



American Gas Association

Energy Analysis

POLICY ANALYSIS GROUP
400 N. Capitol St., NW
Washington, DC 20001
www.aga.org

EA 2008-4

December 17, 2008

LIHEAP AND ENERGY EFFICIENCY PROGRAMS ARE ESSENTIAL TO HELP AT-RISK, LOW-INCOME CONSUMERS COPE WITH INCREASING ENERGY COSTS

Introduction

Heating bills for the upcoming winter are expected to be near the record levels reached last year. In response, the federal government doubled the amount of federal aid available through the Low Income Home Energy Assistance Program (LIHEAP) -- \$5.1 billion has been appropriated for Fiscal Year (FY) 2009, compared to \$2.6 billion in FY2008. Critically needed, this assistance provides life-saving, short-term aide to disadvantaged households that without the benefit of LIHEAP funding might have to face the devastating scenario of choosing to stay warm or put food on the table this winter.

Energy efficiency programs offer a longer-term solution for income-eligible consumers seeking to mitigate high energy costs. Since 2000, more than half a billion dollars is spent annually by energy utilities and governments to improve the energy efficiency of low-income homes. Taking simple steps like caulking, increasing insulation, replacing weather stripping, installing energy efficient windows and doors, and purchasing high efficiency appliances can provide years of energy and dollars savings.

Executive Summary

Even with recent winters that have been warmer than normal, impoverished households are experiencing substantially increased difficulty in paying their energy bills:

- The number of households that are eligible for LIHEAP funds has increased 22 percent since 2001.¹

¹ LIHEAP Home Energy Notebook FY2006, US Dept. of Health & Human Services, Aug.2008; LIHEAP: Providing Heating and Cooling Assistance to Low-Income Families, National Energy Assistance Directors' Association, November 26, 2007.

- This winter's gas heating bills are expected to be slightly more than last year's, but colder than normal weather could push these increases higher.²
- The portion of the LIHEAP recipients' annual income needed to pay home energy bills jumped from 15 percent in 1998 to 22 percent in 2007.³
- The number of households in arrears on their utility bills increased 9.5 percent in early 2008.⁴ Electric utilities experienced an increase of 7.1 percent in uncollectable expenses between 2006 and 2007, while gas customer uncollectable expenses increased 9.5 percent.⁵ This confirms that customers were facing increased difficulty in paying their home energy bills even before the dramatic increases in energy costs took hold in 2008. Deteriorating economic conditions will likely exacerbate this problem.

Programs that help low-income households pay their energy bills are more critical than ever. In response to dramatically rising energy prices, LIHEAP funding for FY2009 was doubled to \$5.1 billion. In addition to LIHEAP, state and local governments provide assistance through taxpayer-funded initiatives. Fuel funds and other charitable groups provide direct assistance, funded by donations, to those in need. Energy utilities' ratepayers and shareholders provide the funds for rate assistance and energy efficiency programs. In 2007, these supplemental sources provided \$3 billion of low-income energy assistance, including \$2.2 billion for rate assistance and \$0.4 billion for energy efficiency programs.⁶

Despite these impressive efforts, more is needed. While 5.8 million households benefited from federal energy assistance programs in FY2007, 84 percent of those eligible did not receive LIHEAP heating assistance. The doubling of LIHEAP appropriations for FY2009 will increase the number of households assisted, but even that level of funding is still insufficient to meet the underlying and enduring need.

Energy efficiency programs for low-income households provide a longer-term approach to making energy bills more manageable. For example, the Department of Energy (DOE) estimates that its low-income Weatherization Assistance Program can reduce heating bills by 32 percent annually, or \$358 per household.⁷ Those savings continue on into subsequent years. A significant portion of natural gas utility energy efficiency efforts is directed toward low-income residences – 84 percent of AGA member company survey respondents with energy efficiency programs directly targeted low-income homes, and 40 percent of the gas utilities' energy efficiency budget for the residential sector was dedicated toward disadvantaged customers.⁸

² Short-Term Energy Outlook, Energy Information Administration, U.S. Department of Energy, <http://www.eia.doe.gov/emeu/steo/pub/contents.html> November 12, 2008

³ LIHEAP Home Energy Notebook, various years, US Dept. of Health & Human Services

⁴ Consumers Continue to Fall Behind on Utility Bills, National Energy Assistance Directors' Association press release, May 8, 2008.

⁵ Based on information from SNL Interactive database, SNL Financial LC (www.snl.com).

⁶ The LIHEAP Clearinghouse, <http://www.liheap.ncat.org/Supplements/2007/supplement07.htm>

⁷ US Department of Energy, Energy Efficiency and Renewable Energy, Weatherization Assistance Program, <http://apps1.eere.energy.gov/weatherization/>

⁸ American Gas Association, LDC Natural Gas Energy Efficiency Programs Report 2007, January 2008

LIHEAP Overview

Program Description

LIHEAP was created under the Omnibus Budget Reconciliation Act of 1981 (OBRA) to help low- and fixed-income households pay their fuel and utility bills, and amended in 1984 to address both heating and cooling needs nationwide.

LIHEAP is one of the original seven block grants authorized by OBRA, and it has been modified through a series of reauthorizations and amendments since 1981. The LIHEAP program has evolved from providing only financial assistance to low-income households to today's efforts that can include residential weatherization and home-energy repair. In addition, a small portion of LIHEAP funds are used as leveraging incentives – grantees that can supplement LIHEAP with non-federal assistance resources are eligible for these incentive rewards. Finally, some funds are targeted for the Residential Energy Assistance Challenge (REACH) program. REACH is a competitive grant component of LIHEAP, which funds a small number of states and tribes each year for projects that: "minimize the health and safety risks that result from high energy burdens on low income Americans, prevent homelessness as a result of inability to pay energy bills, increase the efficiency of energy usage by low income families, and target energy assistance to individuals who are most in need."⁹

LIHEAP funding is allocated by the Department of Health and Human Services (HHS) and administered by the states in collaboration with community action and charitable organizations. States are afforded great flexibility in directing program funds, although 90 percent of these resources must reach eligible households.

LIHEAP is widely regarded as a model program. LIHEAP has been very cost effective and efficient for several reasons:

- States are given the flexibility to direct program funds as needed, allowing individual states to tailor programs according to the needs of its low- and fixed-income residents.
- States must hold administrative expenses to at or below 10 percent, ensuring that most of the monies go directly to needy households.
- LIHEAP serves as discretionary (in many cases one-time) assistance, providing a bridge that helps the working poor avoid welfare programs.

