

Energy Assistance Update Katrina Metzler, Executive Director



"We rise by lifting others."

NATIONAL ENERGY & UTILITY AFFORDABILITY COALITION

Improve awareness and understanding of the nature and magnitude of limited-income energy and utility challenges

Formulate and advance limited-income energy policy through compilation, analysis, and dissemination of data

Provide technical assistance in the creation and development of fuel funds and promote the development of statewide and regional fuel funds

Currently located in the DuPont Circle neighborhood of Washington D.C., NEUAC staff work with our committed members to advance our mission.

Headline: Unpaid utility bills? California will pay off \$2 billion to avoid shutoffs



The story of Will Holman and his family in the San Fernando Valley, CA, as they struggle with energy insecurity

("CalMatters," article by Jackie Botts Date: July 19, 2021 Updated September 9, 2021

https://calmatters.org/califo rniadivide/2021/07/californiautility-bills-paymentprogram/

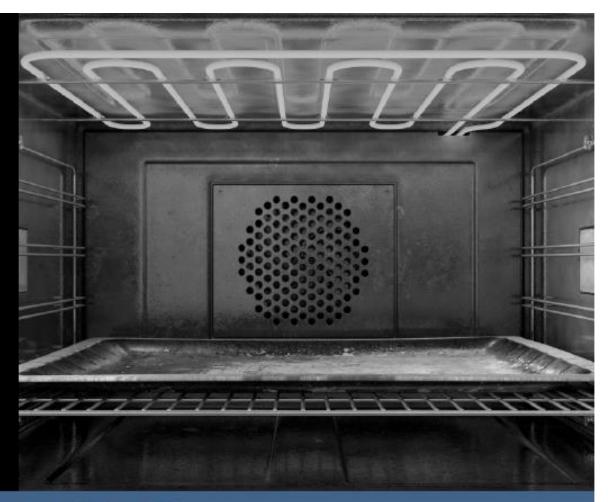
Three out of ten

households receiving LIHEAP used their kitchen stove or oven to provide heat.

LIHEAP helps keep our neighbors safe and warm in their homes.

#ProtectLIHEAP

Source: 2018 National Energy Assistance Survey





One out of three

households helped by LIHEAP went without food for at least one day in the past year.

LIHEAP helps keep our most vulnerable neighbors safe.

#ProtectLIHEAP

Source: 2018 National Energy Assistance Survey



neuac

Low Income Home Energy Assistance Program

- Block grant, established in 1981
- Congress appropriates funds annually
 - Advocacy



- Approximately 6 million households are served annually
 - Approximately 33,441,251 households eligible
 - Based on the typically lower eligibility threshold of 150% of FPL

The mission of LIHEAP is to assist low income households, particularly those with the lowest incomes that pay a high proportion of household income for home energy, to help meet their immediate home energy needs.

Federal Funding for Energy Assistance

FY23 LIHEAP

- \$3.89 billion Continuing Resolution (90% released beginning of November - \$3.4 billion)
- \$1 billion supplemental funding
- \$100 million IIJA (Infrastructure Investment and Jobs Act)

Consolidated Appropriations Act, 2021 (omnibus)

- Emergency Rental Assistance Program \$25 billion
- -https://nlihc.org/era-dashboard

American Rescue Plan of 2021

- -Supplemental LIHEAP Funds \$4.5 billion (expired 9/30/22)
- -Additional Emergency Rental Assistance \$21.55 billion
- Homeowner Assistance Fund \$9.961 billion

Eligibility

- 150% of Federal Poverty Level (FPL)
 OR
- 60% of State Median Income (SMI)
 - -Majority of grantees use this standard
- May not be set lower than 110% of FPL



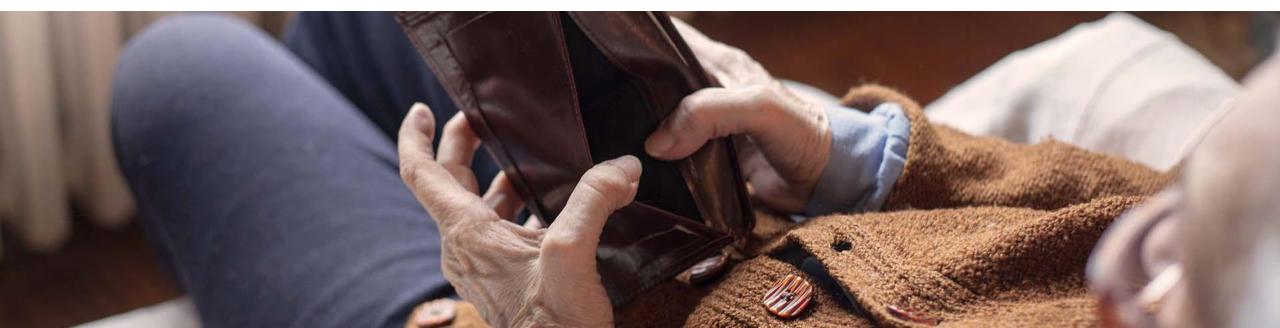
How are LIHEAP funds used to reduce energy burden?

