

**States Report Highest Level of Households Receiving Energy Assistance in 13 Years
Additional \$1 Billion Appropriated for LIHEAP Provides Essential Support
State-by-State Survey Results**

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Rising Numbers of Households Receiving Energy Assistance: The need for energy assistance is growing rapidly, the total number of households receiving heating assistance has increased by 12% to almost 5.8 million households, the highest number in 13 years, while the number expected to receive cooling assistance is expected to jump to 594,441, 88.6% higher than last year's level of 279,036 and the highest level in the history of the program. (Table 1, page 1A).

Nine states reported increases of at least 25% in the number of households receiving heating assistance: Louisiana – 46.2%; Arizona – 33.7%; Florida – 33%; Kansas – 32.2%; Arkansas 30%; District of Columbia 27.2%; Nevada – 26.3%; California – 25%; and Oklahoma 25%. Of the 12 states providing cooling assistance, three did not do so in FT 2005 (Arkansas, Georgia and Illinois) and five are projecting increases of more than 20%: Alabama – 21.3%; Delaware – 525%; Florida – 35%; Louisiana – 30%; and Texas – 219.1.

Major Utility Rate Increases: The need for higher appropriations for energy assistance is likely to continue into the next few years. Utilities across the country are requesting and receiving significant rate increases. The following provides a summary of key rate requests and increases by utility:

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 the State of 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)

Est. Households Receiving LIHEAP Heating & Cooling Assistance by State: FY 05 and FY 06 (6/19/06)

	Heating Assistance				Cooling Assistance			
	FY 05	FY 06	Diff. 06-05	% Change	FY 05	FY 06	Diff -06-05	% Change
Alabama	91,950	110,340	18,390	20.0%	32,976	40,000	7,024	21.3%
Alaska	9,055	10,700	1,645	18.2%				
Arizona	18,563	24,824	6,261	33.7%				
Arkansas	57,650	74,948	17,298	30.0%		25,000	25,000	0.0%
California	159,000	198,750	39,750	25.0%				
Colorado	96,127	107,500	11,373	11.8%				
Connecticut	62,400	76,000	13,600	21.8%				
Delaware	12,950	15,430	2,480	19.2%	1,920	12,000	10,080	525.0%
District of Columbia	22,405	28,500	6,095	27.2%				
Florida	34,345	45,692	11,347	33.0%	45,379	61,242	15,863	35.0%
Georgia	87,000	102,100	15,100	17.4%		40,000	40,000	0.0%
Hawaii	6,594	6,594	0	0.0%				
Idaho	32,362	33,967	1,605	5.0%				
Illinois	310,000	360,000	50,000	16.1%		55,000	55,000	0.0%
Indiana	132,836	157,987	25,151	18.9%	46,000	50,000	4,000	8.7%
Iowa	85,678	89,638	3,960	4.6%				
Kansas	42,291	55,900	13,609	32.2%				
Kentucky	106,467	107,733	1,266	1.2%				
Louisiana	21,745	31,800	10,055	46.2%	35,749	46,474	10,725	30.0%
Maine	45,000	51,000	6,000	13.3%				
Maryland	83,000	90,000	7,000	8.4%				
Massachusetts	135,068	138,269	3,201	2.4%				
Michigan	441,571	470,670	29,099	6.6%				
Minnesota	117,648	132,000	14,352	12.2%				
Mississippi	61,750	61,750	0	0.0%	29,826	34,300	4,474	15.0%
Missouri	113,162	125,000	11,838	10.5%				
Montana	20,463	22,500	2,037	10.0%				
Nebraska	32,514	39,000	6,486	19.9%				
Nevada	17,557	22,177	4,620	26.3%				
New Hampshire	30,144	33,209	3,065	10.2%				
New Jersey	155,914	165,000	9,086	5.8%				
New Mexico	55,685	67,000	11,315	20.3%				
New York	822,459	904,705	82,246	10.0%				
North Carolina	211,959	243,753	31,794	15.0%				
North Dakota	15,362	15,550	188	1.2%				
Ohio	305,000	345,000	40,000	13.1%	40,000	45,000	5,000	12.5%
Oklahoma	93,144	116,430	23,286	25.0%				
Oregon	58,377	69,000	10,623	18.2%				
Pennsylvania	327,279	354,065	26,786	8.2%				
Rhode Island	26,692	29,361	2,669	10.0%				
South Carolina	21,148	23,000	1,852	8.8%				
South Dakota	18,200	18,167	(33)	-0.2%				
Tennessee	59,600	60,000	400	0.7%				
Texas	39,535	28,513	(11,022)	-27.9%	44,719	142,706	97,987	219.1%
Utah	34,647	40,000	5,353	15.5%				
Vermont	19,327	21,000	1,673	8.7%				
Virginia	101,669	110,377	8,708	8.6%	38,836	42,719	3,883	10.0%
Washington	72,000	86,400	14,400	20.0%				
West Virginia	72,266	79,493	7,227	10.0%				
Wisconsin	137,622	150,000	12,378	9.0%				
Wyoming	9,550	11,653	2,103	22.0%				
Total	5,144,730	5,762,445	617,715	12.0%	315,405	594,441	279,036	88.5%

