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Heating programs will get a boost

Gov. Warner used emergency authority to add to a federal grant of \$30 million.

By Michael Sluss
The Roanoke Times

RICHMOND – Virginia’s government and most of its major utility companies will supplement an expected federal grant to boost winter heating assistance for low-income households, Gov. Mark Warner announced on Wednesday.

The state government will spend \$17.9 million and utility companies another \$2.7 million to supplement three programs that are part of the Low-Income Home Energy Assistance Program (LIHEAP) funded by the federal government. The state expects to receive a \$30 million federal grant for the programs, Warner said in a press conference.

The state and private funds will help cushion the impact of projected increases in home heating costs this winter. Natural gas prices are expected to increase by an average of 48 percent, and heating oil and propane costs are expected to increase by at least 30 percent, according to federal estimates.

The bulk of the state funds – \$13.6 million – will go toward the LIHEAP fuel program, which assists low-income citizens with winter heating bills through a one-time payment in December.

Applications for assistance have increased by about 13 percent over last year.

About 100,000 Virginia applicants met the income-eligibility guidelines of at or below 130 percent of the poverty level last year. State officials expect 113,000 to qualify this year. The program provided an average of \$220 of assistance per household last year.

“At the end of the day, there will still be greater out-of-pocket costs because of the

increased price of the energy, but this will be a significant step in diminishing the burden that low-income Virginians will feel with these costs,” said Warner, who was joined at his announcement by utility company executives and leaders of charitable and faith-based organizations.

Steven Myers, the executive director of the Virginia Poverty Law Center, said the state aid “gets us back up to the average maximum benefit amount that we’ve given in previous years.”

“People are getting more benefit, but they’re having to pay more out of their pockets for energy,” Myers said.

The remaining state funds will go toward two other programs -- a crisis program that helps households with emergencies such as furnace malfunctions or difficulty paying heating bills, and a weatherization program that helps improve energy efficiency in qualified homes.

Warner utilized the governor’s emergency authority to free up the state funds.

Warner said the state assistance was necessary now because of the anticipated increases in heating costs and the federal government’s failure to boost funding for home energy assistance programs.

“If we simply wait for the federal government or Congress to act, we may be sitting here at the end of the winter with still no action,” Warner said. “That’s why I’m taking action today.”

Warner praised utility companies for increasing their contributions to helping low-income customers.

Those companies include Appalachian Power, Alleghany Power, Dominion Resources, Roanoke Gas, Virginia Natural Gas and Columbia Gas. The state's electric cooperatives also doubled their contributions to low-income heating assistance.

Warner, who leaves office Jan. 14, also spelled out new conservation measures for state government.

Warner said the state will purchase 100 fuel-efficient vehicles in the upcoming two-year budget cycle to replace older models in its fleet.

He also said the budget he submits to lawmakers next month will give greater priority to construction projects with tangible energy savings.