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**Midwinter Energy Update:
Highest Annual Increase in Applications for Energy Assistance since 2009,
Rate of Home Energy Price Increases Begin to Come Down,
Utility Arrearages Remain High**

The National Energy Assistance Directors' Association (NEADA) today released its [midwinter energy update](#). The energy update indicates the highest increase in applications for the Low Income Home Energy Assistance Program (LIHEAP) since 2009 and the highest total rate of applications since 2011, as families struggle with paying some of their biggest home energy bills in more than a decade.

The number of households receiving energy assistance during the current winter season is up by an estimated 1.3 million, from 4.9 million to 6.2 million, the largest one-year increase since 2009. And these numbers don't even account for possible increases in applications this summer to help families pay for air-conditioning as they deal with rising temperatures due to climate change.

Adequacy of Funds to Meet the Need: States currently have sufficient funds to help families pay their winter energy bills. However, states could run out of funding if the rate of new applications continues to increase. States are also concerned that they will not have sufficient remaining funds to help families pay for cooling assistance this summer as the need for this assistance increases with rising summer temperatures. The reason for the increase in the number of applications is not surprising. Families are struggling to pay high energy bills along with other rising costs for essential goods that are increasing at a faster rate than the overall rate of inflation.

Utility Arrearages: The national rate of utility arrearages (i.e. an amount of money families are behind on their electric and gas bills) has stayed stubbornly high at about \$16.6 billion since the end of the last winter heating season. About 20.8 million households (16.5 percent, or one out of six U.S. households) owed an average of \$791, up slightly from June 2022 when the total arrearage balance stood at about \$16.3 billion, and the average amount owed was about \$783.

Home Heating Prices Remain at Highest Level in 10 Years: Based on NEADA's analysis of home energy prices, households will face significant increases in home heating expenditures this winter compared to last year. On average, households will pay 12.7 percent more for home heating this winter. Heating oil expenditures are projected to have the largest increase relative to the other fuels, with a 25.9 percent increase, which is nearly \$500 more than the 2021-22 winter heating season. Natural gas expenditures may also see a significant jump of 14.5 percent more than last year, more than an additional \$100.

National Energy Assistance Day on Tuesday, February 1, 2023: This report is being released as part of [National Energy Assistance Day](#) to help inform eligible and needy families about LIHEAP and about how to apply for energy assistance, and to highlight the importance of the program.

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