

September 12, 2008

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

The Honorable Mitch McConnell
Minority Leader
United States Senate
361 A Russell Senate Office Building
Washington, DC 20510

Dear Majority Leader Reid and Minority Leader McConnell:

Thank you for your efforts to secure additional funding for the Low Income Home Energy Assistance Program (LIHEAP) this year. As the fiscal year draws to a close and cold winter weather begins to settle in, the Coalition of Northeastern Governors (CONEG) urges you to provide this Fall at least \$2.5 billion in additional FY2008 funds to bring LIHEAP up to the fully authorized level.

The need for additional LIHEAP funds exists in every region of our country, as households nationwide can expect to pay almost 16 percent more to heat their home than last winter. However, skyrocketing energy costs threaten a disaster for the Northeast, where the many households can expect home heating costs to increase by 30 percent. With your support, Congress has the opportunity to act before it happens by providing additional funds nationwide to minimize the potential crisis.

In the Northeast, where the winter heating season begins in early October, states began preparing for the upcoming program year as early as July. At the current funding level, states are faced with a tough choice of reducing the amount of the LIHEAP benefit or reducing the number of households served. With escalating energy costs severely eroding the purchasing power of the LIHEAP dollar, reducing the benefit amount is no longer an option. A continued reduction in benefits could result in minimal assistance if recipient households are unable to purchase the required minimum delivery of home heating oil or make the necessary payment on utility arrearages. States already are seeing increased requests for assistance from low and middle-income households.

Our region faces an additional challenge because of its reliance on the use of deliverable fuels for home heating. Low-income residents using propane or home heating oil do not have the benefit of a program comparable to a utility service shut-off moratorium. If a household cannot afford to purchase home heating fuel, the fuel delivery truck simply does not come.

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It is becoming abundantly clear that current funding will not meet the increased need for the program. Our states have recently taken aggressive action to maximize scarce LIHEAP dollars and to develop additional ways to help low-income residents struggling with exorbitant home heating bills. These range from providing additional funding or access to alternative fuel resources, expanding weatherization and conservation initiatives, working with fuel dealers to reduce the minimum delivery amount, and preparing for home heating emergency response. But these efforts are not enough by themselves.

At least \$2.5 billion in additional FY2008 funds for the Low Income Home Energy Assistance Program is urgently needed now to help restore some of the purchasing power of the program, and enable states across the nation to provide meaningful assistance to more citizens struggling to pay unaffordable home energy bills.

Regards,

/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./
Deval L. Patrick
Governor of Massachusetts

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

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

/o.s./
John Baldacci
Governor of Maine

Identical letters were also provided to House Leadership.