

August 5, 2008

The Honorable George W. Bush
President
United States of America
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President:

The Coalition of Northeastern Governors (CONEG) strongly urges you to release immediately the remaining \$120 million in contingency funds for the Low-Income Home Energy Assistance Program (LIHEAP) to all the state and tribal grantees. With soaring home energy prices severely eroding the assistance provided by LIHEAP, our states no longer have the option of reducing the benefit level provided to the most vulnerable low-income households. At the current level of released federal LIHEAP funds, we know that an unprecedented crisis is waiting to unfold later this fall unless additional federal funds are made available now.

In the Northeast, the heating season comes early, and preparations for the upcoming LIHEAP program year must begin as early as July. Plans must be made now – by states, households, fuel dealers, utilities, and community service programs – to avoid the most serious health and safety consequences of the home heating crisis facing our most vulnerable low-income households struggling to pay their home energy bills. Planning for the LIHEAP program takes on a new urgency this year as home energy prices, utility service disconnections, and the number of households in arrears to utilities all continue to rise to alarming levels.

The number of households who have fallen behind in energy bills is staggering. According to the National Energy Assistance Directors' Association (NEADA), 15.6 million households are in arrears to utilities – an increase of 9.5 percent over last year. LIHEAP contingency funds are urgently needed now to minimize disconnects during the summer cooling season and to help ensure that households already disconnected will be able to restore utility service before severe cold weather takes hold.

Record home energy prices are placing a tremendous strain on low-income households in the Northeast who depend on deliverable fuels such as home heating oil, propane and kerosene. In some areas of the region, the price of home heating oil is quickly approaching \$5 per gallon – an increase of over 50 percent since last year. At current funding levels, the typical LIHEAP benefit will cover the cost of only half a tank of home heating oil. In many cases, that is not even the required minimum delivery amount.

We urge you to immediately release the \$120 million in LIHEAP contingency funds to all the state and tribal grantees. In the face of high home energy prices in our states, these funds are urgently needed to provide even a modest portion of the home heating benefit provided to LIHEAP households last year.

Sincerely,

/o.s./
Jim Douglas
Chair
Governor of Vermont

/o.s./
David A. Paterson
Vice-Chair
Governor of New York

/o.s./
John Lynch
Lead Governor for LIHEAP
Governor of New Hampshire

/o.s./
M. Jodi Rell
Governor of Connecticut

/o.s./
John Baldacci
Governor of Maine

/o.s./
Deval L. Patrick
Governor of Massachusetts

/o.s./
Jon S. Corzine
Governor of New Jersey

/o.s./
Donald L. Carcieri
Governor of Rhode Island