Note: for FY 06, the additional \$1 billion in federal funding, and in some cases supplemental state funding, allowed the states to increase eligibility and payment ceilings; additional funding will be required to maintain these levels of service and funding in FY07.

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- 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)
- Ten natural gas utilities have requested rate increases between 28% and 68% since January 1, 2006.

Uses of Additional \$1 Billion in Funding LIHEAP: Congress appropriated an additional \$1 billion for LIHEAP on March 23, 2006. These extra funds have been essential in helping states provide support to the additional households receiving energy assistance this year, as well as provide increased funding for all households to offset rising home energy costs. In summary the funds were used as follows:

- Increased regular benefits: AL, AK, AR, CO, FL, HI, IL, MA, MT, OK, SC, TN, TX, UT
- Increased crises benefits: AR, FL, KY, ID, ME, MI, NC, NY, PA, RI, SC, TN, WI, WV
- Provided additional supplemental benefit: AK, ID, IL, IA, MI, MN, NE, NJ, NV, OK, UT, WY
- Increased eligibility ceiling: KY, MA, NH, OH
- Extended program eligibility dates: CA, CT, DC, GA, KS, MA, MD, MN, NJ, NY, OH, OK, PA, RI, WV
- Added funding or expanded cooling assistance: AR, DE, FL, GA, IL, IN, VA
- Expanded or began a summer pre-buy program for delivered fuels: CT, DC, MN, MT, VT
- Provide additional Assurance 16 training and outreach activities AZ, NV
- Increased program set-aside for Weatherization: CO, DC, DE, GA, IA, ID, MD, ME, MI, MN, MT, NC, ND, NE, TX, UT, VA, WY

The following provides a state-by-state summary describing how states used the additional funds:

Alabama

- Increased the income eligibility level from 125 to 150% of the federal poverty level.

Alaska

- Provided a supplemental payment to previously served households of approximately \$275.

Arizona

- Amended the state plan to include an Assurance 16 component. The state currently serves fewer than 10% of the eligible population.

Arkansas

- Implemented a summer cooling program.
- Increased the maximum benefit from \$300 to \$500.

California

- Extended the duration of the FY06 LIHEAP program by an additional 12 months to allow community-based providers the ability to expend funds and to provide services to more eligible low-income households. The program was extended from December 31, 2006 to December 31, 2007.

Colorado

- Increased benefits by 40% from \$320 to \$533.
- Raised the current maximum benefit from \$800 to \$900.
- Increased the weatherization set-aside by \$1 million.

Connecticut

- Increased eligibility levels from 150% of Federal poverty guidelines for all households and 200% for households with a member that was 60 years or older, disabled or under 6 years of age, to 60% of the state median income.
- Additional funds were used to provide a \$300 basic benefit and a \$200 crisis assistance benefit to households now eligible under the increased guidelines.
- Extended the application deadline date from April 15th to May 1st.
- Applied a portion of the funds received to support a pre-buy pilot for heating oil customers.

Delaware

- Expanded summer cooling program by providing a flat rate of \$275 to eligible households for summer electric benefits. All income eligible households (defined as at or below 200% of federal poverty level) are eligible for assistance. In the past, due to limited funds available, only households aged 60+, and/or with medical necessity (such as children in the house with asthma), were eligible for help with summer electric bills. Rationale was to encourage use of air conditioning based on need and not affordability.
- Increased weatherization set aside by \$300,000.
- Performed additional outreach about the summer electric benefit in conjunction with information/education about electric rate hike.

District of Columbia

- Increased all benefit amounts by 30% in the beginning of FY 2006 to meet the increase in home energy. For the remainder of FY 2006 will maintain our current benefit award amounts.
- Extended program duration from March 24th until late May or early June.

Florida

- Raised regular minimum benefit from \$50 to \$100 and the maximum amount from \$150 to \$200.
- Increased the maximum crisis benefits from \$300 to \$400 a season (two crisis benefits are available).
- Increased weatherization set-aside from 15 to 20%, from \$4 million to \$4.6 million.

