



# LIHEAP Policy Updates in the Era of COVID

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## The American Gas Association

- 200+ natural gas utilities (IOU, municipal) in the U.S.
- 71 million customers
- Clean, reliable, safe, AFFORDABLE, energy
- Commitment to the communities we serve

# Brian Caudill

## **Managing Director, Government Affairs and Public Policy**

- 10 years on Capitol Hill
- Career in the propane and natural gas industry
- LIHEAP'ing since the 1990's



## AGA Approach to LIHEAP Advocacy

- Engaged in energy assistance advocacy since the beginning
- Traditionally a facilitator and “back-room” participant – WHY??
- Who best carries the energy assistance message? WHY ??
- Partnering and supporting NEUAC –WHY???
- Results

# COVID Changed the Approach . . .

## AND A PATH FORWARD

- Unprecedented level of need
- Political structure deficit – especially with Senate GOP
- Late March 2020, the data starts rolling in. Congress acts
  - Industry: \$1.4 bn for LIHEAP
  - Senate GOP: \$25 million
  - Democrats: all over the map
- Coronavirus Aid, Relief and Economic Security (CARES) Act
  - \$900 million – How did we get here?



# The 2<sup>nd</sup> COVID Relief Package

- By late April, the scope of the problem from a community, economic, and business perspective became clear
- Based on the National Energy Assistance Directors Association data, the broader collation urged additional \$4.3 billion
- House and Senate advocacy and reaction
- May 15th: House passes *Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act*
  - \$1.5 billion for LIHEAP
- Senate drags its feet

May 15 → Now

## What Happened in the GAP?

- Regular FY21 appropriations (normal business gets done)
- Industry and low-income advocacy LIHEAP funding ask: \$5.1 Billion
- July 7: House Appropriations moves \$3.8 Billion in LIHEAP Funds for FY21
- July 31: House passes \$3.8B for LIHEAP. Yes, it's a win
- Senate...not so much. At least not yet

The  
Timeline

## The Senate (finally) Rings In

- July 27<sup>th</sup> (10 days before August recess) the Senate Introduces the *Health, Economic Assistance, Liability Protection and Schools* (HEALS) Act
  - \$1.5B for LIHEAP
- Was this expected?
- Is it a “win?”
- How did we get here?
- Fingers Crossed. LIHEAP funding number for 2020: \$6.1 Billion
- Hurdles to overcome



# LIHEAP Community Advocacy To-Do List

- Information, mobilization and organization
- Utility Personnel:
  - Connect with Government Relations Team
  - Explore more engagement or membership with NEAUC
- Energy Poverty Advocates:
  - Get involved. You have the means at your fingertips
  - Ramp up involvement with NEUAC



## Questions and Contact Information

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Mark Wolfe, Executive Director

## National Energy Assistance Directors Association

- NEADA Represents all 50 states and D.C. LIHEAP Directors
- Advocates for LIHEAP funding, and consumer protections and energy access for low income energy customers

## LIHEAP Funding and COVID-19

- FFY 2020 Initial Funding: \$3.74 billion
- CARES Act Supplemental: \$900 million
- HEROES (House)/HEALS (Senate) Act would add \$1.5 billion

NEADA estimates LIHEAP needs at least an additional \$4.3 billion to help the recently unemployed and households without air conditioning. This is probably a low number.

## Shutoff Moratoriums and Customer Need

- Some customers have been under moratoriums since last fall
- Mandatory shutoff moratoriums in nine states have already expired, customers are coming in with bills in the thousands of dollars.
- Moratoriums still active in 24 states and D.C.
- Predictable and preventable crisis: Coordination between advocates and regulators is more important than ever

## State Responses to Increased Need for LIHEAP

- Accepting online, phone, mail-in applications, waiving in-person requirements
- Revised eligibility requirements to reach more households affected by the pandemic
- Adjusting and extending program timelines to accommodate urgent seasonal needs of customers
- Some states expanding or adding cooling assistance

## Status of Applications

- Of the 37 states who responded to a recent NEADA survey, 21 expected to see an increase in applications, depending on when their state moratorium is lifted.
- Applications are expected to increase by 15% in 5 states, 30% in 3 states and 60% in 2 states. The remaining 11 states expected an increase, but did not give an estimate.
- 12 states did not expect an increase in applications, 4 states did not make predictions.



## Assessing Need for LIHEAP

- NEADA estimates that the LIHEAP-eligible population has increased by 4.7 million households from 2018 to 2020 due to COVID-19 (eligibility defined as below 150% the Federal Poverty Level)
- Providing coverage to all eligible households for one year of home energy bills would cost approximately \$47.3 billion (average cost of home energy per year is \$1,560)

## Leading Examples: California and Illinois PUC

- **California:**

- No disconnections until 2021
- forgiveness of eligible customers' debt if current payments are on-time
- new pilot program that caps bills at the level customer can afford
- eliminates all deposits and reconnection fees
- orders sliding disconnection caps through 2024

- **Illinois:**

- Moratorium to end August 1 or at Phase 4 (whichever comes first)
- temporary flexible credit and collection for qualifying customers
- gives 30 additional days after August 1 for most customers
- largest utilities have 30 more days to notify residential consumers before disconnection
- waives certain deposits for qualifying residential customers for at least 6 months

## Outreach to Eligible Households

- Increasing outreach to underserved communities and newly unemployed
- Piloting testing in three states, radio stations are showing considerable interest
- Blending radio spots with other community outreach including food and clothing drives
- Asking stations to post access to LIHEAP on the “opening up” sections on their websites

# Contact

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# Live Q&A

Submit a question to be answered by our speakers **LIVE!** Questions will be read aloud by the moderator. We will attempt to answer as many questions as possible.

