



2005 REPORT TO THE COMMUNITY

Energy Outreach Colorado has issued its annual Report to the Community about the state's growing energy poverty crisis. Research for this year's report has uncovered an alarming fact:

Colorado needs an additional \$21.1 million this year in order to match the level of energy assistance funding provided to needy families, seniors and disabled residents last year.

Energy Outreach Colorado and the Colorado LEAP program combined plan to distribute \$38.1 million in energy assistance between Nov. 1, 2005 and Oct. 31, 2006. But home energy costs this winter will be 45 percent higher than last winter. And the poverty rate in Colorado also has increased from 9.8 percent in 2003 to 11.1 percent in 2004. Because of this situation:

- The average energy assistance benefit needed to avoid a shutoff is expected to increase from \$366 last year to \$531 this year.
- The total number of households receiving energy assistance is expected to increase from 105,724 last year to 111,500 this year.

Colorado's poor and low-income residents are experiencing a heavier energy cost burden than ever before. In order to provide them with the same level of assistance this year as last year, Colorado needs an estimated \$59.2 million. That's \$21.1 million more than the \$38.1 million currently available.

In order to resolve this crisis immediately and for the long-term, Colorado needs to secure additional permanent and stable funding for energy assistance.

The report suggests several programs to generate energy assistance funding for the long term, including:

- Serving as a test site for the Royalty-in-Kind program, included in the recently passed federal Energy Bill. The program would transfer some profits from the sale of natural gas obtained from federal lands to benefit low-income energy consumers. The concept for this program was developed in Colorado;
- Passing legislation to permanently secure severance tax dollars for low-income energy assistance programs; and
- Encouraging Colorado residents to participate in the nation's first opt-in program for energy assistance. Signed into law in May 2005, the Low-Income Energy Assistance Act provides a simple way for Coloradans to contribute to local energy assistance programs directly through their energy bills.

Continued partnerships with Colorado's energy companies and oil and gas community, increased education about the importance and benefits of energy efficiency and conservation, and petitioning federal lawmakers to increase LIHEAP funding also are essential in helping Colorado's poor and low-income residents – more than one-fifth of the state – to remain warm, safe and healthy at home.

The solution involves everyone. By working together, we can generate the power to help.

The 2005 Report to the Community can be found in its entirety at www.EnergyOutreach.org.