

HERALDNEWS

West Paterson, New Jersey
December 13, 2005

Fuel surge may chill many families

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HERALD NEWS

PATERSON – Facethia Lee, a single mother of two teenage boys, has done everything she can to lower her energy costs this winter.

She covered the windows of her apartment with plastic. She installed energy-saving light bulbs. She keeps the lights off when she can.

But still she cannot cover her bills.

“It’s always like that, especially during the summer and winter months,” Lee said last week, as she waited at the Paterson Task Force to sign up for federal financial assistance.

This winter it may be even more difficult for Lee and thousands of other New Jersey families. And it’s not just working-class households that could feel the cold pinch.

Because of the surge in prices for winter fuels, state officials, social service agencies and representatives of Public Service Electric and Gas Co. said they expect families with middle incomes to struggle this year.

“We know it’s going to be tougher for folks at a variety of income levels,” said Suzanne Esterman, a spokeswoman for the state Department of Human Services. “I’m sure there are people who are being hit hard this year who never expected to be.”

The state Department of Human Services administers the federally funded Low Income Home Energy Assistance Program, or LIHEAP. Last year, 156,000 families in New Jersey received grants, Esterman said, adding that she could not estimate how many families would be served this year because the program only began accepting applications Nov. 1.

But she did say that her agency would have to serve at least the same number of families as last year, with 5 percent less money.

This year, New Jersey received \$68.5 million versus \$72.4 million last year.

Congress has so far failed to complete funding for the LIHEAP program this year, said David Fox, executive director of the Campaign for Home Energy Assistance in Washington. This has forced LIHEAP to run under a congressional continuing resolution, which provides for funding based on last year’s appropriation of \$1.885 billion, he said. In 2005, Congress also appropriated \$297 million in contingency funds; the president released \$277 million to states.

Two bills before Congress would set funding at about \$3.2 billion for 2005-06, Fox said.

But it may still fall short of need, he said. “We’re looking at upwards of 50 percent more for natural gas costs in the Northeast,” he said. “We certainly haven’t had a 50 percent increase in funds going to states for LIHEAP.”

LIHEAP is available for those with incomes below a certain amount. To qualify, a household of three can have a maximum monthly income of \$2,347. For a household of four, the maximum is \$2,822. Single-person households can also apply.

Households that do not meet income requirements can turn to New Jersey Shares, whose mission is to help families who need temporary or emergency assistance paying their energy bills, regardless of age or income.

Jim Jacob, executive director, compared this year’s winter to 2000-01, when gas spiked and the organization served 30,000 families. “I’m predicting this is going to be a very, very difficult year for households in our state,” he said.

So far this year, Jacob said, New Jersey Shares has served 6,000 families, with 700, or nearly 12 percent, of them from Passaic County. The average grant this year was \$344 and covered gas and electricity, he said. That's a substantial increase from the \$234 average in 2004.

"It's too early to know what the numbers of families in need will be," said Jennifer Connell, a spokeswoman for PSE&G. "But there's little doubt that the high cost of wholesale natural gas is going to have an impact on consumers' budgets."

To address the high cost of energy this winter, Connell said, PSE&G began a campaign to inform customers about conserving energy, payment assistance programs and the importance of accurate meter readings.

Connell said technicians sometimes cannot access a customer's home to read the meter, so they estimate usage, based on the previous year, which can result in a higher bill.

"You certainly want to avoid that this winter," she said.

Last week, people waiting to apply for LIHEAP at the Paterson Task Force talked about average energy bills of \$250 or more that they couldn't pay, even if they were working.

Eugenia Ramos, 65, said she was only permitted by Medicare and Medicaid to work four hours a week as a home health aide, and that even with money from Social Security, she could not pay her bill.

"There's a lot of people who can't pay for their heat. They don't turn it on," Ramos said in Spanish, her silver hair bundled in a scarf.

Kim Williamson, an energy counselor at the Paterson Task Force, said she felt overwhelmed by the stories of people struggling to pay higher energy bills.

"We have a lot of families with kids who have lights and gas turned off, and are cold," she said.