Federal home heating cuts spell hardship for US families this winter

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12 October 2012

Home heating costs in the United States are expected to rise this winter with a return of more normal weather patterns and an increase in the price of heating oil. Combined with cuts in federal heating assistance, the projected rise in heating costs will increase the hardships facing working class families already suffering the highest long-term unemployment rate since the Great Depression.

According to the US Department of Energy's Energy Information Administration, heating bills will rise 20 percent for users of heating oil, 15 percent for natural gas users, 13 percent for propane users and 5 percent for electricity users.

Those relying on heating oil will be particularly hard hit due to an increase in world crude oil prices. Consumers of heating oil are expected to pay an average of $3.80 per gallon, a record high. The increase will result in the average winter heating bill reaching $2,494. That is almost $200 higher than the previous record heating season set in the winter of 2010-2011 and $407 more than last season.

While just 6 percent of US households rely on heating oil, they tend to be concentrated in the Northeast, one of the coldest parts of the country. East of the Rocky Mountains temperatures are expected to be about 2 percent above normal, but that is 20 to 27 percent colder than last winter, one of the warmest on record.

The impact of colder weather and higher heating oil prices is being compounded by cuts to the Low Income Heating Assistance Program (LIHEAP) carried out by the Obama administration. LIHEAP funding has been sharply reduced over the past two years, falling to $3.5 billion this year, down from $5.1 billion in 2010.

A recent tragedy in Omak, Washington underscores the toll of the cold weather on the most vulnerable sections of the US population. A 60-year-old homeless man, Mark Carlton, was found dead in a vacant lot near what appeared to be a warming fire. The body, which was badly burned, was next to a sleeping bag, which was burned up. The man may have fallen into the fire or had been unable to get out of his sleeping bag to escape the flames.

In an interview with *Bloomberg* Mark Wolfe, executive director of the National Energy Assistance Director's Association (NEADA), a Washington-based lobbying group for LIHEAP, warned of the impact of the impending cuts combined with a return to seasonably cold weather. "This is going to be a very tough winter for many poor families," he said.

A report on the NEADA web site notes that in fiscal 2012 the number of households receiving federal heating assistance stood at a record level of 8.9 million. At the same time, federal funding for heating assistance was decreased by 25 percent for fiscal 2012. The purchasing power of the home heating benefit decreased from an average of 42.1 percent to 34.7 percent of the cost of home heating.

George Coling, executive director of the National Fuel Funds Network that advocates for home energy assistance, told the WSWS, "There is a really great need out there. The charitable sector raises around $150 million a year to supplement LIHEAP, which is far less than the amount cut. I have not talked to anyone in our organization who has said that need is dropping off."

Coling said he saw suffering increasing due to the federal cuts: "The $5.1 billion was needed. All through the summer you can see the need. You would need that much even for a mild winter."

The WSWS also spoke with Larry Dawson, deputy director of the Illinois Office of Energy Assistance. "Most of the projections I have been reading have been for a colder than usual winter," he said, "and if that is in fact the case, despite low natural gas prices, there would be significant natural gas consumption. Bills will go up."

"The worst of all perfect storms would be a long,

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protracted, difficult, cold winter," Dawson added. "If we saw prices start to rise on the natural gas side after having had to siphon off some of our funds to take care of our summer cooling we could have some real issues with shortages of funds in late winter." He explained that the Illinois Office of Energy Assistance had seen its funds further depleted by the severe summer heat, which forced the disbursement of funds for cooling assistance.

Dawson told the WSWS that over the past three years funding for his department, like those across the US, had been ravaged by cuts to the federal LIHEAP program. "In the last year we served almost 343,000 households for heating," he told us. "In the previous year we had 421,000. And in the year prior to that we served 425,000. In the last two years we have gone down by more than 80,000 households. The biggest explanatory factor is funding level. We have seen a tremendous cut since 2010. In 2010 our federal award for LIHEAP was over $265 million. This last year it was $185 million. So we have seen a pretty significant cut over the last couple of years."

The combination of these factors, said Dawson, increased the likelihood that households would face utility shutoffs. "The danger is that during the spring, after the disconnection moratorium is over, we have a number of people coming to try to prevent disconnection so they can make it through the balance of the spring and hopefully maintain their services until the fall.

"Between this year and last year our federal funding for the LIHEAP program is expected to be level, except for the possibility of sequestration, which could cut 8.2 percent off our total federal grant. What it means is that we could run out of funds sooner. But if funding is cut further we could find ourselves in a situation when the disconnection season begins that there won't be any funding available."

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