

State Low Income Energy Officials Project Record High Prices for Heating Oil, Propane and Electricity this Winter Continued High Prices for Natural Gas

Contact: Mark Wolfe/ Phone: 202-237-5199, Cell: 202-320-9046

Date: September 25

The state low income energy directors today released their winter home heating price projections. As shown in the table below, prices are projected to increase by 10.5% for all families and reach record levels for home heating oil, propane and electricity this winter. Prices for home heating oil, in particular, are projected to be almost 28% higher than last year's level. The average family is projected to pay about \$402 more for home heating oil than last year for a total of \$1,834.

According to Mark Wolfe, Executive Director of the National Energy Assistance Directors' Association, "these record prices will place a significant burden on low and moderate income families this winter. We are facing that are at record levels and are calling on the Administration to immediately exercise his emergency authority under the Low Income Home Energy Assistance Act to help poor families pay for their first tank of fuel as well as cover outstanding arrearages from high cooling costs this summer."

Home Heating Costs - U.S. Average

	Average 00-05	2005-06	2006-07	2007-08	\$ Change (07-08)- (06-07)	% Change
Heating Oil						
Retail Price	\$1.48	\$2.45	\$2.42	\$3.10	\$0.68	28.0%
Consumption (gallons)	632	585	592	592	0	0.0%
Expenditures	\$935	\$1,431	\$1,433	\$1,834	\$401.14	28.0%
Natural Gas						
Retail Price (\$/mcf)	\$9.28	\$14.66	\$12.42	\$13.17	\$0.75	6.0%
Consumption (mcf)	69	65	67	67	0	0.0%
Expenditures (\$)	\$641	\$946	\$831	\$881	\$49.85	6.0%
Propane						
Retail Price	\$1.40	\$1.95	\$1.98	\$2.54	\$0.56	28.3%
Consumption (gallons)	692	657	682	682	0	0.0%
Expenditures	\$967	\$1,281	\$1,348	\$1,732	\$382	28.3%
Electricity						
Price (\$/kwh)	\$0.083	\$0.096	\$0.100	\$0.107	\$0.007	7.0%
Consumption (kwh)	8,371	8,103	8,255	8,255	0	0.0%
Expenditures	\$698	\$782	\$826	\$883	\$58	7.0%
All Households						
Average Expenditures	\$697	\$948	\$898	\$992	\$94	10.5%

Price projections based on current market price and trends; prior prices are based on published reports in Short-Term Energy Outlook published by the Energy Information Administration.

Low income households pay a higher share of their income for home energy than other families. In FY 2005, the mean energy burden for low income households was 14.6 percent as compared to only 3.2 percent for non-low-income households. For LIHEAP households, the burden was even greater - 20.2 percent. These families have to choose between paying their bill and other vital necessities. The release of the remaining contingency funds will help these families avoid having to make these tough choices as the winter heating season approaches. End