LIHEAP regulations provide two measures of household eligibility. First, a household is eligible if one or more occupants receive need-based government assistance such as Food Stamps, Temporary Assistance for Needy Families, Supplemental Security Income payments and/or certain veterans' or survivors' payments. Historically, a household has been eligible if income was at or below 150 percent of the poverty level for their state or

⁹ LIHEAP Report to Congress for Fiscal Year 2001, Administration for Children and Families, U.S. Department of Health and Human Services, Washington, DC, 8/7/2003

60 percent of their state's median income.¹⁰ In response to the recent economic slowdown, however, Congress has granted states the discretion to further expand eligibility to as much as 75 percent of state median income.¹¹ The states have flexibility in setting the eligibility guidelines appropriate to their own circumstances. A table listing each state's requirements can be found on the LIHEAP Clearinghouse website (<http://www.liheap.ncat.org/tables/FY2008/POP08.htm>).

Because LIHEAP funding levels still fall short of meeting the needs of all eligible households, the program is designed to help those lowest-income households that typically (1) pay a higher proportion of their income for home energy, and (2) have at least one family member who is a young child, disabled, or elderly.

Funding History

There are two categories of LIHEAP allocations. Federal regular appropriations make up the bulk of the funding. These "block" funds are distributed yearly to the states by a long established formula. In addition, the President can release federal supplemental emergency contingency (crisis) funding for:

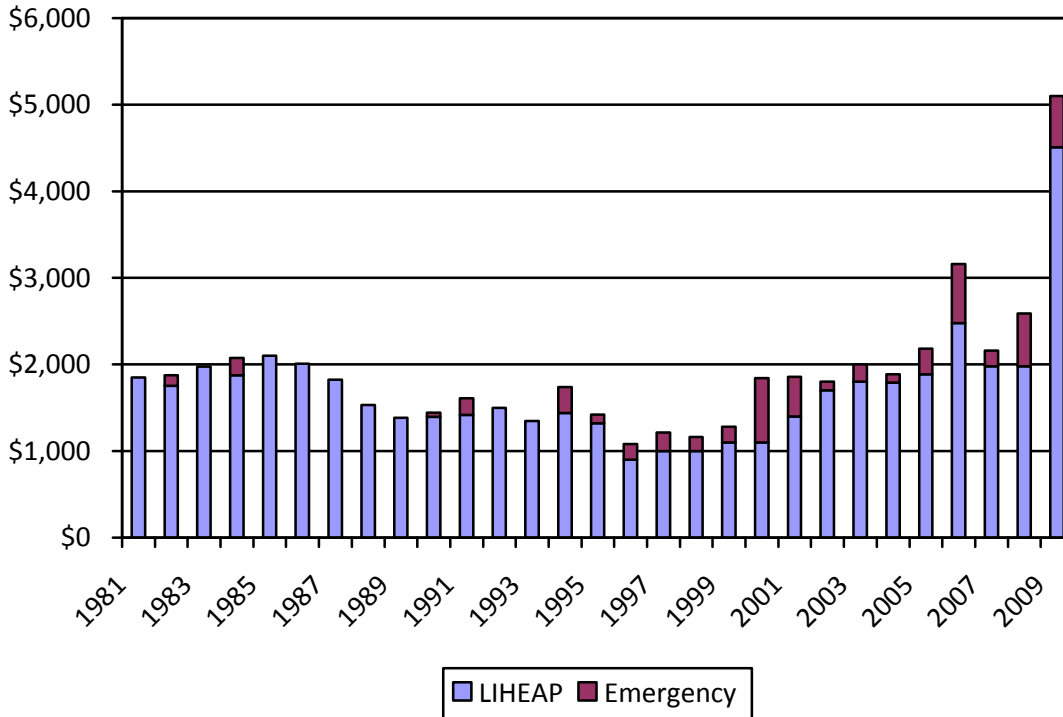
- Households that have lost, or are in imminent danger of losing, their supply of home energy due to inability to pay their energy bills;
- Natural disaster relief;
- Home energy supply disruptions, shortages, or price spikes; and/or
- Increases in unemployment or participation in government assistance programs.

The initial LIHEAP funding level was set at 1.8 billion in 1981. Funding levels have varied since then, reaching almost \$3.2 billion in FY2006 (Figure 1). The FY2009 budget amount of \$5.1 billion is necessarily the highest amount for a program that has for too long been under-funded in comparison to the demand. See Appendix 1 for LIHEAP state funding levels for FY2008 and FY2009.

¹⁰ [LIHEAP Report to Congress for Fiscal Year 2001](#)

¹¹ <http://www.neada.org/appropriations/2008-10-16.htm>

**Figure 1
LIHEAP Funding History**



Source: LIHEAP Clearinghouse <http://liheap.ncat.org/Funding/lhemhist.htm>

Non-Federal Assistance Programs

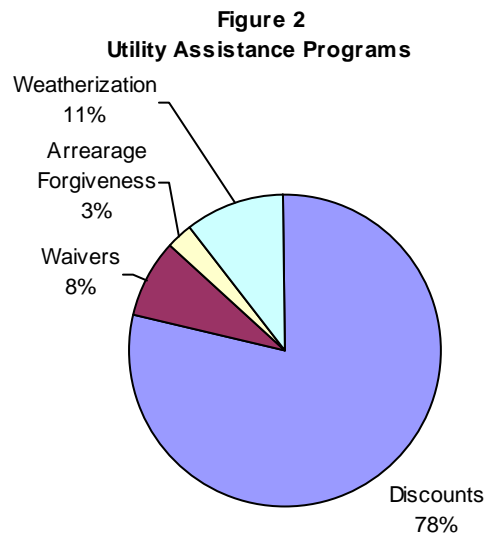
LIHEAP has fostered a strongly positive collaboration between the government, the utility industry, social service organizations, community advocates, and other state and local non-profit agencies. These organizations help supplement LIHEAP funding through assistance programs of their own. Combined, these programs provided \$3.2 billion of assistance in 2007 (Table1).

