

SAVE LIHEAP — SAVE WAP

*Prepared jointly by the National Energy and Utility Affordability Coalition (NEUAC) and
National Association for State Community Services Programs (NASCSPP)*

Working Together in Our Communities to Protect Household Energy Resources

For decades, the Weatherization Assistance Program (WAP) and Low-Income Home Energy Assistance Program (LIHEAP) have collaborated to reduce energy burden for low-income and vulnerable families, and to improve the energy efficiency and health and safety of households served. In order to protect the federal funding that supports these programs, it is important to understand how each benefits the communities served.

Reducing Energy Burden

Families with low incomes on average pay 16.3% of total family income towards home energy costs compared to 3.5% for other families. In some circumstances, energy burden can reach up to 30% of total family income.

- ◆ LIHEAP protects the basic home heating and cooling needs for more than 6 million households each year. The average LIHEAP household earns about \$17,000 annually.
- ◆ At least 70% of households served have at least one family member who is elderly, disabled, or a family with a child younger than six years old.
- ◆ Since its inception, WAP has weatherized more than 7.4 million homes. However, wait lists for the program remain long in some areas and the Department of Energy estimates 20-30 million households are eligible each year.
- ◆ Weatherization returns \$1.72 in energy savings benefits for every \$1.00 invested and saves families an average of \$283 each year on energy costs. In cold weather states, WAP can reduce heating costs by up to 30%.

Ensuring Health & Safety

Unhealthy, energy inefficient homes lead to \$82.4 billion in healthcare costs annually. Low income families facing high energy costs are forced to make budget tradeoffs between medical care and utilities that can jeopardize health. When faced with a shut-off, families are sometimes forced to resort to unsafe methods of moderating the temperature in their homes.

- ◆ LIHEAP protects the health and safety of families by ensuring continued utility service for families in crisis, preventing health-related repercussions that can result in death, including hypothermia and heat stroke.
- ◆ LIHEAP restored energy service for 235,716 families in 2016.
- ◆ In 2016, utility disconnections were prevented by LIHEAP for 1,013,683 households in immediate risk of losing services.
- ◆ Residents of weatherized homes experienced decreased asthma and allergy symptoms, faced fewer hospitalizations, and reported better overall health. They also reported fewer missed days of work and fewer school absences.
- ◆ Families in weatherized homes reported decreased out-of-pocket medical expenses by an average of \$514.
- ◆ Weatherization returns \$2.78 in health-and-safety related benefits for every \$1.00 invested.

LIHEAP and WAP Working Together

WAP and LIHEAP work hand-in-hand to serve the most vulnerable families in our communities. LIHEAP addresses critical needs, avoiding a shut-off and serious health and safety consequences. WAP makes a long term investment that reduces energy usage and returns savings for the life of the home.

- ◆ In 2015, 45 states and the District of Columbia transferred a percentage of LIHEAP funds to their state Weatherization Assistance Program. This transfer helped to weatherize additional homes, reducing energy usage for those families and ensuring health and safety of household members.
- ◆ It is allowable to invest up to 15% of LIHEAP funds for WAP in each state, and states may opt to apply for a good-cause waiver to increase this percentage to 25%.

Energy is a life-critical resource. These programs preserve the dignity of those living in poverty and assure access to basic energy resources for all Americans. Access to affordable home energy is a matter of health and safety for many low-income households, children, veterans, and seniors. LIHEAP and WAP have traditionally appreciated bipartisan support, and we hope that Congress will prioritize funding for both programs in fiscal year 2018.

The following provided information and data relevant to this document: The National Energy Assistance Directors Association (NEADA), Oak Ridge National Lab, and Green and Healthy Homes initiative.