



NATIONAL ENERGY ASSISTANCE DIRECTORS' ASSOCIATION

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End of Winter Energy Update: Utility Arrearages Continue to Increase to Record Levels Applications for LIHEAP Reach Highest Level in since 2009

The National Energy Assistance Directors' Association (NEADA) today released its end of winter energy update. The update provides a summary of utility residential arrears, winter home energy prices and the status of applications for the Low Income Home Energy Assistance Program (LIHEAP).

Utility Arrears: Energy is increasing on average faster than the rate of inflation and is becoming increasingly unaffordable for millions of low income families. For the second year in a row, the cost of winter heating has risen faster than the overall rate of inflation and is now at the highest level in more than 10 years. The level of utility consumer debt – the amount consumers owe their utilities – as increased from \$15.9 billion at the end of January 2022 to \$17.8 billion by the end of January 2023. While long term utility arrearage data is not available, we believe that these numbers represent the highest level of arrearages on record.

About 20.5 million households (one out of six in the nation) were behind on their electric bills at the end of January 2023, up from 19.0 million the prior year and about 13 million were behind on their natural gas bills up from 12.5 million during the same period. Families owed an average of \$617 on their electric bills up from \$594 and on their natural gas bills \$397 up from \$366 during the same period.

Applications for LIHEAP: The energy update indicates the highest increase in applications for LIHEAP since 2009 and the highest total rate of applications since 2011, as families struggle with paying some of their biggest home energy bills in more than a decade.

The number of households receiving energy assistance during the current winter season is up by an estimated 1.3 million, from 4.9 million to 6.2 million, the largest one-year increase since 2009. And these numbers don't even account for possible increases in applications this summer to help families pay for air-conditioning as they deal with rising temperatures due to climate change.

Winter Utility Disconnection Protections: Winter utility disconnection moratoriums are now expiring putting millions of families at risk of shut-off if they are not able to pay their utility bills. A recent report by the Center for Biological Diversity, [Powerless in the US](#), for example, estimated that about 4.2 million households were shut-off from power in 2022.

Underlying Reasons for the Increase in Arrearages: Families are falling behind on their home energy bills because of continued high home heating prices, rising prices for essential goods and services that are increasing faster than the rate of inflation and the end of federal income-based stimulus payments. The combination of rising prices and cutbacks in income supports is creating a perfect storm of misery for low income families that is making it increasingly difficult to pay their home energy bills.

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