Utilities

Virtually all utilities administer, sponsor, and promote programs to augment LIHEAP. Ratepayer assistance programs are an important example. In 2007 ratepayer assistance programs generated \$2.2 billion for low-income customers (see Table 1). In addition, utilities committed and spent \$48 million on energy efficiency programs for low-income customers. Typically, local regulators approve (and in many cases initiate) or legislators create these public benefits programs. The costs for these programs are recovered through a sharing of costs amongst all customers. Additionally, in some instances utility stockholders cover or match a portion of the costs. These programs do not include past-

due customer debts that utilities must eventually write off as uncollectible. Types of utility programs include (see Figure 2, based on 2004 data):¹²

- **Rate Assistance**
 - **Discounts** – many utilities offer reduced rates for low-income households. These discounts accounted for 78 percent of total utility assistance.
 - **Waivers** – some utilities will waive a charge or portion of a bill, such as customer charges, reconnection fees, late charges, deposit fees, etc., to qualified customers. These programs accounted for eight percent of utility assistance.
 - **Arrearage forgiveness** -- in some instances utilities will forgive a portion, sometimes even all, of the past due amount of a qualified customer. Arrearage forgiveness accounted for three percent of utility assistance.
- **Energy Efficiency/Weatherization** programs – a number of utilities provide funding for home improvements and/or more efficient appliances that will reduce energy consumption on a long-term basis. Weatherization programs accounted for 11 percent of total utility assistance.



SOURCE: LIHEAP Clearinghouse, <http://www.liheap.ncat.org/tables/FY2004/04stltvb.htm>

NOTE: Percentages based on LIHEAP Clearinghouse data on LIHEAP leveraging program reports, a subset of utility data found in Table 1

During the spring of 2006, AGA surveyed its membership on their programs to assist low-income customers. Specifically members were asked:

Does your company participate in the following programs for low-income customers:

- *Rate discounts;*
- *Full/partial arrearage forgiveness;*
- *Fuel funds;*

¹² The Growing Need to Help Low-Income Energy Consumers: Government, Charitable, and Utility Programs, American Gas Association, Washington, DC, September 21, 2005

- *Shareholder contributions;*
- *Reconnect discounts; and*
- *Other.*

More than 100 jurisdictions responded to the survey (a company may have more than one jurisdiction within its service territory). Of the 107 jurisdictions indicating that they had low-income customer programs:

- 45 percent offer rate discounts;
- 35 percent forgive part or all of past arrearages;
- 38 percent participate in fuel funds;
- 50 percent have shareholder contributions to assist low-income customers;
- 10 percent offer a discount on the reconnection fee to low-income customers that had been disconnected due to inability to pay; and
- 35 percent have other programs.

The “other” categories include weatherization programs, universal service funds, special budget billings, and matching of customer donations. Most respondents (71 percent) had more than one program in place to assist low-income customers.

State & Local Governments

In addition to regulating utility assistance programs, state and local governments provide direct funding or allow tax breaks to assist households in paying or reducing energy bills. In 2007, state and local governments provided \$213 million for this assistance. The government funds these programs through general and special taxes as well as other sources, including:

- Voluntary contribution through tax return check-off;
- Unclaimed deposits and refunds;
- Deed, registration, and stamp taxes;
- Oil overcharge funds; and
- Court case settlements.

Fuel Funds

These charitable programs are typically a partnership between fuel funds, community-based organizations (churches, charities, etc.), local government agencies, and utilities. Fuel funds are dedicated to raising and distributing money for energy bill-payment assistance. Churches and other community programs assist households with utility bills as part of their charitable work. These programs are funded primarily by donations. In many instances, the utility will solicit contributions (e.g., bill inserts), the government and community organizations will identify the households that can benefit, and the community organizations will distribute the assistance. In 2007, fuel funds and other charitable organizations accounted for more than \$157 million for energy assistance.

Other

Other parties that provide energy assistance to low-income households include church/community groups, landlords (weatherization improvements) and fuel suppliers (bulk fuel discounts and need-based discounts). These parties provided a total of \$40 million in energy assistance in 2007.

Energy Efficiency Programs

Most of the energy assistance provided to low-income customers aids customers in paying energy bills. This aid does little to solve the longer-term problem of making these bills more manageable for disadvantaged households. Energy efficiency programs assist customers in permanently lowering energy use.

U.S. DOE's Weatherization Assistance Program¹³

DOE's Weatherization Assistance Program (WAP) has weatherized more than three million low-income homes since 1977 and provided other energy efficiency services to an additional three million homes. These weatherization efforts reduce a home's heating bill by 32 percent, saving an average of \$358 per year in energy costs. The average cost per household weatherized was \$1,748 in 2006. DOE calculates that every dollar invested in WAP returns \$1.65 in energy related benefits, and that weatherizing more than three million homes has saved \$1.5 billion in energy costs. In 2006, more than 100,000 units were weatherized, 52 percent of which were heated by natural gas. DOE's federal funding for WAP was \$242 million in FY2006, and \$205 million in FY2007 and \$228 million in FY2008. (See Appendix 2 for state-by-state weatherization grants for FY2008.)

WAP exists to insulate dwellings of low-income Americans, particularly the elderly, persons with disabilities, families with children, high residential energy users, and high energy burden households, in order to conserve energy and to aid those persons least able to afford higher costs. Grants are used to improve the thermal efficiency of dwellings by use of weatherization materials such as insulation, caulking, weather-stripping, efficiency modifications to heating and cooling systems and replacement furnaces, boilers, and air-conditioners. States may average expenditures per dwelling unit for materials, program support, and labor costs, not to exceed \$2,500 adjusted annually for inflation. Up to 10 percent of each grant may be spent by a state and its subgrantees for administration.¹⁴

State Energy Efficiency Programs¹⁵

State agencies also provide energy efficiency programs, often working in coordination with the federal government program. These efforts are sometimes categorized as public benefit funds (also called universal service funds) and are financed for the most part through surcharges on regulated utility bills. The states administer these funds. In 2006, \$312 million was allocated by 18 states for these programs.

Utility Energy Efficiency Programs

Many utilities provide energy efficiency programs that offer an array of services to residential and commercial customers that range from conservation education to

¹³ U.S. Department of Energy, Energy Efficiency and Renewable Energy, <http://apps1.eere.energy.gov/weatherization/>

¹⁴ Federal Grants Wire, <http://www.federalgrantswire.com/weatherization-assistance-for-low-income-persons.html>

¹⁵ The LIHEAP Clearinghouse, <http://www.liheap.ncat.org/Supplements/2007/supintro.htm>

assisting customers in replacing equipment with more efficient units. Weatherization programs, particularly for low-income households, are an integral part of most of these efficiency programs. In 2006, utilities spent \$48 million on weatherization programs for low-income homes. This is in addition to utility-generated energy efficiency dollars that went to state public benefit funds.

