



**Operation Fuel, Inc.**

WE'RE ALL PART OF THE OPERATION.

Testimony

Patricia Wrice, Executive Director

Operation Fuel

Appropriations Committee

December 9, 2009

Good afternoon Senator Harp and Representative Geragosian and members of the Appropriations Committee. My name is Pat Wrice, and I am the executive director of Operation Fuel. Operation Fuel provides emergency assistance grants to low-income households that cannot afford to pay their energy bills and either do not qualify for state energy assistance or have exhausted their state benefits. Operation Fuel utilizes a network of more than 100 fuel banks across the state to serve low-income households.

In FY 2009 Operation Fuel was allocated \$16.5 million in surplus funds for emergency energy assistance. \$5 million was carried forward in PA 09-02 to serve households between 150-200% of the Federal Poverty Level. As specified in the statute, 100% of these funds are to be used for energy assistance. These funds were to be used from July 1, 2008 - June 30, 2010. PA 09-05 clarified that the funds could be used for heat and non-heat energy assistance.

As of December Operation Fuel has not been able to access these funds... If Operation Fuel had use of the funds during the months of July through November 1<sup>st</sup>, we might have been able to prevent some of the more than 5,000 shut offs reported by two of our gas companies.

During the months of July through September 2008, Operation Fuel provided \$1.9 million in energy assistance to 2,300 households with funding received from the state. There are no federal or state programs to assist low-income households with their non-heat energy needs.

Since July 2009 Operation Fuel has assisted almost 900 low-income families in preventing shut-offs or restoring service for overdue utility bills. Because Operation Fuel only had access to our privately raised funds for this purpose, we could only provide \$150 per household.

Even though, there is \$100 million available for energy assistance from the federally funded programs, those funds are \$40 million less than what was available last year. There is an anticipated increase of \$5 in demand statewide for energy assistance in FY 2010.

As of the first week in December more than 71, 212 households have applied for energy assistance through the Community Action Agencies and DSS. This represents an increase of 7% for the same period last year. The household benefit level for CEAP and CHAP has been reduced by \$45 in order to stretch federal funds to help as many families as possible. When household exhaust their benefits through CEAP and CHAP, they turn to Operation Fuel for help. Because of the reduced benefits, they will turn to us for help sooner.

These bills were signed by Governor Rel. After rescissions, \$4.75 million remains. The Governor has proposed to lapse \$2 million of these funds and has recommended that the legislature eliminate \$2 million more. We are asking that you restore the funding allocated to Operation Fuel.

Given the difficult economic times, Operation Fuel is one of the first responders called upon to help families stay warm and safe in their homes. Low-income seniors and families are struggling to keep up with their energy costs; this includes their heat as well as their non-heat needs.

Thank you for the consideration you have shown Operation Fuel over the years and thank you for your time today.