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Home-heating funds expanded

Governor seeks more private sector help in wake of flagging federal response.

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INDIANAPOLIS -- Gov. Mitch Daniels has announced two new funding streams to help low-income families pay home heating bills.

The first adds \$10 million in state funds to the low-income energy assistance program run by community action agencies. The money will help ensure program participation by families who earn up to 150 percent of federal poverty guidelines.

The second puts \$6 million of foundation and utility money on the table for a utility-administered program aimed at preventing utility shutoffs this winter. That program will target households between 150 percent and 200 percent of poverty.

Under that formula, maximum household income would be \$38,700 for a family of four.

The Lilly Endowment is contributing \$5 million to the program, called Help Thy Neighbor Heating Fund, and Indiana's big three natural gas utilities are providing \$1 million.

Daniels encouraged other Hoosiers to contribute with the same spirit they showed after floods and tornadoes ravaged parts of Indiana this year.

"Hoosiers believe in being prepared; Hoosiers believe in looking after our own," Daniels said.

Daniels announced in October that Indiana would respond to the highest predicted natural gas prices with more liberal income guidelines for the state's Energy Assistance Program. The move bumped maximum allowable income levels from 125 percent of poverty to 150 percent.

But Daniels was counting on additional appropriations from Congress, which remain in negotiations but have not materialized.

So Daniels moved \$10 million from the state's welfare block grant -- supported by

federal taxpayers -- to bolster the heating assistance program.

"Here in Indiana," he said, "we don't sit around waiting on a check in the mail. And we are fully prepared, whether Washington gets its act together or not."

Daniels also sought financial aid from private sources, including utilities, which responded with a program that targets families who are not financially eligible for EAP.

"This program fills a critical gap in our state," said Edwin J. Simcox, executive director of a utility trade group called the Indiana Energy Association.

Simcox said utilities will provide information about the program with every disconnection notice they mail this winter. Families can then apply to the fund for a maximum \$200 credit against their bill and guaranteed continuation of service.

The program will not pay full or partial deposits to get people reconnected after a service shutoff. But Simcox said it should keep people from falling further behind on bills that could eventually lead to shutoff.

"The whole purpose of this program is to try to preclude people from being disconnected from gas service," Simcox said.

David L. Fox, executive director of the Campaign for Home Energy Assistance in Washington, D.C., said Indiana joins at least 12 other states that are applying private funds toward heating assistance programs.

He also applauded Indiana's program for expanding income-eligibility to 200 percent of federal poverty guidelines.

"Whenever a state can collaborate with the private sector to supplement (existing programs)," he said, "that's great."