

Access to Justice

Electric Rate Caps Ending Locally in 2011

Residents of Northwestern PA Can Expect Dramatic Increase in Electric Bills

By Attorney Harry Geller, Executive Director, PA Utility Law Project

Beginning next year (2011), residents of northwestern Pennsylvania can expect a dramatic increase in their electric bills.

For more than a decade, electric rates have been frozen and electric prices have remained stable. On December 31, 2010, these rate caps will end for the major electric distribution companies serving northwestern Pennsylvania. Companies such as Penelec, Allegheny Power and Met Ed will begin to pass on the cost of electric generation to their customers.

Unless low-income consumers begin to act now, the impact of these higher rates may have devastating effects.

In some areas of the state where electric rate caps have already come off, customers have seen increases of about 30 percent in their electric bills. While northwestern Pennsylvania rate increases may not be quite as dramatic, they will certainly be substantial.

The actual rate charged to consumers will be subject to market conditions such as energy supply and demand, and global economic conditions.

We expect price increases for electricity to have the greatest impact on low-income households. Those households, who already must choose between paying for electricity or for food or other essentials, simply may not be able to fit increased electric costs into their household budgets.

You Should Act Now

Since the change is coming soon, con-

sumers should act now before their electric bills increase next year.

Low-income households can enroll in and/or receive assistance from utility Customer Assistance Programs ("CAP"s) and the three programs providing free weatherization and conservation services.

These conservation programs are the Weatherization Assistance Program (WAP), and the utility company Low Income Usage Reduction Programs (LIURP), and the Act 129 Energy Efficiency and Conservation Programs.

Customer Assistance Programs

Customer Assistance Programs (CAPS) can help low-income consumers lower

monthly utility bills. The household income is determined and bills are based on a percentage of income or on a discounted rate so that monthly payments are generally reduced.

Some CAPs also include the forgiveness of outstanding past debts. In order to continue receiving CAP benefits, full and timely payment of CAP bills is required.

Weatherization Assistance Program

The Weatherization Assistance Program (WAP) is administered in Pennsylvania by the Department of Community and Economic Development ("DCED").

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LIHEAP Extended to April 2 — Other Changes

Pennsylvania's Low-Income Home Energy Assistance Program (LIHEAP) will extend the closing date for program benefits from March 15 to April 2. Other important changes to the program were announced as this newsletter was going to print:

- Regulated utility customers with a shut-off notice dated February 1, 2010 or later will be able to apply for crisis grants
- A household in PA may apply for a second crisis grant, subject to the \$400 maximum payment
- All LIHEAP cash grant recipients will benefit from a supplemental \$100 payment
- Households containing a disabled person; one who is 60 years or older, or a child 5 years of age or younger will get a second \$100 supplement sent to their energy vendor.

Households must meet income eligibility requirements in order to qualify for LIHEAP benefits. For example, during the 2009 to 2010 winter season, a family of four must have a household income of \$33,075 or less in order to receive assistance.

LIHEAP applications are available at county assistance offices across the Commonwealth. Applications are also available online at www.compass.state.pa.us.

Executive Director's Desk

The impact of the downturn in the economy has affected everyone in one way or another. Especially hard hit are the segments of our population that rely on fixed incomes. For instance, a retired person has seen his or her retirement "nest egg" dwindle or the disabled person now has to stretch an already stretched budget to accommodate increased costs in food, utilities and gasoline. More and more people are being laid off and forced to rely on public benefits to get them through these hard times.

When will the economy turn around is anyone's guess. More importantly for our low income community, the question is when will the economy recover and "trickle down" to help them? Historically speaking, it will be a significant amount of time after the general population has felt the effects of a growing economy.

What, then, can a person do to maximize resources in this economic time? One should find out all they can about the help that is available to them. Apply for public benefits, get information about different programs. This newsletter will give some of that information. More information is available on our website at www.nwls.org. Please find out all you can about maximizing your resources for yourself and your family.

Very truly yours,

Robert A. Oakley, Esq.
NWLS Executive Director

Food Assistance is a SNAP

The Supplemental Nutrition Assistance Program (SNAP) is the new name for food stamps, a program that helps low-income individuals and families buy the food they need. SNAP is financed by the U.S. Department of Agriculture Food and Nutrition Service, and administered in Pennsylvania by the Department of Public Welfare (DPW) through county assistance offices.

In order to qualify for SNAP, low-income families or individuals must meet certain income requirements. For example, under current guidelines the combined monthly income for a household of four cannot exceed \$2,931. The monthly income, though, can be higher if the household contains an elderly or disabled individual.

It is also important to note that many other benefit programs such as Supplemental Security Income (SSI) and Temporary Aid to Needy Families (TANY) are not considered when applying for SNAP. As a general rule, licensed vehicles are not counted as part of household assets or income.

The only way to be sure if you qualify for SNAP is to apply for it.

The head of household or a responsible family member can apply for SNAP at a county assistance office. You can also download an application online at the DPW website at www.compass.state.pa.us.

People who qualify for SNAP receive a Pennsylvania Electronic Benefits ACCESS card that works like a plastic ATM or bank card at supermarkets or grocery stores. The amount of your monthly SNAP benefit is placed in an electronic account and the food you purchase is deducted from the monthly amount using the ACCESS card.

If you think you were unfairly denied SNAP benefits, call NWLS to see if we can help resolve the issue.

