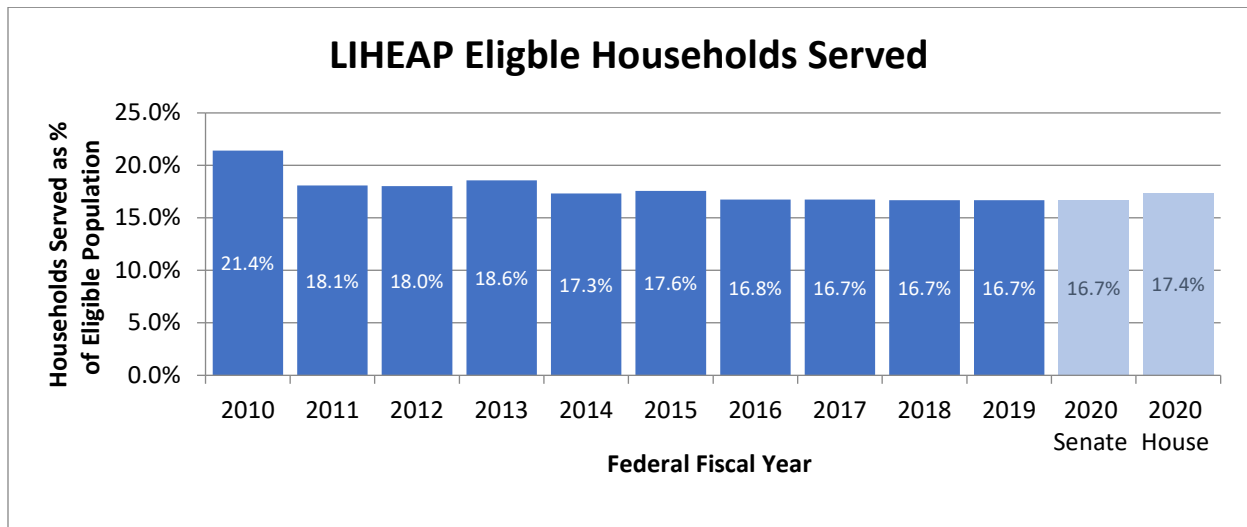


## High Cost of Heat this Winter Will Mean a Cold Holiday Season for Many Families Average Prices Expected to Remain Above \$900

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**LIHEAP Eligible Households Served: House Bill Would Add 240,000 Families:** The proportion of eligible LIHEAP households served by the program has been trending downwards. In fiscal year 2020, the House appropriations bill provides \$150 million more in funding for LIHEAP than the Senate bill, which would enable the program to serve 240,000 additional customers this winter.



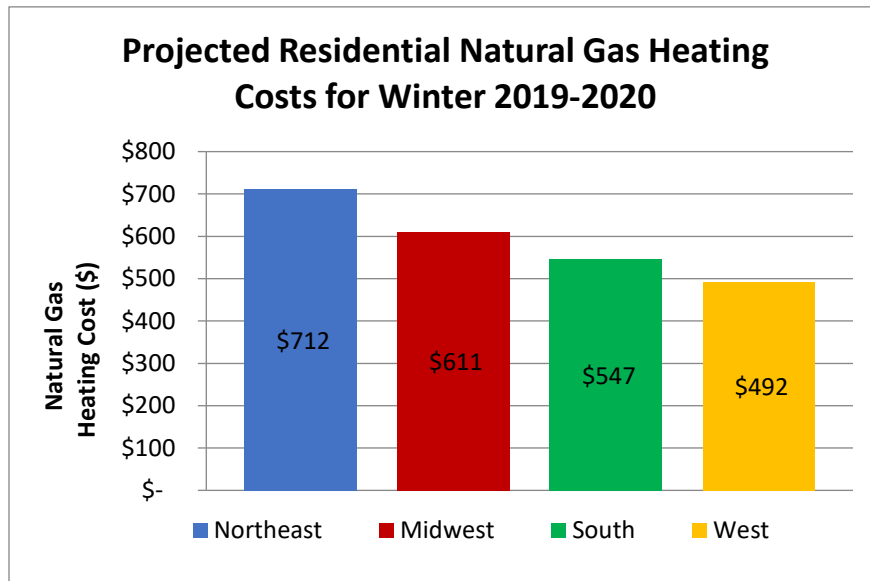
**Home Heating Costs:** Home heating costs are expected to be high again this year, providing no relief for families that struggle to pay their bills. Households will pay an average of \$911 this season, the third year in a row that heating costs have been above the 10-year average of \$870. But that only tells part of the story. Families that use heating oil or propane are expected to pay an average of \$1,500 over the course of the winter, while families that use natural gas will see heating bills of about \$580.<sup>1</sup>