- To help households meet their home energy costs
- To assist when households face an energy crisis
- For low-cost weatherization measures
- To provide services to reduce the need for energy assistance
- Repair or replace HVAC systems in times of crisis



What is affordable?

- 6% energy burden is considered affordable
- Energy burdens for LIHEAP households are regularly 20% or more
- Current affordability gap is 14% ... and growing



Historical Context

- LIHEAP has helped nearly 300 million households since 1981
- More than 5 million units have been weatherized by LIHEAP



* Source: LIHEAP Reports to Congress

FY 23 Funding: TBA

FY 22 Funding: \$3.89 billion

FY21 Funding: \$3.75 billion

FY20 Funding: \$3.74 billion

FY19 Funding: \$3.65 billion

FY18 Funding: \$3.64 billion

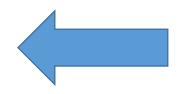
FY17 Funding: \$3.39 billion





Where do flexibilities exist in LIHEAP?

- Program design
- Eligibility threshold options
- Definitions of income, household, obligations, expenditures, etc.
- Pass-through to weatherization
- Local agencies



Some of the elements where grantees have a measure of autonomy in determining the parameters of LIHFAP



- Types of benefits
 - Heating program, cooling program, equipment repair and replacement, weatherization – even solar
- Amount of benefit and factors influencing benefit
 - More to fewer, or less to more
 - Primary or primary and secondary fuel types
 - How to address highest energy burdens with proportional benefits
- Start and end dates (with exception of crisis program)
 - Grantees must staff crisis assistance programs through at least March 15, even if cash is expended (can make referrals, help in other ways)

Q asked repeatedly when COVID-19 began:

How do clients document they are in "crisis?"

What ISN'T flexible? Some examples...

- 1. Cannot give LIHEAP directly to a utility without establishing customer eligibility.
- 2. Cannot change the administrative cost cap for the program.
- 3. Cannot exceed the stated eligibility criteria or serve an ineligible household.
- 4. Cannot violate your own state rules, including for fiscal accountability.
- 5. Cannot pay water or sewer bills.
- 6. You cannot buy a pink elephant.

FY20 - States with Cooling Programs	FY 20 -Territories with Cooling Programs
Alabama, Arizona, Arkansas	American Samoa
California, Delaware, District of Columbia	Puerto Rico
Florida, Georgia, Hawaii	Mariana Islands
Indiana, Kentucky, Louisiana	
Maryland, Mississippi, Nebraska	
Nevada, New Jersey, New Mexico	
New York, North Dakota, Oklahoma	
Oregon, South Carolina, Tennessee	
Texas, Virginia, Washington, West Virginia	*Source: Department of HHS

Vendor Payments

Grantees who choose to pay home energy suppliers directly must establish procedures to – (via vendor agreements)

- Ensure the household knows how much assistance the vendor received as payment for the household's fuel
- Ensure that the vendor reduces the household's bill by the amount of its LIHEAP benefit and does not overcharge the household
- Ensure that the vendor does not treat LIHEAP households adversely or discriminate against LIHEAP households



What flexibilities exist? Vendor Agreements

Payments may be contingent on vendors providing special protections, pricing, or services for LIHEAP households.

Examples:

- Agreement not to charge late fees for a period of time
- Agree to maintain energy service to the household for a minimum time period, e.g. 30/60/90 dates
- Discounted fuel pricing
- Arrearage forgiveness
- Waived deposits, late fees, reconnection fees

Where can I view my state plan?

https://liheapch.acf.hhs.gov/stateplans.htm

Where can I find contact information for my LIHEAP state director?

https://www.acf.hhs.gov/ocs/liheap-state-and-territory-contact-listing

Where can I go to find contact information for LIHEAP at the U.S. Department of HHS, Administration for Children and Families, Office of Community Services?

https://www.acf.hhs.gov/ocs/resource/division-of-energy-assistance-federal-staff

Hawaii By the Numbers

LIHEAP State Sheets

https://neuac .org/liheapstate-bystatemetrics/ Gross LIHEAP allocation to Hawaii in 2020

