



MARTHA COAKLEY
ATTORNEY GENERAL

THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF THE ATTORNEY GENERAL
ONE ASHBURTON PLACE
BOSTON, MASSACHUSETTS 02108-1698

(617) 727-2200
www.ago.state.ma.us

September 18, 2008

The Honorable Nancy Pelosi
Speaker of the House of Representatives
H-232, United States Capitol Building
Washington, DC 20515

The Honorable Harry Reid
Senate Majority Leader
528 Hart Senate Office Building
United States Senate
Washington, DC 20510

Dear Speaker Pelosi and Senator Reid:

We are writing to urge you to pass legislation providing immediate additional funds for this winter for the Low Income Home Energy Assistance Program (LIHEAP). LIHEAP, a federally-funded, state-administered energy program that has been in existence since 1981, is a targeted block grant program that helps low-income households with high energy burdens and those particularly vulnerable to the heat and cold.

While energy costs are skyrocketing, it is important to remember that the costs of residential energy, and heating and cooling in particular, burden low-income households disproportionately. Estimates indicate that the average cost of home heating for all home heating fuels is expected to rise by at least 15 percent this year to \$1,114, the highest level ever. It is projected that the average cost of home heating oil will be \$4.13 per gallon, an increase of about 25 percent over last year. In addition, natural gas is projected to be 17 percent higher and electricity for home heating 6 percent higher than last winter.

As energy prices rise and the economy slows, the number of consumers requiring heating assistance is growing. As a result, funding LIHEAP is more important than ever to ensure that millions of Americans are safe from utility shut offs and empty oil tanks. An estimated 5.8 million households received energy assistance in FY 08, an increase of 3.7 percent over FY 07 and the highest level in 16 years. This is due in large part to the fact that the number of families who are unable to afford to pay their utility bills is drastically escalating. The National Energy Assistance Directors estimate that almost

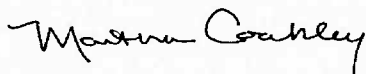
15.6 million households are behind on their utility payments as of March 2008, and the total amount of arrears is almost 15 percent higher than the previous year.

Immediate additional funds are also critical in order to respond to the severe decline in the program's purchasing power as a result of continued high energy prices. Between FY 2003 and FY 2007, the purchasing power of the average LIHEAP grant for heating oil declined from 36.7 percent to 20.8 percent, natural gas from 58.2 percent to 37.6 percent, propane from 37.7 percent to 22.6 percent, and electricity from 50.1 percent to 37.1 percent.

These statistics highlight why it is so important to pass LIHEAP funding now. As the winter heating season approaches, all Northeast states are mobilizing their resources to prepare for the coming crisis. However, these steps will be insufficient to keep people warm this winter. That is why LIHEAP funding for Northeast states cannot come fast enough. This money would go directly to help low-income families, disabled individuals, and senior citizens living on fixed incomes pay arrearages from last winter's high cost of home heating and begin preparing for this winter by pre-buying heating oil and propane, ensuring that they have the necessary resources to heat their homes.

We are mindful that Congress has much to consider in the near term and appreciate that there are serious issues facing the country. However, it is becoming increasingly clear that this winter many of the most vulnerable residents of our states will not have the resources needed to keep their homes warm or their families from freezing. We ask that you pass this much needed legislation to provide the immediate energy assistance that our vulnerable residents desperately need.

Cordially,



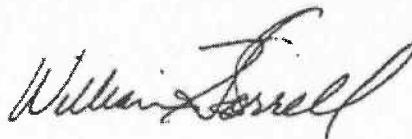
Attorney General Martha Coakley
Massachusetts



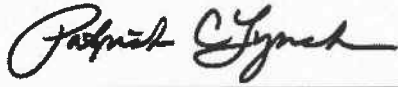
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*Cc: The Honorable Edward M. Kennedy,
United States Senate*