

Press Release

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**Winter Heating Prices Projected to Reach Highest Levels in Three Years
Cost of Home Heating Up by 10 Percent/Families Face Tough Choices this Winter**

The National Energy Assistance Directors Association (NEADA), representing the state low income energy directors called on Congress today to increase funding for the Low Income Home Energy Assistance Program (LIHEAP) to address the rapid increase in cost of home heating this winter. NEADA projects that national average cost of home heating will increase from \$783 to \$861. This is the highest price since 2014-15 when prices bottomed out at \$725 for the cost of home heating (see attached table).

By fuel type, increases are as follows, propane from \$1,423 to \$1,676, heating oil from \$1,248 to \$1,506, natural gas from \$575 to \$634 and electricity \$906 to \$965 (source Energy Information Administration, national averages estimated by NEADA).

The current program appropriation for LIHEAP provides no automatic additional funding when prices increase reducing the program's purchasing power. Price increases this winter will effectively reduce the program's purchasing power by \$330 million. As a result, the program will only be able to cover 52% of the cost of home heating down from 57.2% in 2016-17 and 61% in 2015-16.

The decline in purchasing power this winter come on top of 35% (\$1.8 billion) cut in the program's appropriation since FY 2010 declining from \$5.1 billion to \$3.3 billion.

According to Mark Wolfe, NEADA's Executive Director, the impact of the rising prices combined with cold weather conditions, will force millions of poor families to choose between heating their homes and buying food, medicine and other essentials this winter. LIHEAP can and will help – however, the relentless cuts to the program will limit the ability of states to help families as the winter heating season progresses.

LIHEAP is the primary source of heating and cooling assistance for some of the poorest families in the United States. In FY 2017, about 6.1 million families received heating and cooling assistance or about 19 percent of eligible households, with an average annual grant size of about \$458. In addition, 70 percent of recipient households have at least one vulnerable and at-risk member who is elderly or disabled, or have a child under the age of six.

The average energy burden for low-income households was 10 percent of income, almost four times more than the rate for non-low income households (2.4 percent). Of even greater concern about one-third of lower income households have energy burdens greater than 15 percent of income and one in six have an energy burden greater than 25 percent of income.

End

LIHEAP: Winter Heating Program Purchasing Power FY 2010 - FY 2017 (12/13/2017)
Est. Home Heating Costs (2009-10 to 2017-18)

Winter Heating Season	Natural Gas	Electricity	Heating Oil	Propane	All Fuels
2009-10	\$698	\$873	\$1,552	\$1,642	\$863
2010-11	\$680	\$885	\$1,966	\$1,845	\$893
2011-12	\$571	\$843	\$1,757	\$1,587	\$795
2012-13	\$607	\$895	\$2,113	\$1,536	\$849
2013-14	\$677	\$956	\$2,353	\$2,378	\$965
2014-15	\$641	\$960	\$1,852	\$1,756	\$885
2015-16	\$519	\$896	\$993	\$1,181	\$725
2016-17	\$575	\$906	\$1,248	\$1,423	\$783
2017-18	\$634	\$965	\$1,506	\$1,676	\$861
% Change 2016-17 to 2017-18	10.3%	6.5%	20.7%	17.8%	9.9%

Est. Average % of Home Heating Purchased with LIHEAP (FY 10- FY 18)

Fiscal Year	Natural Gas	Electricity	Heating Oil	Propane	All Fuels
2010	81.4%	65.1%	36.6%	34.6%	65.9%
2011	82.3%	63.3%	28.5%	30.3%	62.7%
2012	82.9%	56.1%	26.9%	29.8%	59.5%
2013	74.4%	50.5%	21.4%	29.4%	53.2%
2014	66.9%	47.4%	19.2%	19.0%	46.9%
2015	69.9%	46.7%	24.2%	25.5%	50.6%
2016	86.4%	50.0%	45.2%	38.0%	61.8%
2017	78.0%	49.5%	35.9%	32.2%	57.2%
2018	70.7%	46.5%	29.8%	27.3%	52.1%

Est. Households Served & Average Grant (FY 10- FY 18)

Fiscal Year	Appropriation (in thousands)	Households (in thousands)	Average Grant
2010	\$5,100,000	7,361	\$568
2011	\$4,700,000	6,884	\$560
2012	\$3,471,672	6,016	\$473
2013	\$3,255,436	5,910	\$452
2014	\$3,424,436	6,200	\$453
2015	\$3,390,000	6,200	\$448
2016	\$3,390,000	6,071	\$458
2017	\$3,390,000	6,071	\$458
2018 (House/Senate)	\$3,390,000	6,071	\$458

Note: Households #'s for FY 2017 are based on FY 2016 reports and state surveys

Source: Prices based on December 2017 Short Term Energy Outlook, Energy Information Adm & State LIHEAP Surveys

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