For more than three decades, U.S. natural gas utilities have demonstrated a commitment to investing in energy efficiency and to delivering savings to consumers through programs that actively promote a cost-effective and prudent approach to energy usage. The AGA surveyed its members on their energy efficiency programs. The survey found that 84 percent of respondents with energy efficiency programs directly targeted low-income homes, and 40 percent of the natural gas utilities' energy efficiency budget for the residential sector was dedicated to helping disadvantaged customers.¹⁶

Growth in Assistance Funds

The LIHEAP Clearinghouse maintains a database of non-federal energy assistance efforts, with data provided through LIHEAP leveraging reports and other sources.¹⁷ While the database may not capture all of the assistance efforts,¹⁸ the data provide the most comprehensive picture of these programs.

Table 1 shows annual funding levels of the energy assistance programs from 2001 to 2007. Overall, the funding level increased 74 percent, or about \$2.5 billion, since 2001. LIHEAP funding grew \$0.9 billion over that time frame, while rate assistance programs increased \$1.3 billion. (See Appendix 3 for a state-by-state breakdown of 2006 energy assistance by source.)

Table 1
Energy Assistance to Low-Income Households
(Millions)

Year	LIHEAP	State & Local	Rate Assistance	State & Utility EE*	Federal WAP**	Fuel Funds	Other	Total
2001	\$1,670	\$217	\$954	\$212	\$153	\$92	\$29	\$3,327
2002	\$1,800	\$278	\$1,066	\$299	\$230	\$76	\$28	\$3,777
2003	\$2,000	\$280	\$1,243	\$285	\$223	\$80	\$34	\$4,145
2004	\$1,889	\$199	\$1,438	\$286	\$227	\$107	\$34	\$4,180
2005	\$2,183	\$203	\$1,697	\$291	\$228	\$115	\$28	\$4,745
2006	\$3,160	\$566	\$2,155	\$321	\$240	\$144	\$34	\$6,620
2007	\$2,591	\$213	\$2,223	\$361	\$204	\$157	\$40	\$5,789

Source: LIHEAP Clearinghouse

* EE – Energy Efficiency Program

** WAP – Weatherization Assistance Program

¹⁶ American Gas Association, LDC Natural Gas Energy Efficiency Programs Report 2007, January 2008

¹⁷ The LIHEAP Clearinghouse, <http://www.liheap.ncat.org/Supplements/2007/supplement07.htm>

¹⁸ The LIHEAP Clearinghouse, <http://www.liheap.ncat.org/Supplements/2006/supintro.htm>

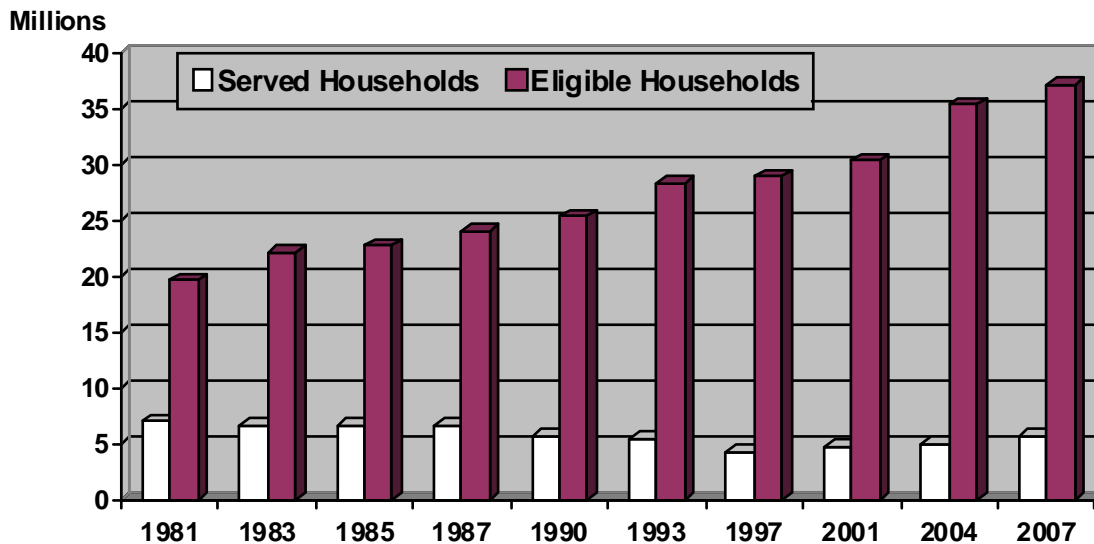
Growing Need for LIHEAP

In FY2006, states distributed LIHEAP funds to 5.6 million households.¹⁹ While this number is higher than some past years, it is nonetheless 20 percent less than the number of households assisted in 1981.

Unmet Need – and a Widening Disparity

While the number of households assisted is currently lower than levels achieved in the 1980's, the number of households eligible for LIHEAP assistance has been rising steadily. This number is expected to increase. In 1981, almost 20 million were eligible for LIHEAP assistance, and the needs of more than 12 million (64 percent) households went unmet. By 2007, 37 million households were eligible,²⁰ and the needs of almost 30 million (84 percent) went unmet (see Figure 3).

Figure 3
Households Receiving, Vs. Eligible for, LIHEAP Heating Assistance



Sources: LIHEAP Home Energy Notebook FY2006, US Dept. of Health & Human Services, Aug.2008; LIHEAP: Providing Heating and Cooling Assistance to Low-Income Families, National Energy Assistance Directors' Association, November 26, 2007.