\$4,943,018

for utility payment assistance and home weatherization programs¹

110,644

of households eligible for LIHEAP in Hawaii²

Hawaii LIHEAP funding down

17.93%

from FY10 to FY20

8,567

of low-income households that received LIHEAP in Hawaii in 2020

Only 7.74% of the total eligible population in Hawaii received LIHEAP in 2020

74.71%

of LIHEAP recipients in Hawaii have at least one vulnerable member:



elderly over 60 62.87%



disabled 13.47%



child under 6 17.52%

HHS Data Warehouse - aggregate data, use of funds

LIHEAP FY2019 State Profile



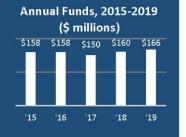
for a 4-person household

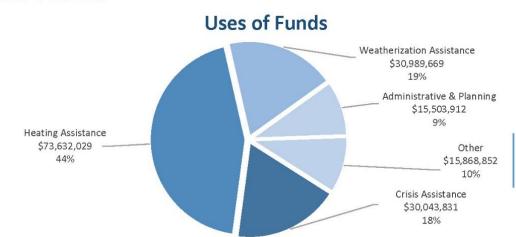
% of State Income-Eligible Population Served

19%

State Income-Eligible Population

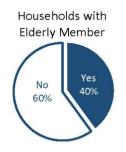
1,385,358

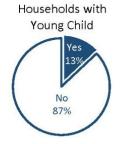


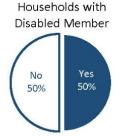


The Other category consists of: Carryover to FY 2020 (\$15,503,912) Assurance 16 Activities (\$364,940)

Vulnerable Recipient Households









Households with Any Vulnerable Member

Types of Assistance use/inc

Heating Assistance served 258,665 households with a reported average benefit of \$285.

Winter Crisis Assistance served 85,386 households with a reported average benefit of \$303

Summer Crisis Assistance served 20,502 households with a reported average benefit of \$205.

Weatherization Assistance served 3,607 households with a calculated average benefit of \$8,592.

https://liheappm.acf. hhs.gov/data_wareho use/index.php?report =homepage

Today...

Grantees provided LIHEAP assistance to an estimated
 5.6 million households



- Grantees provided an estimated \$2.02 billion in heating assistance to serve approximately 4.8 million households
- Grantees provided an estimated \$464 million in cooling assistance to serve approximately 820,445 households
- Grantees provided an estimated \$402 million in assistance for lowcost residential weatherization or other energy- related home repairs to 50,424 households
- Grantees provided an estimated \$916 million for crisis assistance
 Note -- this funding could have been used for heating OR cooling





2021 Weather Events

February Winter Storm Uri

- Nearly 10 million power outages
- \$196.5 billion in damage (costliest winter storm on record)

June-July Western U.S. Heat Dome

- 229 fatalities in the US
- 1,000 year weather event

August-September Hurricane Ida

- 115 fatalities (second most damaging and intense in history)
- \$65.25 billion in damages

Recent Headlines

- March 2022: Heating oil prices eclipse \$5 per gallon in Southern Maine
- February 2022: Prices increased 6% between January 2021 and January 2022, the largest increase since August 1982. Energy prices rose 27% over the same period, led by fuel oil and gasoline increases
- From June through September 2021, temperatures remained above 90 °F all but two days in Kansas City, Missouri
- Summer 2021: The Dallas/Fort Worth area experienced 42 consecutive days with high temperatures above 100 °F, with temperatures reaching 117 °F at Wichita Falls, Texas on June 28, 2021

This winter - 2022-2023

Compared to last year...

- Heating bills for those with natural gas expected to increase 28% (\$931)
- Heating oil costs expected to rise by about 27% (\$2,354)
- Electricity costs expected to increase about 10% compared to last year (\$1,359)
- Homes using propane expected to increase 5% (\$1,668)

Source: EIA Winter Fuels Outlook, 10/2022

Electrification and LMI populations

Clean energy vs. affordable energy "reduce greenhouse gases at any cost"

Issue: Many policymakers and advocates see energy policy exclusively through the lens of climate change

Need: More intentionality about bringing affordability into policy conversations





June 12 Preconference
June 13-15 Conference
Sheraton San Diego Hotel and Marina

Submit your proposal

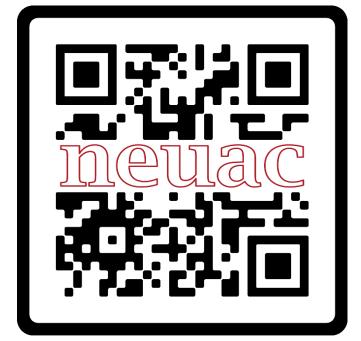




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<<< Take a photo for membership application

Resources/Citations

- LIHEAP: Program and Funding https://crsreports.congress.gov/product/pdf/RL/RL31865
- The LIHEAP Formula <u>https://crsreports.congress.gov/product/pdf/RL/RL33275</u>
- LIHEAP State Sheets https://neuac.org/liheap-state-by-state-metrics/
- History of LIHEAP
 https://liheapch.acf.hhs.gov/sites/default/files/webfiles/docs/History_of_LIHEAP.pdf
- "Heating and Cooling Relief Act" of 2022 bill text https://www.congress.gov/117/bills/s3535/BILLS-117s3535is.pdf