



## NLIEC NEWS

**July 31, 2009**

### ***Within the Energy Assistance Community ...***

- **Virgin Mobile to Offer Free Phone and Wireless Service to Qualifying Low-Income Households**

Virgin Mobile USA is launching a new program to offer free wireless service to low income customers. The wireless service provider's Virgin Mobile Lifeline program provides qualifying clients with a free wireless handset and 100 minutes of usage per month. Recipients of Medicaid, Food Stamps and other low-income related government benefits may be eligible. Lifeline provides qualifying customers with quality wireless service and a Virgin Mobile handset at no cost to the customer. The program launch in July in New York, Tennessee, North Carolina and Virginia with additional states to follow. Organizations interested in partnering with the company to publicize the program to potentially eligible customers should contact Ariel DeJesus <<mailto:adejesus@virginmobileusa.com>> ) at Virgin Mobile USA, 10 Independence Boulevard, Warren, NJ 07059, phone 908-607-4150. He attended the 2009 National Energy and Utility Affordability Conference presented by the National Fuel Funds Network and National Low Income Energy Consortium at Portland, Oregon.

- **New Jersey SHARES Receives Additional RGGI Money**

The New Jersey Board of Public Utilities has awarded additional funding from a 2009 Regional Greenhouse Gas Initiative (RGGI) auction to New Jersey SHARES to assist limited income residential electric customers facing a bill payment crisis. Each quarter, the board holds auctions to allocate RGGI funds. Although the exact numbers are unknown because it is subject to auction, NJ SHARES anticipates each of the remaining quarterly awards for 2009 to be in the range of \$2.8 million. The first two auctions — the second of which was awarded on July 1 — generated \$5.8 million. The remaining auctions are scheduled for September and December. "Thanks to RGGI funding and the Board of Public Utilities, NJ SHARES is now

working to spread the word about energy efficiency to help fixed, low and moderate-income New Jersey residents conserve energy, reduce their energy bills and ease their financial burdens,” said Jim Jacob, the nonprofit organization’s executive director. “NJ SHARES will be referring recipients of RGGI electric bill assistance grants to New Jersey’s Clean Energy Program for low or no-cost energy efficiency audits, as well as weatherization grants to improve the comfort and efficiency of their homes.” New Jersey SHARES is a member of the National Low Income Energy Consortium Board of Directors.

- **[New Journal of Energy Assistance Article Looks at Coupling Energy Assistance and Energy Hedging to Reduce Expense Volatility for LIHEAP Recipients](#)**

Since 1981, the federal government has provided energy assistance to low-income households through the Low Income Household Energy Assistance Program. LIHEAP, coupled with state funding and with mandatory and voluntary utility programs, has been successful in reducing energy costs for low-income families. The majority of U.S. households, however, experience home heating expense volatility. In this analysis, just published in the *Journal of Energy Assistance* section of the NIEC website <http://www.nliec.org/Journal/Journal.htm>, author Tom Matthews advocates establishment of a federal government-backed hedging program to dramatically reduce the year-to-year home heating cost volatility experienced by LIHEAP recipient households. Such a program, he argues, would benefit low-income households, the federal government and utilities.

Read the full article at: [http://www.nliec.org/Journal/Articles/Matthews\\_Coupling%20Assistance%20and%20Hedging.pdf](http://www.nliec.org/Journal/Articles/Matthews_Coupling%20Assistance%20and%20Hedging.pdf)

*In Washington ...*

- **[Full House, Senate Appropriations Committees Approve \\$5.1 Billion in LIHEAP Funding for Fiscal Year 2010](#)**

The U.S. House has voted overwhelmingly to provide \$5.1 billion in funding for the Low Income Home Energy Assistance Program (LIHEAP) in Fiscal 2010, and Senate appropriators have agreed to the same levels of funding. The House approval came on a 264-153 vote July 24 to provide appropriations for the Departments of Labor, Health and Human Services, and Education in FY 2010. Just days later, on July 30, the Senate Appropriations Committee also approved funding for LIHEAP at the \$5.1 billion level. That amount is \$1.9 billion more than President Obama had requested in his budget proposal and is the same amount as was Congress provided for the program in FY 2009. Of the total amount, \$4.509 billion will go for LIHEAP’s basic grants and \$590.3 million for contingency funds.

