



**Connecticut
Light & Power**

The Northeast Utilities System



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September 27, 2011

To: Senator Harp and Representative Walker
CoChairs of the Appropriations Committee
Senator Fonfara and Representative Nardello
CoChairs of the Energy and Technology Committee
Senator Musto and Representative Tercyak
CoChairs of the Human Services Committee
Honorable Committee Members

Re: Proposed 2011/2012 Allocation Plan for the Low Income Home Energy Assistance Program (LIHEAP) Block Grant

Hello, I am Lindsay Parke, Manager of Community Relations at Connecticut Light & Power Company (CL&P) and Yankee Gas. Thank you for the opportunity to comment on the 2011/2012 Allocation Plan for LIHEAP.

CL&P and Yankee Gas appreciate the difficult public policy decisions the administration and the legislature face with the substantial cut in federal fuel aid. While we do understand the reasoning of the administration in developing this plan we would be remiss if we didn't point out how customers of CL&P and Yankee Gas will be hurt by this plan.

Energy assistance derived from the federal LIHEAP program provided significant assistance to CL&P and Yankee Gas customers who heat their homes with electricity or natural gas. Last year 17,260 CL&P customers received over \$12.5 million in energy assistance awards. For Yankee Gas, 16,380 customers received over \$12.2 million in energy assistance. And for those customers who successfully completed the Matching Payment Program - CL&P customers received \$5.4 million in arrearage forgiveness and Yankee Gas customers received \$2.8 million in arrearage forgiveness.

We believe the proposed plan discriminates access to a federal public benefit based on heating source, not need. Given the difficult economy, it is important for Connecticut to run a fair and equitable program that is accessible to all residents based on need. Generally, utility heated households include the lowest income households that reside in urban areas. This proposal excludes utility heated households because of their source of heat, regardless of need, and may be contrary to the intent of the LIHEAP program.

There are additional risks that should be considered including increased shutoffs in the spring and the collateral harm that will bring. Utilities are a necessity of life that are needed to maintain sanitary surroundings, safe lighting and food storage and preparation. Loss of utilities leads to increased fires,



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evictions and family instability. All of which have a direct correlation with school failure and custody issues.

Without some level of utility benefit it will likely mean many customers will either not apply for a zero dollar benefit or those that do apply, will find it difficult to maintain the required budget payments needed to receive the match from the Matching Payment Program. Over \$8 million in arrearage forgiveness benefits are at risk.

We recognize that the proposed Connecticut LIHEAP allocation of \$46.4 million is significantly lower than last year's final available LIHEAP funds, however, we believe that a program can be crafted in a more equitable fashion. The proposed federal funding level is similar to 2008 LIHEAP levels where Connecticut ran a fuel blind program for over 86,000 residents with a budget of \$40.1 million. We recommend revising the 2011/2012 program using a similar structure to the 2008 CEAP plan and adjust the benefit levels to ensure fair and equitable access to this federal benefit.

By doing this we will be able to keep in place existing programs that reduce arrears, increase conservation and provide vulnerable customers with affordable energy bills and year-round utility service.

We applaud Governor Malloy in advocating for additional federal funds and are hopeful that additional federal funding will be approved. We have also engaged our Federal Government Affairs office to actively lobby for increased funding as well. We stand ready to work with both the administration and the legislature to find creative ways to help mitigate the harms that result from this drastic cut in federal heating assistance.

Thank you for your consideration and time.
Lindsay Parke