

For Immediate Release

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RAPIDLY RISING GASOLINE AND HOME HEATING PRICES EXPECTED TO EXCEED THE ANNUAL COST OF CHRISTMAS GIFTS THIS WINTER

Washington, D.C., November 22, 2021. During the four-month winter heating season, the combined increase in the price of gasoline and home heating fuels will cost the average family with natural gas an extra \$585, electricity \$489, heating oil \$937, and propane \$1,045. For many families the total increase in gasoline and home heating will exceed the total average amount of \$648 that they pay for gifts for family, friends and co-workers this coming Christmas.

Gasoline prices have now reached their highest level since 2014 – Up by \$1.29 a Gallon In the last 12 months, prices have increased from by 62%, up by \$1.29 a gallon from \$2.11 a gallon to the current price of \$3.40 a gallon. On a monthly basis, the average family will spend about \$103 more a month for gasoline up from \$136 month to \$239 a month going forward.

Rising Home Heating Prices

As if this isn't bad enough, families are facing higher prices for home energy this winter. For those using natural gas, prices are expected to increase by \$173 from \$573 to \$746, electricity by \$76 from \$1,192 to \$1,268, heating oil by \$524 from \$1,210 to \$1,734 and propane by \$631 from \$1,158 to \$1,789.

Price Increases Hit Low Income Families Hardest

For low-income families, the price increase is significant and could cause many to have to choose between heating their home this winter and paying for food, medicine and other essentials. About 29% of Americans who were surveyed had to reduce or forego expenses for basic household necessities to pay an energy bill in the last year, according to the U.S. Census Bureau's Household <u>Pulse Survey</u>. And that was before natural gas prices started to rise.

Last month, the National Energy Assistance Directors Association (NEADA) called on Congress to <u>provide additional funding for the Low Income Home Energy Assistance Program</u> to address the rising cost of winter fuels and avoid an increase in arrearages.

According to Mark Wolfe, Executive Director of NEADA, the high cost of gasoline and now home heating fuels will place a heavy burden on lower income families this coming winter heating season and many will have to choose between paying for food, medicine and other essentials in order to keep their homes warm and buy gasoline to pick up their children from school, drive to work and buy groceries.

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The National Energy Assistance Directors' Association (NEADA) is the primary educational and policy organization for the state directors of the Low-Income Home Energy Assistance Program (LIHEAP). LIHEAP is a federal program providing formula grants to states to help low-income families pay their heating and cooling bills.