Two factors contribute to this increasing unmet need. First, the number of low-income households eligible for LIHEAP has grown 89 percent since 1981.²¹ Second, all forms of home energy bills have increased, not due to increased use but rather substantially higher energy prices – for example, between 1981 and 2007, residential natural gas

¹⁹ NOTE: While post-2006 number of households assisted is not available through government sources, the National Energy Assistance Director's Association (NEADA) has estimated that the number of households assisted by LIHEAP was 5.8 million in 2008. <http://www.neada.org/>

²⁰ LIHEAP: Providing Heating and Cooling Assistance to Low-Income Families, National Energy Assistance Directors' Association, November 26th, 2007

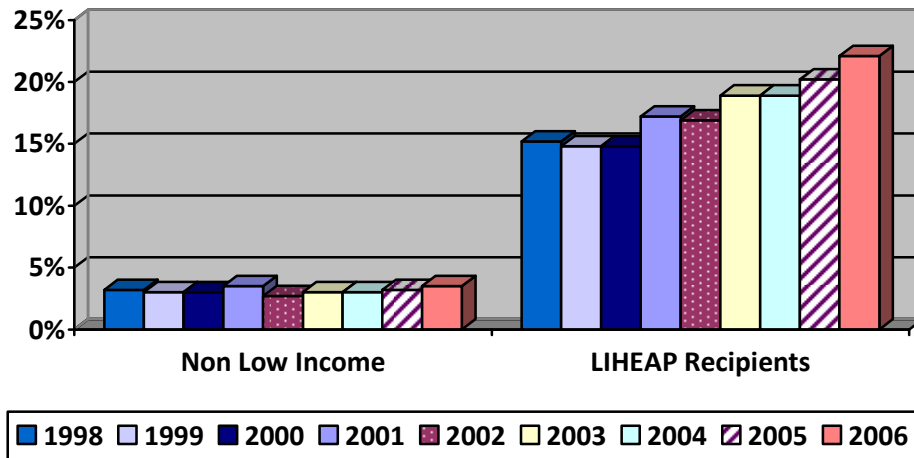
²¹ American Housing Survey, U.S. Department of Census, Washington, DC, various years

prices have risen 203 percent, fuel oil increased 166 percent, and electricity increased 97 percent.²²

Energy Burden

“Energy burden” is an objective measure to gauge that portion of a household’s income that is spent on home energy costs. The average family spends about six to seven percent of its total income on household energy. Non low-income households (those with incomes above the LIHEAP federal maximum income standard) have energy burdens of only three percent. The burden on LIHEAP recipients, however, is much harder to bear – and is more than six times that of the non low-income households. This burden on LIHEAP recipients has grown dramatically worse since 1998, increasing from 15 percent to 22 percent in 2006. Not only are LIHEAP recipients spending 22 cents out of every dollar on energy, the burden is increasing, consuming precious resources that heretofore have been used for food, shelter, and health care.²³

**Figure 4
Mean Energy Burden on U.S. Households**



Source: LIHEAP Home Energy Notebook, various years, US Dept. of Health & Human Services

Impact of Higher Energy Prices

Low-income households have made commendable efforts to reduce their energy consumption (as confirmed by Figure 5). The amount of energy used for space conditioning by these families declined an impressive 26 percent since 1981, in part due to conservation efforts funded by LIHEAP, weatherization, and utility programs. Low-income households were even better at reducing their space heating energy use by 37 percent since 1981. These gains were slightly offset by an increase in cooling energy consumption, a result of the increased use of air conditioning appliances.

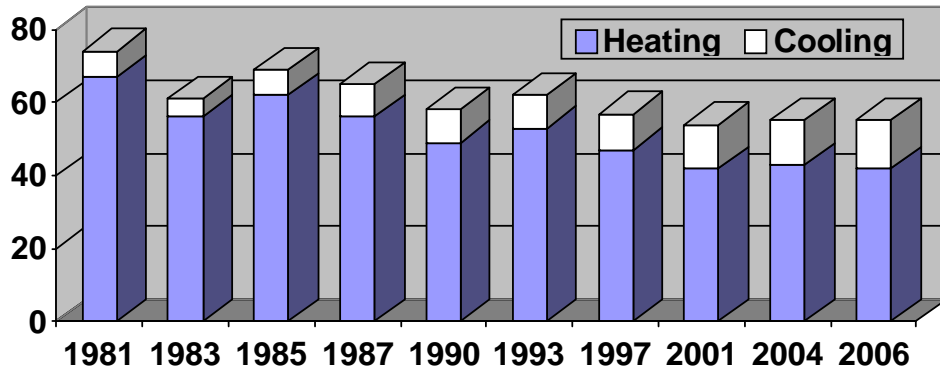
Despite these conservation efforts, rising costs of energy over that time period caused energy bills to rise, particularly heating bills. From 1981 through 2006, overall energy expenditures for space heating and cooling for these LIHEAP-eligible households

²² Monthly Energy Review, U.S. Energy Information Administration, <http://www.eia.doe.gov>

²³ LIHEAP Home Energy Notebook, various years, US Dept. of Health & Human Services

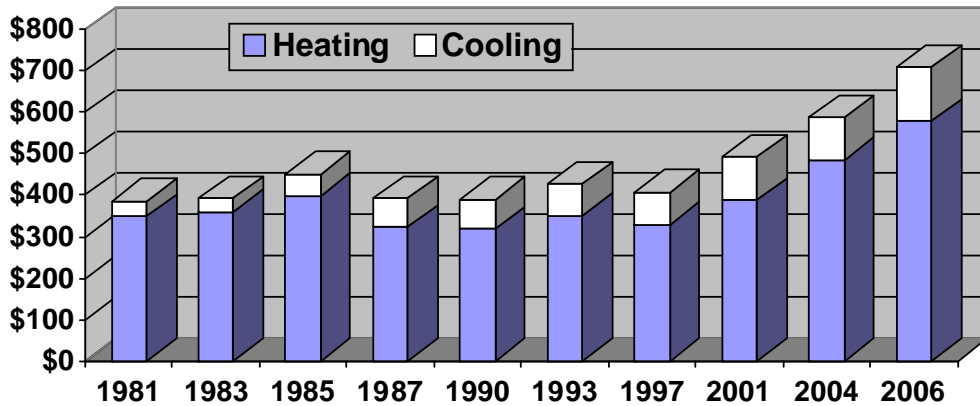
increased 84 percent. Heating costs, the predominant portion of the total energy bill, increased 66 percent (see Figure 6).

Figure 5
Average Residential Heating and Cooling Use for LIHEAP-Eligible Households (MMBtu)



Source: LIHEAP Home Energy Notebook for FY 2006, US Dept. of Health & Human Services

Figure 6
Average Residential Heating and Cooling Costs for LIHEAP-Eligible Households



Source: LIHEAP Home Energy Notebook for FY 2006, US Dept. of Health & Human Services

The current outlook for winter heating bills²⁴ portends a problem for low-income energy consumers, particularly if the weather returns to normal or even colder than normal temperatures.

