

September 12, 2023

The Honorable Kay Granger  
Chair  
House Committee on Appropriations  
Washington, DC 20515

The Honorable Patty Murray  
Chair  
Senate Committee on Appropriations  
Washington, DC 20510

The Honorable Rosa DeLauro  
Ranking Member  
House Committee on Appropriations  
Washington, DC 20515

The Honorable Susan Collins  
Vice Chair  
Senate Committee on Appropriations  
Washington, DC 20510

**RE: Supplemental Appropriation for Low-Income Home Energy Assistance**

Dear Chairwoman Granger, Chair Murray, Vice Chair Collins, and Ranking Member DeLauro:

As the designated representatives of utility consumers for New England states, we write to strongly urge you to provide supplemental funding for the Low-Income Home Energy Assistance Program (LIHEAP), which serves as a lifeline for millions of low-income families across the country. Households across New England are facing historically high prices for home energy, which are expected to increase again this winter. To ensure low-income families do not have to make difficult choices between paying for heat and other essentials such as food, housing, or medicine, we urge the Committee to provide supplemental funding for this critical program.

New England residents are poised to see electricity price increases again this winter as compared to summer. The region's average residential electricity price is projected to increase from around 27.5 to 30.6 cents per kilowatt-hour by the first quarter of 2024.<sup>1</sup> New England continues to face grid constraints and the natural gas and delivered fuels that heat most homes are international commodities still subject to extreme price volatility. Combined with the older housing stock and particularly cold winter weather anticipated this year, New England families will once again be at severe risk of falling behind on energy bills and having insufficient funds for heating costs.

The National Energy Assistance Directors' Association (NEADA) has documented how price increases across the board are impacting utility ratepayers nationwide. Even while nationwide energy prices have begun to trend down after several years of increasing household winter heating expenditures, this has been slow to fully reflect in retail electricity and gas prices. Meanwhile, inflation in other essential goods continues to make it more difficult for households

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<sup>1</sup> U.S. Energy Information Administration, Short-Term Energy Outlook, August 2023, available at [steo\\_full.pdf \(eia.gov\)](https://www.eia.gov/short-term-energy-outlook/full-report).

to pay for their utilities.<sup>2</sup> In July 2023, the consumer price index for all items increased 3.2 percent from the previous year, while food increased 4.9 percent and shelter increased 7.7 percent.<sup>3</sup>

Moreover, due to the economic impact of the COVID-19 pandemic, the number of households behind in paying their utility bills has already skyrocketed. A NEADA analysis found that nationwide arrearages have increased from about \$10.5 billion at the end of 2019 to about \$19.5 billion at the end of March 2023. About 19.6 million households were in arrears at the end of March 2023.<sup>4</sup> Utility arrearages continue to climb to this day. In Connecticut, for example, electricity and gas customers' total 30 days+ utility arrearages surpassed \$676 million in July 2023, up from \$571 million in July 2022.<sup>5</sup> In Massachusetts, electricity and gas customers' total 30 days+ utility arrearages surpassed \$852 million in June 2023, up from \$764 million in June 2022.<sup>6</sup>

This mountain of utility debt and fear of not having resources to pay for oil deliveries have real and profoundly damaging financial, social, and public health costs. Without assistance, many consumers with utility debt will not be able to recover from the financial losses that they suffered during the pandemic. Moreover, families whose utilities are shut off will lose their Section 8 housing.<sup>7</sup>

The utility debt crisis is also a racial justice issue, as Black and African American people face systematic disadvantages in energy costs and limited access to renewable energy benefits.<sup>8</sup> This inequitable burden of debt combined with inadequate heat will perpetuate our nation's racial wealth gap and deepen racial inequities that were exacerbated by the COVID-19 pandemic.<sup>9</sup>

LIHEAP has been and will continue to be a lifeline to consumers struggling to pay their utility and home heating bills, particularly this winter as home heating costs are expected to increase again. To meet today's dual challenges of extraordinarily high home heating costs and enormous utility debt, Congress must significantly increase LIHEAP funding through a supplemental appropriation.

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<sup>2</sup> NEADA End of Winter Energy Update, April 17, 2023, available at <https://neada.org/wp-content/uploads/2023/04/eowapril2023.pdf>

<sup>3</sup> Bureau of Labor Statistics Report, July 2023, available at <https://www.bls.gov/news.release/pdf/cpi.pdf>

<sup>4</sup> NEADA Press Release, Utility Arrearages Rise After Winter Shutoff Moratoriums End, May 24, 2023, available at <https://neada.org/wp-content/uploads/2023/05/arrearagesmay2023.pdf>

<sup>5</sup> From Eversource and Avangrid Order No. 54 compliance filings under Docket 23-05-01, August 15, 2023

<sup>6</sup> Based on arrearage data reported by the Massachusetts electric and gas distribution companies under D.P.U. 20-58-A, as of September 6, 2023.

<sup>7</sup> 24 C.F.R. § 982.404.

<sup>8</sup> Energy justice towards racial justice. *Nat Energy* 5, 551 (2020). <https://doi.org/10.1038/s41560-020-00681-w>. See also Kowanko, Anna and Harak, Charlie, *COVID-Driven Utility Arrearages: Implications for Policy in Massachusetts and the Nation*, NATIONAL CONSUMER LAW CENTER, February 2021 ([https://www.nclc.org/images/pdf/special\\_projects/covid-19/Rpt\\_Covid\\_Utility\\_Arrearages.pdf](https://www.nclc.org/images/pdf/special_projects/covid-19/Rpt_Covid_Utility_Arrearages.pdf)) (“NCLC Report”), at 8.

<sup>9</sup> Allen, John R., and West, Darrell M., *How to Address Inequality Exposed by the COVID-19 Pandemic*, BROOKINGS.EDU, Nov. 4, 2020 (<https://www.brookings.edu/president/how-to-address-inequality-exposed-by-the-covid-19-pandemic/>).

Sincerely,



Claire Coleman  
Consumer Counsel, State of Connecticut



Donald Kreis  
Consumer Advocate, New Hampshire



Elizabeth Anderson  
Chief, Energy and Telecommunications  
Division, Massachusetts Office of Attorney  
General



William Harwood  
Public Advocate, Maine