*In the States ...*

- **[Indiana State Budget Removes LIHEAP Tax Exemption](#)**

Indiana’s General Assembly passed a two-year budget on June 30 that lifted a ban on taxing LIHEAP funds, meaning there will be 7 percent less money for LIHEAP. The 7 percent tax on LIHEAP funds has been prohibited for the past three years. Earlier in the legislative session, a measure that would have made the tax exemption permanent was passed by the full House and sent to the Senate but was opposed by the governor’s office. The \$28 million budget

includes no tax hike, leaves a \$1 billion surplus but contains no help for families with unaffordable utility bills. This comes at a time when a rise in unemployment has many families in Indiana struggling to pay their utility bills. Last winter almost 198,000 families received heating assistance, an increase of over 35 percent from the previous winter. — *LIHEAP Clearinghouse*, July 6, 2009

- **Illinois Governor Signs Bill to Reduce Utility Costs**

After expending much energy on creating a plan that Illinois lawmakers, community activist and power company officials can agree on, consumers now have relief from their rising energy costs. Gov. Pat Quinn signed legislation last Friday that is expected to make utilities more affordable for individuals on fixed incomes or are whose services are facing disconnection. ... Under the new legislation, utilities companies will make payment plans more available to residents. ... The measure will also allow eligible customers to pay no more than 6 percent of their income toward their energy expenses, and it will extend the funding for the Low Income Heating Energy Assistance Program (LIHEAP), which would aid eligible residents in paying their utilities. — *Oak Park (IL) Austin Weekly News*, July 15, 2009

Read more at: <<http://www.austinweeklynews.com/main.asp?SectionID=1&SubSectionID=1&ArticleID=2333&TM=83029.65>>  
<<http://www.illinois.gov/PressReleases/ShowPressRelease.cfm?SubjectID=14&RecNum=7675>>

- **Massachusetts DPU Dismisses Low-Income Prepayment Pilot**

The Massachusetts Department of Public Utilities has dismissed a proposal by Western Massachusetts Electric Company that would have piloted the use of prepayment meters among the company's low-income customers. The proposal was opposed by the Massachusetts Attorney General, state energy officials and low-income energy advocates who said it would threaten electrical service for hundreds of low-income families and allow the utility to bypass the state's existing consumer protection rules. With prepayment meters, customers purchase electricity in advance and once it runs out their utility service may be disconnected. Participants may also use an in-home display unit that provides them real-time information such as consumption, cost, and available balance of electricity. The DPU agreed with advocates that the program would circumvent Massachusetts' consumer protection laws and said that it unfairly targeted low-income consumers. — *LIHEAP Clearinghouse*, July 29, 2009

Read more at: <<http://www.liheap.ncat.org/news/july09/ma.htm>>

*In the News ...*

- **AmerenUE to Offer Money to Needy Elderly, Disabled**

To help needy customers with overdue utility bills, AmerenUE has launched a \$3 million program to allow past-due low-income customers to get a fresh start in managing their utility bills. Dubbed "Clean Slate," the program is designed to help qualified low income customers pay off their past-due utility bills. It will start in Callaway County and in Mid-Missouri on July 15. The AmerenUE program first will concentrate its efforts to help low-income elderly and

low-income disabled customers clear up their past-due bills. The program is financed entirely from AmerenUE corporate funds. Other AmerenUE customers will not be charged for the program. — *Fulton (MO) Sun*, July 6, 2009