²⁴ Calculations base on data from: Short-Term Energy Outlook, Energy Information Administration, U.S. Department of Energy, <http://www.eia.doe.gov/emeu/steo/pub/contents.html> December 9, 2008

- Fifty-three percent of low-income homes heat with natural gas;
 - Residential natural gas prices averaged about \$6.30 per thousand cubic feet (Mcf) during the 1990s, and the price rose to \$12.72/Mcf in the winter of 2007-2008.
 - EIA forecasts that gas customers will see little relief from high prices during the winter of 2008-2009.
 - Winter bills could be even higher due to an expectation of a return to normal weather patterns, compared to the significantly warm winter this past year.
 - These heating bills could reach record levels if colder than normal weather sets in.

- Heating oil prices also increased substantially in recent years, but the collapse of oil prices in late 2008 could offer some relief to consumers; and

- The price of electricity, the second most common energy source for space heating, is also expected to increase by six percent.

Utility Customer Bill Payment Problems

Customers that have difficulty paying their energy bills are an increasing problem for utilities:

- The National Energy Assistance Directors' Association estimates that 15.6 million households were behind in their utility bills, an increase of 9.5 percent over the previous year. These arrearages totaled almost \$5 billion in uncollected utility revenue.²⁵

- Based on a sample of 172 utilities:²⁶
 - Electric utilities experienced an increase of 7.1 percent in uncollectable expenses between 2006 and 2007; and
 - Gas customer uncollectable expenses increased 9.5 percent between 2006 and 2007.

- A fall 2008 Associated Press survey on utility disconnections²⁷ showed that:
 - Shut-offs were 17 percent higher than last year in New York;
 - Disconnections were 22 percent higher in Michigan; and
 - Individual utilities also reported higher disconnections, such as in California (10 percent), Kansas (20 percent), and Florida (19 percent).

Worsening economic conditions make it even more difficult for low-income utility customers to stay current on their energy bills. The increase in LIHEAP funding helps but does not fully meet this growing need. Additional assistance from state and local

²⁵ *Consumers Continue to Fall Behind on Utility Bills*, National Energy Assistance Directors' Association press release, May 8, 2008.

²⁶ Based on information from SNL Interactive database, SNL Financial LC (www.snl.com).

²⁷ *AP Enterprise: In a bad economy, power cutoffs soar* Michael Hill, The Associated Press, October 7, 2008

http://hosted.ap.org/dynamic/stories/U/UTILITY_SHUT_OFFS?SITE=FLMYR&SECTION=HOME&TEMPLATE=DEFAULT

governments, utilities, and charitable organizations also provide assistance. Energy efficiency programs, such as weatherization, offer a longer-term solution to this problem.

Conclusion

LIHEAP and weatherization programs are essential to the health and safety of income-eligible, at-risk Americans. For the first time, these programs have been substantially better funded in FY2009, in response to both higher energy prices and longstanding unmet demand for the life-saving services they provide. Without maintaining this level of commitment, many Americans who qualify but go without this aid may be deprived of heat in the cold winter.