Estimated Home Heating Costs (2009-10 to 2019-20)					
Heating Season	Natural Gas	Electricity	Heating Oil	Propane	All Fuels
2009-10	\$698	\$873	\$1,552	\$1,642	\$863
2010-11	\$680	\$885	\$1,966	\$1,845	\$893
2011-12	\$529	\$983	\$1,757	\$1,587	\$795
2012-13	\$567	\$1,071	\$2,113	\$1,368	\$841
2013-14	\$636	\$1,163	\$2,121	\$2,142	\$1,001
2014-15	\$600	\$1,158	\$1,668	\$1,572	\$924
2015-16	\$481	\$1,044	\$900	\$1,047	\$755
2016-17	\$533	\$1,055	\$1,128	\$1,266	\$810
2017-18	\$565	\$1,143	\$1,376	\$1,540	\$887
2018-19	\$588	\$1,177	\$1,570	\$1,529	\$922
2019-20	\$580	\$1,162	\$1,501	\$1,572	\$911

<sup>1</sup> National average price projections prepared by NEADA based on US October 2019 EIA Winter Fuels Outlook.

## Regional Variation

Heating costs can also vary widely by region. In winter 2019-2020, EIA estimates average natural gas costs in the northeast at \$712 for the season, while they estimate cost in the west at \$492 this winter.



**Households Served and Average Grant:** LIHEAP state offices need to determine whether they want to serve more households but provide smaller grants or serve fewer households but cover a higher portion of each customer’s energy bill. Fluctuations in funding affect both the number of households served by LIHEAP and the average grant size. In FY 2020, NEADA estimates the nationwide average grant will remain the same under the Senate and House appropriations bill while the number of households served would increase by about 240,000 under the House bill.

Estimated Households Served & Average Grant (2009-10 to 2019-20) <sup>2</sup>						
Fiscal Year <sup>3</sup>	Appropriation (thousands)	Average Grant	% of Heating Costs Covered	Households (in thousands)		
				Served <sup>4</sup>	Eligible <sup>5</sup>	% Served
2010	\$5,100,000	\$568	65.9%	7,361	34,373	21.4%
2011	\$4,700,000	\$587	65.7%	6,568	36,325	18.1%
2012	\$3,471,672	\$435	54.7%	6,549	36,325	18.0%
2013	\$3,255,436	\$398	47.4%	6,702	36,056	18.6%
2014	\$3,424,436	\$454	45.3%	6,191	35,716	17.3%
2015	\$3,390,000	\$445	48.2%	6,245	35,538	17.6%
2016	\$3,390,000	\$471	62.4%	5,903	35,230	16.8%
2017	\$3,390,000	\$471	58.2%	5,897	35,229	16.7%
2018	\$3,640,000	\$513	57.8%	5,821	34,913	16.7%
2019	\$3,690,000	\$520	56.4%	5,821	34,913	16.7%
2020 Senate	\$3,690,000	\$520	57.1%	5,821	34,913	16.7%
2020 House	\$3,840,000	\$520	57.0%	6,061	34,913	17.4%

<sup>2</sup> Source: Prices based on EIA October 2019 Short Term Energy Outlook and State LIHEAP Surveys

<sup>3</sup> Full year FY 2020 funding has not yet been approved for LIHEAP. The Senate has provided level funding while the House has provided an increase of \$150 million.

<sup>4</sup> Household served numbers for FY 2019 are based on FY 2018 reports and state surveys

<sup>5</sup> Eligible household numbers are based on U.S. Department of Health and Human Services data.

**Purchasing Power of LIHEAP:** Fluctuations in fuel prices, weather conditions, and funding levels affect how far a customer’s LIHEAP grant goes towards paying their full energy bill. On average, LIHEAP covers about 56 percent of a customer’s heating bill for the winter. Since 2015-16, primarily as a result of rising prices, the purchasing power of the average LIHEAP grant has decreased from 62.4 percent to about 56 percent.

