important findings in this report is that many households faced more difficult circumstances in 2005 and placed more importance on the receipt of LIHEAP:

- 23 percent of households reported that their energy bills exceeded \$2,000 in 2003 while 28 percent reported that their bills exceeded \$2,000 in 2005
- 54 percent said that they would have kept their home at an unsafe temperature in 2003 if LIHEAP had not been available while 63 percent said they would have done so in 2005
- 47 percent said that they would have had their electricity or home heating fuel discontinued in 2003 if LIHEAP had not been available, 54 percent said they would have experienced this problem in 2005.

For further information about this study contact: Mark Wolfe, NEADA, 202-237-5199, mlwolfe@neada.org. A complete copy of the study is on the NEADA website: www.neada.org