Appendix 1

LIHEAP Funding by State, FY2008 vs. FY2009

<i>LIHEAP \$ to States</i>	<i>Formula = \$1.98b</i>	<i>FY08 ACTUAL Contingency = \$611m</i>	<i>Total = \$2.59b</i>	<i>Formula = \$4.5b</i>	<i>FY09 ACTUAL Contingency = \$598m</i>	<i>Total = \$5.1b</i>
Alabama	\$17,111,350	\$2,110,077	\$19,221,427	\$60,062,668	\$4,211,330	\$64,273,998
Alaska	\$10,827,790	\$6,027,772	\$16,855,562	\$23,568,461	\$7,359,326	\$30,927,787
Arizona	\$8,275,252	\$1,020,459	\$9,295,711	\$29,047,021	\$2,036,650	\$31,083,671
Arkansas	\$13,056,769	\$1,610,089	\$14,666,858	\$36,497,448	\$3,213,444	\$39,710,892
California	\$91,797,411	\$11,319,953	\$103,117,364	\$225,894,133	\$22,592,561	\$248,486,694
Colorado	\$31,729,192	\$9,596,515	\$41,325,707	\$63,474,192	\$7,877,322	\$71,351,514
Connecticut	\$41,754,126	\$23,863,825	\$65,617,951	\$95,782,640	\$30,103,919	\$125,886,559
Delaware	\$5,542,056	\$1,387,336	\$6,929,392	\$17,384,291	\$1,363,974	\$18,748,265
DC	\$6,484,484	\$799,631	\$7,284,115	\$14,652,784	\$1,595,918	\$16,248,702
Florida	\$27,075,265	\$3,338,774	\$30,414,039	\$95,037,075	\$6,663,582	\$101,700,657
Georgia	\$21,407,149	\$2,639,812	\$24,046,961	\$75,141,381	\$5,268,583	\$80,409,964
Hawaii	\$2,137,116	\$265,844	\$2,402,960	\$4,651,781	\$530,575	\$5,182,356
Idaho	\$12,376,499	\$1,539,560	\$13,916,059	\$26,939,480	\$3,072,681	\$30,012,161
Illinois	\$114,565,493	\$34,650,411	\$149,215,904	\$237,236,454	\$28,442,870	\$265,679,324
Indiana	\$51,872,037	\$15,688,732	\$67,560,769	\$103,608,598	\$12,878,133	\$116,486,731
Iowa	\$36,762,408	\$11,118,815	\$47,881,223	\$67,802,538	\$9,126,905	\$76,929,443
Kansas	\$17,030,712	\$5,106,259	\$22,136,971	\$45,349,295	\$4,191,484	\$49,540,779
Kentucky	\$27,230,294	\$3,357,891	\$30,588,185	\$68,353,278	\$6,701,737	\$75,055,015
Louisiana	\$17,493,729	\$2,157,231	\$19,650,960	\$57,196,338	\$4,305,439	\$61,501,777
Maine	\$26,815,321	\$19,721,039	\$46,536,360	\$49,456,684	\$29,730,302	\$79,186,986
Maryland	\$31,970,606	\$3,942,440	\$35,913,046	\$101,296,011	\$7,868,391	\$109,164,402
Mass.	\$82,797,407	\$43,694,814	\$126,492,221	\$162,980,837	\$50,518,934	\$213,499,771
Michigan	\$108,769,894	\$32,897,527	\$141,667,421	\$222,412,468	\$27,004,012	\$249,416,480
Minnesota	\$78,362,555	\$23,700,807	\$102,063,362	\$144,527,532	\$19,454,863	\$163,982,395
Mississippi	\$14,670,325	\$1,809,064	\$16,479,389	\$39,011,051	\$3,610,562	\$42,621,613
Missouri	\$45,761,931	\$13,840,727	\$59,602,658	\$103,541,119	\$11,361,193	\$114,902,312
Montana	\$14,516,847	\$4,390,629	\$18,907,476	\$31,598,299	\$3,604,059	\$35,202,358
Nebraska	\$18,180,421	\$5,498,680	\$23,679,101	\$39,572,670	\$4,513,605	\$44,086,275
Nevada	\$3,886,640	\$479,279	\$4,365,919	\$13,642,522	\$956,554	\$14,599,076
N. Hampshire	\$15,671,860	\$9,962,906	\$25,634,766	\$34,112,375	\$13,624,352	\$47,736,727
New Jersey	\$76,864,515	\$31,842,801	\$108,707,316	\$166,690,291	\$19,082,949	\$185,773,240
New Mexico	\$10,360,042	\$1,277,544	\$11,637,586	\$24,901,274	\$2,549,744	\$27,451,018
New York	\$250,974,273	\$108,654,132	\$359,628,405	\$475,934,678	\$62,308,713	\$538,243,391
N. Carolina	\$37,730,144	\$4,652,675	\$42,382,819	\$123,242,605	\$9,285,889	\$132,528,494
North Dakota	\$15,769,687	\$4,769,553	\$20,539,240	\$34,325,312	\$3,915,098	\$38,240,410
Ohio	\$101,350,302	\$30,653,466	\$132,003,768	\$220,588,408	\$25,161,970	\$245,750,378
Oklahoma	\$15,728,845	\$1,939,595	\$17,668,440	\$49,007,158	\$3,871,078	\$52,878,236
Oregon	\$24,591,465	\$3,059,026	\$27,650,491	\$45,355,128	\$6,105,258	\$51,460,386
Pennsylvania	\$134,810,209	\$56,948,486	\$191,758,695	\$274,925,363	\$33,468,972	\$308,394,335
Rhode Island	\$13,628,926	\$7,246,043	\$20,874,969	\$30,208,657	\$8,444,425	\$38,653,082
S. Carolina	\$13,589,900	\$1,675,832	\$15,265,732	\$47,702,000	\$3,344,655	\$51,046,655
S. Dakota	\$12,807,748	\$3,873,711	\$16,681,459	\$27,878,165	\$3,179,746	\$31,057,911
Tennessee	\$27,583,705	\$3,401,471	\$30,985,176	\$73,722,827	\$6,788,716	\$80,511,543
Texas	\$45,044,208	\$5,554,604	\$50,598,812	\$158,109,984	\$11,085,977	\$169,195,961
Utah	\$14,744,631	\$4,459,523	\$19,204,154	\$32,094,108	\$3,660,610	\$35,754,718
Vermont	\$11,746,617	\$7,623,880	\$19,370,497	\$25,568,440	\$10,587,163	\$36,155,603
Virginia	\$38,943,773	\$4,802,332	\$43,746,105	\$118,083,836	\$9,584,580	\$127,668,416
Washington	\$40,449,571	\$5,031,676	\$45,481,247	\$74,602,937	\$10,042,308	\$84,645,245
West Virginia	\$17,934,982	\$2,222,171	\$20,157,153	\$40,583,710	\$4,435,048	\$45,018,758
Wisconsin	\$70,537,552	\$21,334,129	\$91,871,681	\$130,095,532	\$17,512,170	\$147,607,702
Wyoming	\$5,903,426	\$1,785,495	\$7,688,921	\$12,849,776	\$1,465,630	\$14,315,406
Total:	\$1,977,027,460	\$610,345,043	\$2,587,372,503	\$4,476,301,613	\$589,663,959	\$5,065,965,572

Appendix 2
Weatherization Grants to States in FY2008

Alabama	\$2,396,413
Alaska	\$1,672,643
Arizona	\$1,352,772
Arkansas	\$2,061,017
California	\$6,265,676
Colorado	\$5,454,329
Connecticut	\$2,495,304
Delaware	\$572,412
District of Columbia	\$646,384
Florida	\$1,948,403
Georgia	\$2,914,609
Hawaii	\$203,581
Idaho	\$1,964,431
Illinois	\$13,784,473
Indiana	\$6,520,687
Iowa	\$4,966,077
Kansas	\$2,518,837
Kentucky	\$4,498,867
Louisiana	\$1,723,424
Maine	\$3,053,961
Maryland	\$2,640,259
Massachusetts	\$6,517,890
Michigan	\$15,118,849
Minnesota	\$9,809,089
Mississippi	\$1,640,948
Missouri	\$5,975,410
Montana	\$2,507,786
Nebraska	\$2,482,462
Nevada	\$831,718
New Hampshire	\$1,501,762
New Jersey	\$5,078,993
New Mexico	\$1,900,941
New York	\$20,075,816
North Carolina	\$4,139,225
North Dakota	\$2,485,405
Ohio	\$13,676,435
Oklahoma	\$2,579,529
Oregon	\$2,808,354
Pennsylvania	\$14,638,184
Rhode Island	\$1,150,982
South Carolina	\$1,767,384
South Dakota	\$1,907,964
Tennessee	\$4,162,066
Texas	\$5,549,413
Utah	\$2,067,579
Vermont	\$1,272,118
Virginia	\$3,997,991
Washington	\$4,519,063
West Virginia	\$3,196,901
Wisconsin	\$8,528,669
Wyoming	\$1,169,217
Total (includes T&TA)	\$227,221,297