Read more at: <http://www.fultonsun.com/articles/2009/07/07/news/206news02.txt>

· **Peco Getting Quicker at Shutting Off Power**

Peco Energy Co. has been getting faster at shutting off power when people don't pay their electric bills. Through May, Exelon Corp.'s Philadelphia service arm says it stopped electricity to around 34,000 customers for nonpayment, up from 16,000 in the first four months of last year. Jonathan Stein of Community Legal Services of Philadelphia calls it "a big unannounced policy shift" that leaves thousands at risk. Readers have told me they're not too sympathetic to people who don't pay what they owe. But Peco agrees more customers can't afford its bills lately. — *Philadelphia (PA) Business Today*, July 7, 2009

Read more at: [http://www.philly.com/philly/business/homepage/20090707\\_PhillyDeals\\_\\_Peco\\_getting\\_quicker\\_at\\_shutting\\_off\\_power.html](http://www.philly.com/philly/business/homepage/20090707_PhillyDeals__Peco_getting_quicker_at_shutting_off_power.html)

· **Relief From Heat of Sun, Bills**

It was a pretty horrid week for Ruth Jordan and her boyfriend, Jarvis Johnson. On June 1, Jordan, 31, was rushed to Tampa General Hospital to undergo an emergency Caesarean section to deliver her seventh child. The boy, born premature at 26 weeks, remains at TGH, fighting for his life. His untimely birth caught his parents off guard. They hadn't even settled on a name. But that was the least of their worries. The Lakeland couple, who work at Krystal, the hamburger chain, returned home from the hospital June 3 to find their power had been turned off because they had not paid their bill. They owed Lakeland Electric roughly \$260, money they didn't have. And forget about the \$40 reconnection fee. — *Lakeland (FL) Ledger*, July 12, 2009

Read more at: <http://www.theledger.com/article/20090712/NEWS/907135011/1410?Title=Homes-Made-More-Energy-Efficient-for-Needy>

· **"Smart Grid" Raises Security Concerns**

Electric utilities vying for \$3.9 billion in new federal "smart grid" grants will need to prove that they are taking steps to prevent cyberattacks as they move to link nearly all elements of the U.S. power grid to the public Internet. The requirements from the Energy Department come amid mounting concern from security experts that many existing smart-grid efforts do not have sufficient built-in protections against computer hacking, such as new "smart meters" that put information about consumers' power use onto the Internet, grid-management software and other equipment. The smart-grid spending in the federal stimulus package is intended to create jobs and improve the efficiency and reliability of the electricity grid by lowering peak demand, reducing energy consumption, integrating more renewable energy sources and easing the pressure to build new coal-fired power plants. — *Washington Post*, July 28, 2009

Read more at: <http://www.washingtonpost.com/wp-dyn/content/article/2009/07/27/>

[AR2009072702988.html](#)>

## **Editorials ...**

### **Utility Shutoffs: Don't Leave Pennsylvanians in the Cold**

Summer is not usually the time we focus on utility shutoffs, but then again this is no ordinary time. In just six months many people in central Pennsylvania will see their electric bills increase — by 30 to 40 percent by some estimates — because of the end of rate caps. (The caps will expire in all parts of Pennsylvania by the end of 2010). We have no idea what the price of oil and gas will be when the winter blows in. And thanks to a five-year-old law that makes it easier for utilities to shut off people's electricity and heat, more people are expected to find themselves without power once the weather turns really cold. — *Harrisburg (PA) Patriot-News*, July 8, 2009

Read more at: [http://www.pennlive.com/editorials/index.ssf/2009/07/utility\\_shutoffs\\_dont\\_leave\\_pe.html](http://www.pennlive.com/editorials/index.ssf/2009/07/utility_shutoffs_dont_leave_pe.html)>

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National Low Income Energy Consortium  
6324 Beryl Road, Alexandria, VA 22312  
Phone 703-642-9070 Fax 703-916-7850

Chair — Cindy Datig, Dollar Energy Fund  
Vice Chair — Linda Barnes, Entergy Corporation  
Secretary — Ron Grosse, Individual Member  
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