



NATIONAL ENERGY ASSISTANCE DIRECTORS' ASSOCIATION

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 205

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

September 7, 2022

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker Pelosi and Minority Leader McCarthy:

On behalf of the National Energy Assistance Directors Association (NEADA), we are writing to request an additional \$5 billion in the FY 2023 appropriation for the Low Income Home Energy Assistance Program (LIHEAP), raising the total appropriation to \$9 billion, to address skyrocketing prices for all home heating and cooling fuels. The underlying purchasing power of LIHEAP has been declining at an alarming rate due to rising home energy prices across all major fuel sources. The recent CPI data for the last 12 months show the price of heating fuel is up by 75.6%, natural gas 30.5% and electricity 15.2%.

These increasing prices are reflected in the day-to-day average cost of home heating and cooling. For example, the price of electricity for cooling this summer increased from about \$450 to \$550, the average cost of home heating last winter increased from \$888 to \$1,025. Based on current market prices, the cost of home heating next winter could go on average as high as \$1,152. And for those using heating oil, prices could increase from \$1,212 two years ago to \$2,166.

The American Recovery Act provided \$4.5 billion in supplemental funds for LIHEAP. Those funds will be fully obligated by the end of this month, resulting in a funding cliff for the program with just the regular appropriation for states to help low income families struggling to pay these high bills.

While we appreciate the \$200 million increase in the regular program appropriation provided by the House Appropriations Committee and included in the Senate Appropriations Committee's bill, these additional funds will not be sufficient to offset the increase in home energy prices this winter or for next summer.

For many struggling families, higher prices can mean being forced to choose between heat, food or medication. About 29% of Americans who were surveyed had to reduce or forego expenses

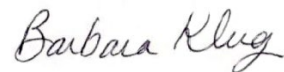
for basic household necessities to pay an energy bill in the last year, according to the U.S. Census Bureau's [Pulse Survey](#). And that was before fuel prices started to rise.

Of even greater concern with rising prices is the amount owed by families to their local utilities. About 20 million families now owe on average about \$16 billion to their local utilities or about \$800 per family, up from about \$8 billion or \$400 per family prior to the start of the pandemic.

Earlier this summer, the Biden Administration [issued a statement](#) discussing how LIHEAP can be used to help families cope with rising temperatures. We completely agree – LIHEAP can be used effectively to purchase cooling equipment and help families pay their cooling bills – if the program is funded adequately. Our current funding is not sufficient to fulfill that request. However, we believe that cooling assistance is an important need for struggling families and if we had the resources, we could move quickly to expand the current LIHEAP cooling benefits.

In summary, in order to address the concerns raised in this letter, we are requesting an additional \$5 billion for LIHEAP for FY 2023: \$4.0 billion to address increases in home heating and cooling costs and the continued high rate of arrearages and \$1.0 billion to purchase efficient heating and air conditioning appliances to help families reduce their heating and cooling bills.

Sincerely,

A handwritten signature in cursive script that reads "Barbara Klug".

Barb Klug
Chair, NEADA