Appendix 3
State-by-State Energy Assistance to Low-Income Households, FY 2007

	LIHEAP	State & Local	Rate Assistance	State & Utility EE*	Fuel Funds	Other	Total
Alabama	\$17,584,485	\$0	\$1,700,000	\$0	\$0	\$0	\$19,284,485
Alaska	\$9,167,945	\$6,946,569	\$0	\$0	\$0	\$0	\$16,114,514
Arizona	\$7,891,972	\$5,031,110	\$17,101,627	\$2,585,132	\$2,290,744	\$0	\$34,900,585
Arkansas	\$13,491,684	\$91,427	\$0	\$0	\$4,346,837	\$0	\$17,929,948
California	\$94,128,324	\$2,057,755	\$813,268,317	\$128,893,325	\$12,466,667	\$5,852,806	\$1,056,667,194
Colorado	\$33,073,031	\$7,225,000	\$0	\$2,382,000	\$5,809,368	\$0	\$48,489,399
Connecticut	\$48,101,854	\$0	\$14,258,342	\$6,524,648	\$1,109,000	\$1,643,628	\$71,637,472
Delaware	\$5,726,660	\$500,000	\$1,831,959	\$0	\$574,788	\$176,106	\$8,309,513
District of Columbia	\$6,700,480	\$0	\$5,900,353	\$3,545,000	\$0	\$0	\$16,145,833
Florida	\$27,970,328	\$0	\$0	\$105,720	\$11,637,110	\$0	\$39,713,158
Georgia	\$22,120,211		\$20,300,000	\$1,430,000	\$3,055,000	\$0	\$46,905,211
Hawaii	\$2,227,627	\$0	\$0	\$0	\$0	\$0	\$2,227,627
Idaho	\$12,306,965		\$9,165	\$1,404,423	\$489,929	\$0	\$14,210,482
Illinois	\$119,417,733	\$4,000,000	\$85,867,803	\$8,023,497	\$3,033,751	\$0	\$220,342,784
Indiana	\$54,062,331	\$8,763,284	\$10,317,824	\$1,055,992	\$3,829,716	\$59,488	\$78,088,635
Iowa	\$38,319,421	\$278,708	\$0	\$4,846,842	\$788,958	\$0	\$44,233,929
Kansas	\$17,582,007	\$0	\$0	\$0	\$333,333	\$0	\$17,915,340
Kentucky	\$28,137,322	\$161,942	\$1,203,669	\$78,680	\$969,871	\$0	\$30,551,484
Louisiana	\$18,076,437	\$0	\$615,205	\$744,010	\$4,268,226	\$0	\$23,703,878
Maine	\$32,750,352	\$905,629	\$8,102,838	\$1,966,247	\$68,977	\$2,028,978	\$45,823,021
Maryland	\$33,035,532	\$2,106,007	\$58,205,431	\$1,523,132	\$9,110,816	\$2,132,341	\$106,113,259
Massachusetts	\$93,762,180	\$15,000,000	\$58,325,694	\$21,965,000	\$1,030,079	\$4,059,390	\$194,142,343
Michigan	\$112,553,604	\$0	\$96,314,810	\$29,500,000	\$8,473,381	\$0	\$246,841,795
Minnesota	\$81,681,477	\$7,662,074	\$6,778,999	\$6,401,925	\$3,869,158	\$241,313	\$106,634,946
Mississippi	\$15,131,740	\$0	\$474,398	\$0	\$539,724	\$843,729	\$16,989,591
Missouri	\$47,700,105	\$6,300,000	\$600,000	\$1,900,000	\$15,615,197	\$0	\$72,115,302
Montana	\$12,622,992	\$412,594	\$3,701,909	\$1,602,197	\$1,482,869	\$36,412	\$19,858,973
Nebraska	\$18,940,424	\$0	\$0	\$0	\$600,000	\$0	\$19,540,424
Nevada	\$4,016,102	\$371,824	\$14,857,643	\$4,936,507	\$784,792	\$0	\$24,966,868
New Hampshire	\$18,769,002	\$4,104,704	\$12,656,017	\$2,117,349	\$803,357	\$349,122	\$38,799,551
New Jersey	\$79,930,010	\$2,012,000	\$218,617,795	\$21,390,128	\$311,358	\$0	\$322,261,291
New Mexico	\$9,910,259	\$6,800,000	\$0	\$0	\$870,962	\$543	\$17,581,764
New York	\$261,199,699	\$104,993,710	\$35,000,000	\$9,323,561	\$1,560,740	\$17,911,425	\$429,989,135
North Carolina	\$38,329,321	\$350,350	\$146,050	\$0	\$4,951,919	\$0	\$43,777,640
North Dakota	\$13,600,232	\$0	\$0	\$0	\$0	\$0	\$13,600,232
Ohio	\$105,642,834	\$0	\$289,224,054	\$9,415,360	\$0	\$0	\$404,282,248
Oklahoma	\$14,842,175	\$0	\$5,543,149	\$0	\$0	\$0	\$20,385,324
Oregon	\$25,065,645	\$0	\$11,907,228	\$11,233,473	\$17,610,397	\$2,931,211	\$68,747,954
Pennsylvania	\$140,519,882	\$1,207,000	\$350,238,967	\$24,465,085	\$9,381,368	\$0	\$525,812,302
Rhode Island	\$15,433,183	\$0	\$7,599,040	\$2,684,274	\$786,222	\$79,670	\$26,582,389
South Carolina	\$14,042,572	\$0	\$0	\$50,000	\$930,000	\$0	\$15,022,572
South Dakota	\$11,098,950	\$958,160	\$0	\$0	\$262,820	\$148,680	\$12,468,610
Tennessee	\$28,502,505	\$0	\$0	\$0	\$160,000	\$0	\$28,662,505
Texas	\$46,544,609	\$0	\$30,000,000	\$10,200,000	\$5,607,333	\$0	\$92,351,942
Utah	\$15,078,054	\$0	\$2,275,928	\$0	\$0	\$0	\$17,353,982
Vermont	\$14,161,842	\$6,750,052	\$1,000,000	\$2,150,207	\$331,921	\$561,136	\$24,955,158
Virginia	\$40,240,972	\$750,000	\$0	\$25,000	\$2,078,290	\$0	\$43,094,262
Washington	\$40,531,843	\$5,550,720	\$15,968,154	\$4,875,513	\$13,495,089	\$759,692	\$81,181,011
West Virginia	\$18,620,602	\$3,000,000	\$0	\$0	\$0	\$0	\$21,620,602
Wisconsin	\$73,525,058	\$7,823,326	\$28,072,876	\$26,124,400	\$812,412	\$355,748	\$136,713,820
Wyoming	\$5,943,461	\$5,995,000	\$0	\$0	\$0	\$0	\$11,938,461
Total	\$2,059,814,035	\$217,608,945	\$2,227,985,244	\$355,468,627	\$156,532,479	\$40,171,418	\$5,057,580,748

Source: LIHEAP Clearinghouse <http://www.liheap.ncat.org/>

NOTE: Programs that raise funds through utilities and their customers are classified as utility programs