

Resolution on LIHEAP Funding

WHEREAS, The National Association of Regulatory Utility Commissioners (NARUC) recognizes adequate utility service to be a vital key to the health and safety of American households; *and*

WHEREAS, The need for energy assistance is growing rapidly, at the same time that severe constraints on State budgets and the increased strain on the nation's support system provided by nonprofit, faith-based, and other community organizations have limited the resources available for energy assistance; *and*

WHEREAS, Low-Income Home Energy Assistance Program (LIHEAP) provides vital heating and cooling assistance to low-income families, including households with working poor, senior citizens, very young children, and persons with disabilities; *and*

WHEREAS, A NARUC national survey found that following the 2007/2008 winter heating season, 30 million residential customers owing almost \$9 billion and during 2007, 8.7 million residential customers had their electric or natural gas service disconnected for non-payment of bills, (3.6 million of which remained disconnected); *and*

WHEREAS, NARUC has documented electric and gas companies being forced to write off increasing levels of revenue due to consumers being unable to pay bills; *and*

WHEREAS, In Fiscal Year 2009, when Congress provided States with the flexibility to expand eligibility to up to 75 percent of State median income, only an estimated 17 percent of 42.9 million potentially eligible low-income households are expected to receive federal aid through LIHEAP because of the persistent gap between available funds and the number of households that qualify for assistance; *and*

WHEREAS, The U.S. Energy Information Administration projects the average cost of home heating to remain at the unaffordable level of \$960 this winter, and the average cost of heating oil is expected to continue at the unaffordable level of \$1,530 (with the exception of last winter, these costs have been steadily rising since 2002); *and*

WHEREAS, In Fiscal Year 2009, LIHEAP received a record level of funding at \$5.1 billion, of which \$4.5 billion was through the regular block grant program; *and*

WHEREAS, The aggregate \$5.1 billion funding level in Fiscal Year 2009 will allow assistance to go to an estimated 7.3 million households, an increase of 1.5 million households compared to the previous year, as well as increase the average grant from \$355 to \$543; *and*

WHEREAS, State public utility commissions are the first line of communication for customers who are experiencing problems paying their energy bills, and where the positive impact of the LIHEAP program is in evidence on a daily basis; *and*

WHEREAS, Insufficient funding for LIHEAP will have a devastating effect on seniors, the disabled and low-income families with small children, making the paying of energy bills burdensome and virtually impossible; *and*

WHEREAS, LIHEAP is a targeted block grant program that provides built-in flexibility in federal-State partnerships and is the foundation for many programs authorized by State public utility commissions to 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 disconnections 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, and to weatherize their homes, repair defective heating equipment, and reduce energy usage; *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), convened at its 2009 Winter Committee Meetings in Washington, D.C., urges Congress to appropriate LIHEAP funding for Fiscal Year 2010 of no less than its fully authorized \$5.1 billion dollars, and to appropriate advance funding for LIHEAP for Fiscal Year 2011 at no less than these fully authorized levels.

*Sponsored by the Committees on Consumer Affairs, Electricity, and Gas
Adopted by the NARUC Board of Directors February 18, 2009*