Georgia

- Extended regular benefit period through May 31.
- Began a cooling program on June 1.
- Increased weatherization by \$2.2 million.

Hawaii

- Increased regular benefit amount.

Idaho

- Provided additional funding for the supplemental benefit issued which was funded by State general funds.
- Transferred 15% to weatherization.
- Funded a more expansive crisis intervention program to include year-round crises.

Illinois

- Increased regular benefit amounts from \$423 to \$515.
- Provided supplemental payment of an average of \$100.
- Initiated a summer cooling program with an average benefit of \$150.
- Directed local agencies to reach underserved areas through targeted outreach efforts.

Indiana

- Increased number of households receiving heating assistance.
- Increased number of households receiving cooling assistance.

Iowa

- Provided supplemental payments to previously served households of approximately \$155. This represents a 50% increase over the average LIHEAP payment of \$317.

Kansas

- Provided supplemental payments to previously served households of \$355.
- Extended the program application deadline from March 31, 2006 to April 28, 2006.
- Increased the weatherization set-aside by \$1.5 million.

Kentucky

- Raised income eligibility criteria from 110% to 130% of the Federal Poverty Level.
- Raised crisis component maximum benefit amount for gas and electric from \$125 to \$250.
- Raised permissible liquid assets from \$1500 per household or \$4000 for a household with an ill household member requiring liquid resources for medical living expenses to the following three-tiered criteria:
 - \$2,000 per household;
 - \$3,000 per household if household member is 60 or older or disabled; or
 - \$4,000 per household if a household member is ill and requires liquid resources for medical/living expenses.

Louisiana

- Increased the number of new households served.

Maine

- Increased emergency funds and extend the program period.
- Provided benefits for those pre-obligated for 2007, paying benefits in September 2006.
- Increased funding for weatherization to 15% of the total grant.

Maryland

- Distributed bulk fuel benefits early in August to local agencies to allow for better pricing with vendors. (\$10 million)
- Increased weatherization set-aside by \$2.75 million.
- Used approximately \$4 million to continue program through FY06 program year.
- Started MEAP program September 1 instead of November 1.

- Provided \$2 million to start a gas arrearage pilot program to offset past due bills that will encourage the participation of budget billing for the MEAP benefit going forward. Many applicants with gas arrearages apply the lump sum to cover debt and continue a cycle of catch up each year. Maryland believes this pilot program will show that breaking this cycle will help make the gas bills more affordable and keep people on service.

Massachusetts

- Increased benefit levels across-the-board in the amount of \$205 in each category. Previous maximum benefit level is \$849; current maximum benefit level is \$1,049
- Extended program duration by two weeks from April 30 to May 12, 2006.

Michigan

- Increased amount for weatherization.
- Increased funding for crisis assistance to meet increased costs and crises.

Minnesota

- Provided a supplemental grant of \$40 to all current recipients.
- Extended program application deadline from May 31 to July 15.
- Initiated a summer fill program for propane users (\$4 million).
- Increased weatherization by \$5 million.

Mississippi

- Increased outreach efforts.
- Increased the number of households served.

Missouri

- Provided a supplemental grant of \$150 to recipients of regular heating assistance whose head of household is 65 or older by March 31, 2006 and/or disabled.
- Increased Winter ECIP by \$5.3 Million for current season (extended program through June 30).
- Increased Summer ECIP by \$4.5 Million for this summer season.
- Increased benefit levels for 2007 and 2008 regular heating season by 10% for natural gas, propane and electricity.
- Initiated a pilot program for summer pre-purchase of propane.
- Increased funding for weatherization by \$2 million.

Montana

- Raised benefits an average of \$172 from \$459 to \$631.
- Provided supplemental payments of \$172.
- Increased weatherization set aside by \$1.9 million.

Nebraska

- Provided supplemental payment of approximately \$215 per household, with a maximum of \$250 and a minimum of \$150.
- Increased weatherization by \$2.2 million.
- Encouraged local offices to provide maximum flexibility in helping families.

Nevada

- Provided “once-in-a-lifetime” arrearage assistance to households that meet specific criteria including chronic illness resulting in extraordinary electricity consumption or a household crisis resulting in a significant loss of income.
- Expanded Assurance 16 outreach and related activities.

New Hampshire

- Provided a supplemental benefit to households heating with oil, kerosene, propane and natural gas, based on the increase in the price over the previous year for each fuel type.
- Increased income guidelines from 185% FPG to 60% SMI serving 3,093 households in that income category.

New Jersey

- Provided supplemental payments to previously served households of \$100 for gas and electric, \$450 for deliverable fuels.
- Extended program application period from March 31 to May 31.
- Increased crisis benefits for deliverable fuels to \$800.
- Increased weatherization set-aside by \$2 million.

