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Contact: Mark Wolfe, National Energy Assistance Directors' Association  
202-237-5199, cell: 202-320-9046

**State Energy Directors Est. 1.2 million Households Disconnected from Utility Services  
Call on Congress and the Administration to Provide Additional Funds for  
Energy Assistance**

Millions of low income families are facing a severe hardships paying arrearages from last winter's heating bills, coping with impending and actual shut-off situations and rising air conditioning costs.

The National Energy Assistance Directors' Association, representing the state directors of the Low Income Home Energy Assistance Program (LIHEAP) has just completed the first national survey of utility arrearages and shut-offs. Based on a sample of 11 states representing 25% of all households, an estimated 1.2 million households have been disconnected from electric and natural gas service during the March through May period following the expiration of state shut-off moratoriums. On average these families owed about \$850, with the total amount owed exceeding \$1 billion. The level of shut-offs is likely to go higher as utilities continue credit and collection procedures related to the end of the winter shut-off moratorium period. .

While historical shut-off data is not available, many states believe that the numbers this year are higher as a result of increasing electric and natural gas rates coupled with a cut-back this year in funding for the Low Income Home Energy Assistance Program from \$3.2 billion in FY 2006 to \$2.1 billion in FY 2007.

The states are calling on the Administration to immediately release the \$200 million in LIHEAP funds currently available as well as urge the Congress to act swiftly to pass the House version of the 2008 Labor, Health and Human Services bill that contains an increase of \$500 million for LIHEAP.

According to Mark Wolfe, Executive Director, "these numbers are not surprising. We have known all along that a cutback in energy assistance coupled with rising energy prices would create the perfect storm of families not being able to afford basic electric and natural gas services. Unless Congress acts soon to approve the \$500 million increase funding for LIHEAP contained in the House Labor, HHS bill, this era of access to basic energy services could be ending."

The following provides a snapshot of shut-off and arrearage situation across the nation.

- California: While specific shut-data is not available, the state has reported that local agencies are turning away many more clients this year than last year. The number of requests for crises services is up to 50 percent higher in some areas. Energy bills are much higher than last year: in general 10%-20% higher. In addition, this year they are seeing some abnormally high bills of over \$1,000 and up to \$6,000. This may be the result of utilities offering payment plans when weather spikes and rates increase causing balances to accrue.
- Connecticut: the four major Connecticut utilities sent out a total of 326,415 electric and 403,069 natural gas shut-off notices (between March and mid-June) for a total arrearage of \$174.6 million (\$90.3 million natural gas and \$84.4 million electric). Between March and May, 17,073 families lost electric service and 6,868 natural gas service.

- Delaware: Residential customers of Delmarva Power saw a 59 percent increase in their bills in May 2006 after the state removed price caps on the wholesale electricity market. In March, about 50,000 customers were behind in paying their bills, according to the company, many of these will be facing shut-off of service.
- Iowa: 224,099 customers are more than 60 days in arrears and 185,356 shut-off notices were issued in April and May. There were 14,881 disconnections in April and May, the highest number ever reported for this period.
- Massachusetts: At the end of the winter shut-off moratorium, approximately 60 percent (40,000) of energy assistance customers were behind on their natural gas and electric bills and are facing potential shut-off of energy service.
- Missouri: 90% of energy assistance recipients who have been protected under the state's winter moratorium had defaulted on their winter heating payments; the largest number of defaults that the Commission has ever seen (to be clarified). At the start of the winter heating season of 2006-07, approximately 20,000 Missouri customers had been disconnected with an average debt of \$500.
- Nevada: Between April and May, 234,179 customers received shut-off notices and 18,535 customers were shut-off from the state's two major utilities.
- New Mexico: 193,191 disconnection notices were sent between March and May the state's major utilities representing \$16.1 million in arrears. 17,884 families were shut-off from service during this period.
- Ohio: Between March and April 35,494 electric and 23,000 natural gas customers were disconnected from services. These customers owed a total of \$31.6 million.
- Pennsylvania: Between January and May 2007, 40,313 electric and 30,789 natural gas customers were disconnected from service.
- Virginia: 34,916 households were shut-off from electric service between March and May 2007.
- Wisconsin: 83,676 disconnection notices, an increase of 32 percent over last year at this time by one of the state's major utilities. Of this amount, through May 31, 16,771 of these households were disconnected from electric service as compared to 15,667 last year at this time. Arrearages for these households receiving energy assistance increased from \$43 million to \$56.9 million from last year at this time.

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