

Resolution Regarding the Low Income Home Energy Assistance Program (LIHEAP)

WHEREAS, The National Association of Regulatory Utility Commissioners (NARUC) has consistently supported a Resolution calling for all commissions to continue to actively support the Low Income Home Energy Assistance Program (LIHEAP) as well as adequate funding for it; and

WHEREAS, LIHEAP is a vital lifeline to low income families, including working poor households, senior citizens, and persons with disabilities in meeting their energy needs; and

WHEREAS, LIHEAP dollars are being used in greater amounts to provide assistance to cool as well as heat; and

WHEREAS, Low income families, the elderly and many working poor Americans face a continuing energy crisis with energy burdens that exceeded 15% of their household income; and

WHEREAS, Large increases in natural gas costs and electricity generation prices have occurred and will continue to occur in the future as a cyclical economic pattern, as well as more volatile cases where demand is unusually high and supply is unable to meet that demand; and

WHEREAS, These spikes and jumps in price pose great risks to the ability of low income families, the elderly and many working poor Americans to afford essential electricity or gas services; and

WHEREAS, Each year Congress considers and debates

appropriations for LIHEAP; and

WHEREAS, In some years, by the time Congress appropriates funding to LIHEAP, many areas of the country will have already experienced dangerously cold weather; and

WHEREAS, The funding of the federal LIHEAP program significantly eases the home energy affordability crisis faced by millions of Americans; and

WHEREAS, LIHEAP is a targeted block grant program, which provides built-in flexibility in Federal-State partnerships, and is the foundation for many programs authorized by State public utility commissions, and administered by gas and electric companies and community service organizations, which assist low-income customers:

- To meet their bill payment obligations through direct assistance, arrearage forgiveness, and reduction of bills to more affordable levels,
- To prevent service terminations in winter as well as during heat emergencies,
- To make the transition from public assistance to economic self-reliance,
- To help working poor households remain economically self-sufficient,
- To weatherize their homes, repair defective heating equipment, and reduce energy usage, and

WHEREAS, When LIHEAP funding is not determined by Congress until close to, or even after, the winter heating season has begun, and when State and local LIHEAP administrators are unable to plan in advance for the

basic level of LIHEAP funds needed in the upcoming year, State and local LIHEAP administrators face difficulties in ensuring that assistance is provided, when needed, and in sufficient amounts to prevent hardship to many households; and

WHEREAS, Insufficient funding for LIHEAP will undermine and threaten the continuation of a number of State initiatives that have relied on the LIHEAP program to be the foundation for providing a modest amount of energy security for low-income Americans, *now therefore be it*

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC), assembled at its 2001 Winter Committee Meetings in Washington D.C., supports continued funding and advanced funding for LIHEAP, *and be it further*

RESOLVED, That NARUC urges the Congress to insure the LIHEAP appropriation not only keeps pace with inflation but is also funded at a sufficient level to meet energy cost burdens projected for the fiscal year of the appropriation and, in the case of advanced funding for the fiscal year, of the advanced appropriation, *and be it further*

RESOLVED, That NARUC also recommends Congress continue to appropriate adequate emergency contingency funding each fiscal year to provide an insurance policy for years where "core" funding was not

sufficient due to extreme price increases and/or weather.

Sponsored by the Committee on Consumer Affairs

Adopted by the NARUC Board of Directors, February 28,
2001.