New Mexico

- Approved applications are up 32% ahead of last year at this time. Note: without additional federal funding, combined with a supplemental state appropriation of \$23 million, the program would have had to close prior to the planned closing date of August 31. The average benefit in New Mexico for FY 2006 is \$430, of which \$133 will be from federal funds.

New York

- Provided a second crisis payment at an average \$400 per household.
- Extended the program application period from 4/15/06 to 5/15/06.

North Carolina

- Provided a second energy assistance check for the year in July in the same amount as the winter assistance benefit authorized in February. Average check amount is \$57.
- Provided additional funds for summer crisis assistance.
- Increased weatherization activities which may eliminate the backlog of individuals and families identified for this service.

North Dakota

- Increased weatherization set-aside (amount to be determined).

Ohio

- Extended eligibility for emergency assistance by 30 days from March 31 to April 30.
- Expanded summer cooling program by increasing income eligibility from 150% to 175% of the federal poverty guidelines. The program serves the elderly and persons with medical conditions requiring cooling assistance. In past years, only breathing-related disabilities qualified. This year, any documented medical condition will qualify.
- Partnered with Second Harvest of Ohio to increase program outreach. Second Harvest is a statewide network of food banks. A LIHEAP application was placed in every box or bag of goods distributed.

Oklahoma

- Provided supplemental payments for natural gas \$80, propane \$87, electricity and \$34 for all others.
- Extended winter heating season (from December 16, 2005) until all funds are encumbered.
- Increased maximum benefit from \$150 to \$500 for all households.

Pennsylvania

- Extended the program from March 23 to April 28, 2006.
- Updated website and brochures and increase outreach efforts.

Rhode Island

- Extended application period from end of February to end of May.
- Extended crisis assistance through the summer months.
- Expanded crisis assistance to a maximum of \$1,000 instead of a one-time assistance.
- Increased weatherization assistance.

South Carolina

- Raised heating assistance maximum benefit from \$300 to \$500.
- Raised crisis assistance maximum benefit from \$500 to \$1,000.
- Increased outreach advertising.
- Introduced agencies to “Heat Smart” campaign for quality blankets and throws for households receiving energy assistance, which can be paid for out of the energy assistance money for the household.
- Allowed agencies to use the net income at 150% vs. gross income in order to assist more households.
- Allowed agencies to repair/replace HVAC systems if needed to improve overall energy efficiency.
- Lifted the rules to permit more families to qualify for air conditioners (window units) to sustain during the extremely hot summer months.

South Dakota

- Increased number of households served.

Tennessee

- Increased number of households served.
- Increased benefits.

Texas

- Increased household utility assistance benefit limit from \$1,000 to \$1,200 per year.
- Increased household weatherization benefit from DOE ceiling to \$4,000 per year.
- Allowed LIHEAP regulations rather than DOE for weatherization assistance.

Note: Texas heating assistance for FY 06 followed an extremely trying cooling season, which drained agency resources. This contrasted with the increasing energy cost of the previous winter. In a climate of budgetary uncertainty and mild winter weather, Texas agencies and their clients struggled to restrain spending in anticipation of the brutal summer cooling season ahead. For this reason, the actual number of FY06 heating assistance households reached only 28,513 – far short of the previously projected 64,388 households.

Ordinarily, Texas only reaches about 7% of the income-eligible households with energy assistance in any given year. The supplemental award of \$38.3 million FY 06 anything but an ordinary year. Based on our traditional average household assistance amount, Texas anticipates that the supplemental award will

increase the number of households assisted by 81,647 to a total of 142,706 households under utility assistance. This does not count estimated weatherization assistance.

Utah

- Increased regular grant from an average of \$295 with a ceiling of \$500 to an average of \$420 with a ceiling of \$625.
- Provided a supplemental payment of \$125.
- Initiated a pilot program providing year-round sign-up.
- Provided crisis assistance for emergency cooling and other emergency energy needs through 9/30/06.
- Increased weatherization set aside by \$1.2 million.

Vermont

- Funds were used to offset increased state support for LIHEAP, allowing the program to maintain funding levels throughout the winter heating season.

Virginia

- Expanded cooling program.
- Provided 15% of the additional block grant funds for weatherization assistance.

West Virginia

- Increased crisis benefits from \$500 to \$750.

Wisconsin

- Increased crisis funding from \$8.6 million to \$16.8 million.

Wyoming

- Increased the set-aside for weatherization to 25% of the grant.
- Provided supplemental benefits for FY 2007.