

For Immediate Release
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Sequester Cuts 300,000 Poor Families from Energy Assistance Grim Outlook for the Winter Heating Season: Higher Prices, Declining Purchasing Power

The National Energy Assistance Directors' Association (NEADA) representing the state directors of the Low Income Home Energy Assistance Program (LIHEAP) reported that the FY 2013 sequester prevented about 300,000 families from receiving heating or cooling assistance, according to a survey released today. The sequester reduced total funding during this period by about \$155 million from \$3.47 billion to \$3.32 billion.

According to Larry Dawson, chair of NEADA, "the impact of these cuts were especially severe, in light of the close to \$1.8 billion that has been cut from the program since FY 2010, reducing total funding from \$5.1 billion to \$3.32 billion. States are not able to make up the cuts in the program's purchasing power let alone the additional cuts that come with a second sequester"

Key Facts from the NEADA Survey:

- As a direct result of the sequester, the total number of households receiving home heating assistance declined by 194,000 from 6.9 million in FY 2012 to about 6.7 million in FY 2013 and those receiving cooling assistance declined by about 104,000 from 1.1 million to about 996,000.
- The sequester cuts were on top of severe cuts in the program that have been enacted since FY 2010. From FY 2010 to FY 2102, total funding was reduced from \$5.1 billion to \$3.47 billion, and then further reduced by the sequester to \$3.3 billion in FY 2013. The impact has been significant. Total number of households receiving assistance has declined by 17% from about 8.1 million in FY 2010 to 6.7 million in FY 2013.
- Cuts enacted since FY 2010 have reduced the program's purchasing power from 52.5% of the cost of home heating for the average household to 44% during last year's winter heating season.
- The outlook for the coming winter is especially grim since the Energy Information Administration has projected that the average cost of home heating will increase from \$922 last winter heating season to \$977 this winter. For those using natural gas, home heating costs are expected to increase by 13% and the overall average increase among all fuel types is projected to be about 6%. As such, the purchasing power of the program will be further reduced from 44% to 41.5% in FY 2014.
- These cuts do not include the second sequester, which could lead to more harmful effects unless Congress takes action to reverse it.

Table 1 provides national summary data on the purchasing power of LIHEAP between FY 2010 and projected for FY 2014 as well as households served and appropriations data.

Table 2 provides state-by-state heating and cooling data for households receiving energy assistance in FY 2013 and FY 2012.

TABLE 1 : LIHEAP Winter Heating Program Purchasing Power (11/14/2013)**Est. Average % of Home Heating Purchased with LIHEAP (FY 10- FY 14)**

Fiscal Year	Heating Oil	Natural Gas	Electricity	All Fuels
2010	22.6%	71.8%	54.9%	52.5%
2011	20.9%	66.4%	50.8%	48.6%
2012	19.8%	67.9%	45.7%	46.9%
2013	16.6%	61.7%	43.2%	44.0%
2014	16.9%	54.6%	42.3%	41.5%

Est. Home Heating Costs (2010-11 to 2013-14)

Winter Heating Season	Heating Oil	Natural Gas	Electricity	All Fuels
2010-11	\$2,298	\$724	\$946	\$990
2011-12	\$2,087	\$608	\$902	\$880
2012-13	\$2,442	\$657	\$939	\$922
2013-14	\$2,393	\$742	\$958	\$977
% Change: 2012/13-2013/14	-2.0%	13.0%	2.0%	6.0%

Est. Households Served & Average Grant (FY 10- FY 14)

Fiscal Year	Appropriation (in 1,000's)	Households (in 1000's)	Average Grant
2010	\$5,100,000	8,047	\$520
2011	\$4,700,000	8,013	\$481
2012	\$3,471,672	6,900	\$413
2013	\$3,317,000	6,706	\$406
FY 14 (Adm. Budget)	\$2,919,000	5,901	\$406
FY 14 Straight CR	\$3,317,000	6,706	\$406
FY 14 Sequester	\$3,184,320	6,438	\$406