Keep More of the Money You Earned

The Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) are important federal tax benefits for low-to-moderate income workers. The programs can either lower the amount of taxes you owe the government, or in some cases provide a cash refund, even if you did not make enough money to file a tax return.

According to national estimates, however, as many as 25 percent of eligible workers do not claim EIC benefits. That is money you earned leaving your pocketbook.

In order to get EITC or CTC benefits you must file a federal tax return, and meet these requirements:

- **You Must Have Earned Income**
Whether you were self-employed or worked for someone else, you must have earned income during 2009.
- **Your Adjusted Gross Income (AGI) Must Meet Certain Limits**
For example, a married couple filing jointly with one qualifying child must have an AGI under \$40,463 to qualify for the credit.
- **You Must Have a Valid Social Security Number**
You, your spouse (if filing jointly) and any/all qualifying children must have a Social Security Number.
- **Your Filing Status Cannot be "Married Filing Separately"**
- **You Must Be a U.S. Citizen or Resident Alien All Year**
- **You Cannot Have Foreign Earned Income**
- **Your Investment Income Must be \$3,100 or Less for the Year**

Federal stimulus money expanded EITC and CTC money this year for larger families with three or more qualifying children.

Electric Rates To Rise Locally in 2011

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WAP provides low income households free weatherization services that help reduce energy consumption and energy bills. The services available under this program include a home energy audit, the installation of energy efficiency measures and in-home education about energy conservation. The energy efficiency measures can range from the installation of roof or wall insulation to the replacement of inefficient furnaces and appliances.

For the next three years, the weatherization program will receive additional 'federal stimulus' funding to assist low income households weatherize their homes. As a result, the average weatherization job on each household will be more extensive and thousands of additional homes will be served.

Low Income Usage Reduction Program (LIURP)

LIURP is administered by local electric companies under the oversight of the Pennsylvania Public Utility Commission. LIURP is an education and conservation program targeted to high energy users. Qualifying households receive services similar to those in WAP such as an energy audit, free installation of energy efficiency and conservation measures and free information about energy conservation and usage reduction.

Act 129 of 2008

Act 128, enacted by the Pennsylvania legislature in 2008, requires the Pennsylvania Public Utility Commission to administer and oversee the design and implementation of Energy Efficiency and Conservation Plans by regulated electric utility companies such as Penelec.

The overall goal of Act 129 is to reduce electricity consumption throughout Pennsylvania. The law requires that low-income households receive special programs and attention. Electric companies will be providing targeted, free energy efficiency and conservation programs to help low-income customers reduce their electric consumption and reduce their overall electric bill.

Apply For Help Now

In conclusion, electric rate caps will end within the year and rates are expected to rise significantly. **Low-income consumers need to act now.** The CAP and energy conservation programs provided by electric distribution companies and weatherization providers will help reduce the impact of these higher rates.

Contact Information for Penelec (First Energy Corp.)

Customer Assistance Program (CAP) 1-800-545-7741. CAP helps residential customers maintain electric service and eliminate their past-due balance. CAP offers a reduced bill that is based on a percentage of income and debt forgiveness.

WARM Program 1-800-207-9276 WARM is a free weatherization and energy education program for Penelec's residential customers in Pennsylvania. The objective of the program is to help customers save energy and money by reducing their energy consumption. This is done by installing energy conservation measures in the home and by educating family members on their use of energy.

Census 2010 ***It's In Our Hands***

If people in northwestern Pennsylvania want their fair share of federal funds, then everyone must count.

This year (2010) the U.S. Census will again take place across the country, and a lot is at stake when the counting is done. Each year more than \$400 billion in federal funds are distributed to states and localities on the basis of population statistics gathered in the census.

That is money used for things like schools, senior centers, bridges, highways, as well as the number of seats Pennsylvania has in the U.S. House of Representatives.

Key Dates

During March, census forms will be mailed or delivered to households all across the country. Thursday, April 1 is designated as "Census Day," a point of reference for you to use in filling out the form. In other words, on April 1 how many people lived in your residence.

From April until July, census takers (also called enumerators) will be visiting households that did not return a form by mail. By law, the Census Bureau must deliver the numbers to the President by December 2010.

The Census Form

The Census Form has 10 questions and takes about 10 minutes to fill out. It asks for basic information about household members. It does not ask for Social Security numbers or your legal status in the country.

You cannot fill out a census form online.

By law, the Census Bureau cannot share respondents' answers with anyone, including the IRS, FBI, CIA or any other government agency.

A lot is at stake when people are counted, so please take the time to fill out the form — "It's in our hands."

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On the Web

Here is a list of 5 important Websites and online resources:

- **Commonwealth of Pennsylvania Application for Social Services (COMPASS) — where you can access applications for benefits such as LIHEAP and SNAP (food stamps)**
<https://www.humanservices.state.pa.us/compass/CMHOM.aspx>
- **Benefits CheckUp — a site that lists benefits for folks ages 55 and over**
<http://www.benefitscheckup.org/>
- **The Social Security Administration's Benefit Eligibility Screening Tool (BEST)**
<http://connections.govbenefits.gov>
- **PA Career Link — Links to online services offered by PA Career Link. Includes Job Seeker , Education/Training; Vocational Rehabilitation; Veteran Services; Welfare Services, etc.**
<http://www.pacareerlink.state.pa.us/>
- **PA Dept. of Labor — Forms for filing unemployment compensation, workers' compensation, etc**
<http://www.dli.state.pa.us>