



Operation Fuel, Inc.

WE'RE ALL PART OF THE OPERATION.

More Than 313,000 Connecticut Households Can't Afford Energy

Hartford, Conn., December 16, 2015 – Despite a decline in the state's annual home energy affordability gap there still are more than 313,000 Connecticut households that can't afford their energy bills, according to the **Home Energy Affordability Gap: Connecticut (2015) report**, which Operation Fuel released today during a news conference at the state capitol.

The energy affordability gap went from \$784 million in 2014 to \$471 million this year for households with incomes at or below 200 percent of the Federal Poverty Level. The \$313 million decline was primarily due to a significant reduction in the price of home heating oil and natural gas over the past year.

But even with lower energy prices, there continues to be a significant gap between what lower-income households pay for energy bills and what they actually can afford to pay.

"We are concerned that so many Connecticut households still can't afford to keep their homes warm and their electricity on," explained Operation Fuel's Executive Director Patricia Wrice. "People finally are getting a break in energy prices but the problem hasn't gone away. The number of households that can't afford energy continues to increase. Oil, gas and electricity still are unaffordable for families and individuals who are struggling to meet their basic needs," added Wrice.

On average, the 313,000 households owe about \$1,506 more in annual energy bills than they can afford to pay. Often households that are struggling with energy expenses also are finding it difficult to afford adequate housing, food, medical care and other basic necessities.

"The fact that the Home Energy Affordability Gap in Connecticut can decrease by more than \$300 million, and still leave an aggregate cap substantially higher than

available assistance resources, indicates the extent of the affordability gap crisis in Connecticut,” stated the report, which was prepared for Operation Fuel by regional economist Roger D. Colton, a partner with Fisher, Sheehan & Colton Public Finance and General Economics, of Belmont, Mass.

The federal Low-Income Home Energy Assistance Program (LIHEAP) is the primary source of energy assistance for Connecticut’s lower income households. But it doesn’t come close to covering the state’s Home Energy Affordability Gap. Connecticut’s LIHEAP allocation was enough to pay only 14 percent of the latest energy affordability gap.

Operation Fuel, Connecticut’s only statewide non-profit energy assistance program, provided over \$3.6 million in energy assistance to more than 8,300 households this past fiscal year. Due to limited resources, Operation Fuel can help only a fraction of the households that can’t afford their energy bills. The nonprofit has had an increase in requests from working families and the elderly; about half of the people who need energy assistance are homeowners.

“We need to have stable energy costs and long-term solutions for all of our struggling households. We all must work together to fix our state’s energy affordability crisis. A good starting point is to look at ways that other states have successfully alleviated this problem,” summarized Wrice.

Operation Fuel is a private, nonprofit program that provides emergency energy assistance year-round through its statewide network of fuel banks to lower-income working families and individuals, the elderly, and disabled individuals who are in financial crisis.

For more information and to see the **Home Energy Affordability Gap** report, go to www.operationfuel.org/publications/

Key findings of the report include:

- The state's annual home energy affordability gap currently is \$471 million for households with incomes at or below 200 percent of the Federal Poverty Level.
- There are more than 313,000 Connecticut households that can't afford their energy bills.
- On average, these 313,000 households each owe about \$1,506 more in annual energy bills than they can afford to pay.
- Connecticut's available resources for addressing the energy affordability crisis are grossly insufficient.
- The federal Low-Income Home Energy Assistance Program (LIHEAP), the state's primary source of energy assistance, is insufficient to fill the state's home energy affordability gap.
- Connecticut's LIHEAP allocation covered only 14 percent of the latest energy affordability gap.
- When low-income households pay their bills in full and on time, it is often at the expense of other basic necessities such as nutritious food, health care and education.
- Annual home energy bills that exceed 6 percent of a household's income are considered to be unaffordable.

###