

Dear Senator:

On *behalf of the Edison Electric Institute's* member companies, I write in support of Congress fully funding the Low Income Home Energy Assistance Program (LIHEAP). I understand that—as early as this week—the Senate plans to consider proposals that address LIHEAP funding, and I urge you to fully fund the program at the \$5.1 billion level established in the budget resolution.

LIHEAP delivers an immediate remedy to at-risk Americans struggling with high home energy costs that continue to rise. Low-income families and fixed-income seniors, in particular, are being economically hurt—through no fault of their own—by high home energy costs. These are the same consumers who have been hit the hardest by escalating gasoline prices, higher food prices, and the housing crisis.

Despite universal recognition that rising fuel costs are driving consumers' energy prices substantially higher, many states are operating LIHEAP programs at virtually the same level of federal support they had in FY 2005. Given today's energy prices and unprecedented demand for LIHEAP assistance, this is a recipe for disaster. Utility bill arrearages are at all-time highs. Several states that have operated summer cooling programs cannot now do so because of the lack of LIHEAP funding. Others are warning of a funding crisis later this year, after Congress adjourns for the fall elections. Remaining available contingency funds (\$120 million) held for emergency purposes will be overwhelmed, as they represent less than five percent of total FY08 LIHEAP funding.

LIHEAP, although severely underfunded, remains a highly efficient, cost-effective block grant and is the federal government's sole energy assistance program. Full funding will help households in all regions survive both cold and warm weather.

Sincerely,

Thomas R. Kuhn