Source: Prices based on Short Term Energy Outlook, EIA & State LIHEAP Surveys

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Table 2: Households Receiving LIHEAP Heating and Cooling Assistance FY 13 and FY 12 (11/14/13)									
State	HEATING				COOLING				
	# Served		Difference		# Served		Difference		
	FY 13	FY 12	FY 13 - FY 12	%	FY 13	FY 12	FY 13 - FY 12	%	
Alabama	60,594	76,655	(16,061)	-20.95%	63,464	78,500	(15,036)	-19.2%	
Alaska	19,000	18,187	813	4.47%					
Arizona	16,000	17,244	(1,244)	-7.21%	25,000	32,068	(7,068)	-22.0%	
Arkansas	67,523	52,233	15,290	29.27%	35,000	38,000	(3,000)	-7.9%	
California	194,189	252,643	(58,454)	-23.14%					
Colorado	96,009	100,795	(4,786)	-4.75%					
Connecticut	100,709	100,416	293	0.29%					
Delaware	17,737	18,661	(924)	-4.95%	18,000	6,474	11,526	178.0%	
District of Columbia	21,189	20,131	1,058	5.26%	330	984	(654)	-66.5%	
Florida	44,592	57,645	(13,053)	-22.64%	52,033	65,860	(13,827)	-21.0%	
Georgia	156,649	158,955	(2,306)	-1.45%					
Hawaii	9,859	10,001	(142)	-1.42%					
Idaho	45,000	48,990	(3,990)	-8.14%	1,000	1,196	(196)	-16.4%	
Illinois	322,756	350,000	(27,244)	-7.78%	58,172	74,323	(16,151)	-21.7%	
Indiana	133,595	134,930	(1,335)	-0.99%	132,762	137,794	(5,032)	-3.7%	
Iowa	85,777	88,492	(2,715)	-3.07%					
Kansas	47,117	53,683	(6,566)	-12.23%					
Kentucky	130,481	148,630	(18,149)	-12.21%					
Louisiana	27,654	27,433	221	0.81%	40,766	52,186	(11,420)	-21.9%	
Maine	44,556	54,384	(9,828)	-18.07%					
Maryland	113,787	123,868	(10,081)	-8.14%					
Massachusetts	190,432	200,174	(9,742)	-4.87%					
Michigan	623,549	616,435	7,114	1.15%					
Minnesota	147,636	163,254	(15,618)	-9.57%					
Mississippi	30,065	33,406	(3,341)	-10.00%	28,918	32,120	(3,202)	-10.0%	
Missouri	145,617	147,003	(1,386)	-0.94%	20,719	31,242	(10,523)	-33.7%	
Montana	20,697	22,683	(1,986)	-8.76%					
Nebraska	37,605	38,284	(679)	-1.77%	7,406	5,262	2,144	40.7%	
Nevada	26,088	22,981	3,107	13.52%					
New Hampshire	36,805	38,021	(1,216)	-3.20%					
New Jersey	276,841	300,087	(23,246)	-7.75%		51,218	(51,218)	-100.0%	
New Mexico	68,462	64,995	3,467	5.33%					
New York	1,457,448	1,447,774	9,674	0.67%	2,564	2,052	512	25.0%	
North Carolina	88,260	68,445	19,815	28.95%	35,242	66,200	(30,958)	-46.8%	
North Dakota	13,800	14,000	(200)	-1.43%					
Ohio	454,520	459,286	(4,766)	-1.04%	84,363	40,627	43,736	107.7%	
Oklahoma	92,531	51,308	41,223	80.34%	95,875	84,506	11,369	13.5%	
Oregon	69,301	82,000	(12,699)	-15.49%					
Pennsylvania	391,461	384,334	7,127	1.85%					
Rhode Island	27,731	31,886	(4,155)	-13.03%					
South Carolina	33,086	44,016	(10,930)	-24.83%	16,033	28,000	(11,967)	-42.7%	
South Dakota	24,943	25,216	(273)	-1.08%					
Tennessee	72,776	72,258	518	0.72%	42,592	44,624	(2,032)	-4.6%	
Texas	26,870	25,398	1,472	5.80%	165,835	146,545	19,290	13.2%	
Utah	42,871	44,284	(1,413)	-3.19%					
Vermont	27,457	27,363	94	0.34%					
Virginia	137,324	147,155	(9,831)	-6.68%	69,949	79,804	(9,855)	-12.3%	
Washington	71,592	84,090	(12,498)	-14.86%					
West Virginia	90,627	103,000	(12,373)	-12.01%					
Wisconsin	214,531	214,966	(435)	-0.20%					
Wyoming	10,153	11,436	(1,283)	-11.22%					
TOTAL	6,705,852	6,899,514	(193,662)	-2.8%	996,023	1,099,585	(103,562)	-9.4%	

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