



NATIONAL ENERGY & UTILITY AFFORDABILITY COALITION

Energy Affordability and COVID-19: Exploring Promising Practices to Address Growing Need

Current Situation

More than 36 million Americans have filed for unemployment since the beginning of the COVID-19 crisis, and that number is growing. Utility companies are reporting staggering increases in arrearages. Anti-poverty programs providing needs like food and shelter have experienced overwhelming response as the crisis has progressed, forecasting the need for utility assistance when the existing shutoff moratoria are lifted.

As our network of utility providers, nonprofits, fuel funds, Community Action agencies, government entities, national partners, and trade organizations prepare to address energy needs resulting from the coronavirus pandemic, it is clear that success will require a multifaceted approach that includes increasing resources, strengthening the safety net, implementing compassionate practices by utility companies, and communication between all partners.

Existing Bill Payment Resources for Customers

Low-Income Home Energy Assistance Program (LIHEAP)

[LIHEAP](#) is a federal block grant and the backbone of energy assistance programming in America. It provides flexible funding to states, tribes, and territories to reduce energy burden and address energy affordability. LIHEAP can provide heating and/or cooling bill assistance, residential energy efficiency through weatherization, heating/cooling system repair and replacement, and other programs to reduce energy burden, particularly for populations vulnerable to temperature extremes like older adults, individuals with disabilities, and families with young children.

Utility-Administered Fuel Funds

Some utilities sponsor corporate fuel funds that assist eligible households with their utility bills. Examples include Washington Gas's program [Washington Area Fuel Fund](#) and Dominion Energy's [EnergyShare Program](#).

Private Nonprofit Fuel Funds

Private nonprofit fuel funds emerged as a result of the need for expanded energy assistance in many states and communities, many during the oil crisis in the late 1970s. Some private nonprofit fuel funds include [Operation Fuel](#), [Fuel Fund of Maryland](#), [Energy Outreach Colorado](#), [Dollar Energy Fund](#), and Salvation Army's [Project Share](#).

Compassionate Practices by Utility Companies with Examples

- Suspension of disconnections for residential customers: [Duke Energy](#)
- Suspension of late fees, including when the moratorium is in effect, and including business customers: [Southern California Edison](#)
- Voluntary reconnection to service and suspension of reconnection fees: [Citizens Energy Group](#)
- Reduction in charges/rates for residential high energy users: [TECO](#)
- Suspension of security deposits: [Pacific Gas and Electric](#)
- Refunds of existing security deposits: [Berkeley Electric Co-op](#)
- Flexible and extended payment plans: [Centerpoint Energy](#)
- Arrearage forgiveness: [Eversource New Start Program](#)
- Suspension of credit card fees: [ConEdison](#)
- Third-party payments on a customers behalf: [Pepco Gift of Energy Program](#)
- Suspension of negative credit reporting: [PNM](#)
- Directing customers to assistance through collections communications and other outreach
- Special fuel funds established specifically to address COVID-19: [Tacoma Public Utilities](#)
 - These special funds can provide flexibility to address unmet need in new or underserved populations. The utility is able to control the rules and requirements of the program. There is potential to limit red tape and fill gaps in the safety net
- Utility employees and other businesses volunteer to donate funds in their paychecks to a special COVID relief energy fund, through “Round Up” or “Add-a-dollar” programs

Other Promising Practices

- Auto-enrollment in discount programs for income-eligible customers: [New Jersey Fresh Start](#)
- Percentage of Income Payment Plans (PIPP): payments are structured based on percentage of income and are consistent year round. [Ohio Development Services Agency PIPP](#)

Conclusion

Fuel funds and compassionate practices by utility companies can help improve the leverage of LIHEAP funds, enabling the federal funding to stretch further and serve more of the need. During times of heightened awareness of the need for energy assistance, communication and collaboration between energy assistance stakeholders is key to addressing residential energy burden in communities. Utilities that partner with local nonprofits and LIHEAP administrators can provide valuable insight into the needs of their customers, and nonprofits provide critical knowledge of the safety net and the importance of utility connectivity in overall household stability. The most promising way to address energy burden is to work together. NEUAC can facilitate and help strengthen these connections by providing access to a national network of utilities and utility assistance providers who believe in our mission to fight energy poverty.

Questions? Email info@neuac.org.

NEUAC is a leader in the fields of public policy, advocacy, energy and poverty issues. NEUAC currently serves more than 200 member organizations that span the nation, providing tools to advocate for LIHEAP and other funding to support low-income families. The organization bridges the gap between states, social service organizations, and government to empower them to work together and learn from each other in times of energy and poverty crisis.