
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 428 Session of
2003

INTRODUCED BY BUNT AND PRESTON, OCTOBER 1, 2003

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, OCTOBER 1, 2003

A RESOLUTION

1 Urging the Department of Public Welfare to increase the maximum
2 crisis component benefit of the Low-Income Home Energy
3 Assistance Program (LIHEAP) in anticipation of the high cost
4 of home heating oil and natural gas during the 2003-2004
5 winter heating season.

6 WHEREAS, LIHEAP is a federally funded program that enables
7 the Commonwealth to help low-income households meet their home
8 heating needs; and

9 WHEREAS, LIHEAP is administered by the Department of Public
10 Welfare and consists of three components; and

11 WHEREAS, One component is the crisis benefit payment for
12 weather-related, supply shortage and other household-related
13 emergencies; and

14 WHEREAS, The Department of Public Welfare maintains
15 jurisdiction over administration and allocation of cash benefits
16 and crisis benefits and must reserve up to 13% of the LIHEAP
17 funds for energy crisis assistance; and

18 WHEREAS, Low-income families, the elderly and many working
19 poor Pennsylvanians face a continuing energy crisis, especially

1 during the winter heating season when energy burdens exceed 15%
2 of their household income; and

3 WHEREAS, Some families face difficult decisions between using
4 their incomes to heat their homes or providing other basic
5 necessities; and

6 WHEREAS, Last winter's prolonged period of record cold
7 temperatures translated into the use of more fuel oil, natural
8 gas and other energy sources to heat homes; and

9 WHEREAS, According to the United States Department of Energy,
10 last year's demand for distillate fuel, which includes heating
11 oil, was 250,000 more barrels per day than forecast, and the
12 amount of natural gas used or drawn from storage systems was far
13 more than anticipated; and

14 WHEREAS, According to the September 8, 2003, Short-Term
15 Energy Outlook released by the Energy Information Administration
16 of the United States Department of Energy, working natural gas
17 in storage at the end of August 2003 was 13% below the August
18 2002 level and 6% below the previous five-year average; and

19 WHEREAS, According to the Short-Term Energy Outlook, heating
20 oil prices for the 2003-2004 winter heating season are expected
21 to average approximately the same amount as they did last
22 winter, and natural gas prices at the wellhead are expected to
23 increase more than 60% in the fourth quarter; and

24 WHEREAS, The Short-Term Energy Outlook expects residential
25 natural gas prices for the 2003-2004 winter heating season to be
26 about 10% to 15% higher than the average prices during the 2002-
27 2003 winter heating season; and

28 WHEREAS, The price expectations for heating oil and natural
29 gas are projected to compare to winters during which
30 Pennsylvanians devoted larger percentages of their income to

1 heat their homes; and

2 WHEREAS, The short-term analysis projects a colder-than-
3 normal fall and winter with continued high oil prices, and the
4 inability to build inventory levels which are already on the low
5 end of the normal range could cause an increase in heating oil
6 prices beyond current expectations; and

7 WHEREAS, Prices paid by natural gas and oil customers are not
8 mutually exclusive, as natural gas prices may be influenced to a
9 certain extent by the price of oil; and

10 WHEREAS, Many low-income Pennsylvanians may reach the \$300
11 cap for the crisis payment component and may still experience a
12 crisis in paying home energy bills due to costs for heating oil
13 or natural gas which exceed current expectations; therefore be
14 it

15 RESOLVED, That the House of Representatives urge the
16 Department of Public Welfare to utilize designated Federal funds
17 and any supplemental funds received to increase the \$300 maximum
18 on the LIHEAP crisis component benefit to provide additional
19 relief to low-income Pennsylvania families.