

FLORIDA ENERGY AFFORDABILITY COALITION

"Public, private and nonprofit organizations partnering to make energy more affordable for low-to-moderate income Floridians"

FLEAC Leadership

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Florida Association for Community Action

Florida Association of Area Agencies on Aging

Florida Department of Community Affairs

Florida Department of Elder Affairs

Florida Electric Cooperatives Association

Florida Municipal Electric Association

Florida Power & Light Co

Gulf Power Company

Progress Energy FL

The Salvation Army

Tampa Electric Company

Florida Public Service Commission (Advisor) October 10th, 2007

Honorable Debbie Wasserman-Shultz 118 Cannon H.O.B Washington, DC 20515

Re: FY 2008 LIHEAP funding allocation recommendation

Dear Representative Wasserman-Shultz:

The **Florida Energy Affordability Coalition (FLEAC)** brings together public, private and nonprofit sector organizations seeking to make energy more affordable for low-to-moderate income Floridians. FLEAC mission is to facilitate assistance to improve the well being of families experiencing difficulty paying for energy needed to maintain a safe and healthy living environment.

As you know, Congress and The White House are currently considering the following FY 2008 funding proposals for the Low Income Home Energy Assistance Program (LIHEAP):

- The Administration would reduce LIHEAP from the FY 07 funding level of \$2.1 billion (\$1.98 billion basic grant plus \$181.7 million emergency) to \$1.78 billion (\$1.5 billion basic grant plus \$282 million emergency);
- The House would increase funding to \$2.687 billion (\$1.98 billion basic grant plus \$687.7 million emergency);
- The Senate would maintain FY 07 funding of \$2.1 billion (\$1.98 billion in basic grant plus \$181.7 million emergency).

FLEAC certainly favors funding recommended by The House, but with a change in the allocation of emergency dollars. If conferees <u>accept the House's FY08 recommendation</u>, and if negotiators agree to <u>equally split the additional new funds</u> above the FY07 baseline, between LIHEAP's Formula and Contingency grants, then <u>every state will</u> benefit.

In March of 2006, the Senate adopted the landmark 'Reed-Collins' 06 Amendment. It became law and provided a \$1 billion supplemental appropriation to help LIHEAP-eligible Americans. Significantly, this bipartisan measure achieved a previously unseen political breakthrough – and won the praise of Senators from across the nation – especially Southern and Southwestern Senators, because:

- For the first time in 22 years, LIHEAP's new "balanced" formula, which fairly serves
 cold-weather states without a negative impact on warm-weather states, was poised to
 take effect.
- Cold-weather states were assured of help as well as <u>half of new funds</u> went to LIHEAP Contingency grants. The President swiftly released those funds.

Florida Energy Affordability Coalition FY 2008 LIHEAP funding allocation recommendation

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- 'Reed Collins 06' proved that additional LIHEAP appropriations could equitably help every state if LIHEAP's formula and contingency grants equally share in new funds.
- Every state wins if <u>new</u> funds are shared equally between Formula & Contingency grants

Using FLEAC's proposed recommendation for FY 2008, Florida may gain up to \$10 million, a 38% boost!

As House Appropriations Chair David Obey (D-WI) moved his bill to the House floor, he convened all advocates and urged them to work for his proposal. <u>To the Chairman's great credit, he acknowledged that improvements were in order.</u> He advised all those assembled to remedy such situations in conference, and he committed to work to that objective. FLEAC believes our proposal speaks to the spirit of his commitment.

The \$506 million added to LIHEAP in the House Proposal should be split equally between formula and emergency grants. As demonstrated in 2006, such a step will help all Americans in need. To remain viable, LIHEAP must develop from a regional to a truly national program.

We respectfully submit that the best solution for LIHEAP FY 2008 funding is a 50/50 sharing of the new FY08 appropriations. We urge you now to consider our proposal, so that Florida might receive a fair share and find some relief for this unrelenting heat wave and the related financial crisis.

Sincerely,

Louis Gonzalez Chairperson

Florida Energy Affordability Coalition



October 11, 2007

Honorable Debbie Wasserman-Shultz 118 Cannon House Office Building Washington, DC 20515

Dear Representative Wasserman-Shultz:

As you know, Congress and The White House are currently considering several FY 2008 funding proposals for the Low Income Home Energy Assistance Program (LIHEAP). Like never before, many Florida families are facing financial struggles due to the current high costs of housing, insurance, and taxes. As well, Florida leads the nation with the highest percentage of elder citizens; over 2 million Florida households qualify for LIHEAP assistance. Yet, Florida's usual share of LIHEAP dollars touches a scant few of the families in need.

Accordingly, the Florida Energy Affordability Coalition (FLEAC), has offered a recommendation (attached) on the most prudent way to allocate LIHEAP funding for FY 2008. Florida Power & Light Company wholeheartedly endorses and supports the FLEAC recommendation, and urges you to support their recommendation as well.

Sincerely,

Marlene M Santos Vice President - Customer Service