



Energy Assistance Q&A

FACT SHEET

July 2020

The Low Income Home Energy Assistance Program (LIHEAP) uses state and federal money to help low-income residents pay their utility bills. About 350,000 Illinois households get LIHEAP funding of some kind.

Who is eligible for LIHEAP?

LIHEAP is for households at or below 200% of the federal poverty level – currently \$2,127 per 30 days for a one-person household. Applicants must have an active account with the utility company.

Applicants whose natural gas or electricity service are disconnected, or whose propane or home heating oil tanks are empty, are eligible for additional reconnection assistance if necessary. In certain circumstances, additional reconnection assistance funding can be awarded to prevent the disconnection of service, or to keep a fuel tank from becoming completely empty.

Households that rent—with the gas, electricity and/or fuel included in the rent—may receive a smaller kind of grant, if monthly rent costs are greater than 30% of the household's income for the past 30 days.

What documents do I need to apply?

- Proof of current 30-day gross income from all household members.
- Copy of the most recent heat and electric bills, if you pay for your home energy directly.
- Proof of Social Security numbers of all household members (hard copy of Social Security cards, print out from the Social Security Administration or any other form of government-issued identification that shows both name and Social Security Number).
- If a member of your household receives TANF, you must bring that person's Medical Eligibility Card
- Applicants that have utilities included in the rent must bring proof of the rental agreement stating the monthly rental amount, that utilities are included, and landlord contact information. Rent costs must be greater than 30 percent of current household 30-day gross income.

NEW! Consumers may now begin their LIHEAP application process online, reducing the amount of paperwork and in-person interaction required. Visit [this website](#) and click "Begin your pre-application" to get started.

What LIHEAP programs are available?

Direct Vendor Payment (DVP)/ Reconnection Assistance (RA). DVP/RA is a block grant provided directly to

the energy provider on behalf of the LIHEAP recipient. The amount of the payment is determined by income, household size, fuel type and geographic region. RA is a supplemental block grant added to maintain or restore energy service, and is determined in part by the amount of the bill.

Percentage of Income Payment Plan (PIPP). PIPP allows customers of Ameren Illinois, ComEd, Nicor Gas, and Peoples/North Shore Gas to put a certain percentage of their gross income towards utility bills in exchange for a monthly allotment of LIHEAP funds to help cover the rest of the bill. The program also allows customers who regularly pay their PIPP portion on time to get some of their debt forgiven. CUB fought for PIPP's creation in state legislation that was signed into law in 2009 because it encourages people to stay current with their bills and be good utility customers.

Emergency Furnace Assistance. This program is designed to repair or replace a home's heating system if it is not operational or has been found unsafe ("red-tagged") by their utility company. Households must meet all regular LIHEAP qualifications, and may still apply for any and all other LIHEAP programs once the heating system is functional. Emergency Furnace Assistance is only available for homeowners—not renters. Renters with a broken or unsafe heating system should report their landlord if the situation is not corrected in a timely manner.

Illinois Home Weatherization Assistance Program (IHWAP). This program provides customers with weatherization services for their homes. Work may include, but is not limited to:

- Air sealing
- Attic and wall insulation
- HVAC repair and replacement
- Lighting and refrigerator replacement
- Ventilation and moisture control measures

To apply for the IHWAP program, households need to provide many of the same documents needed to apply for LIHEAP. However, IHWAP is based on annual household income, rather than monthly income. IHWAP serves households that are up to 200% of the federal poverty level, which is \$25,520 per year for one person.

Weatherization is geared towards homeowners, but income-eligible renters can qualify to have work done on their houses or apartment buildings with the cooperation of the property owner. Unlike LIHEAP, IHWAP accepts applications throughout the year until funds are exhausted. For complete details for your area, contact your local LIHEAP agency.

When can my household apply for assistance?

Under normal circumstances, LIHEAP reserves federally mandated priority application periods for especially vulnerable households:

- Households with a senior citizen (aged 60 or over) or a disabled person (receiving disability benefits) may apply beginning Oct. 1.
- Households with a small child (aged 5 or under) may apply beginning Nov. 1.
- All other eligible households can apply beginning Dec. 1.

As part of the state of Illinois's response to the COVID-19 emergency, the LIHEAP program will launch early this fall. On July 27th, 2020, all households at or below 200% of the federal poverty level will be able to apply for assistance for the 2021 Program Year. There will be no priority periods this season.

What if my household is currently without one or more energy source?

Households that do not qualify for one of the priority periods, but are without gas, electricity or fuel, may be permitted to apply before Dec. 1, depending on the resources available in your county. You must contact your local LIHEAP agency to find out for sure.

How is LIHEAP funded?

LIHEAP and IHWAP are paid for by a combination of federal and state money. The U.S. Departments of Energy and Health and Human Services provide funds annually through the federal budget process. Meanwhile, Illinois gas and electric customers pay 48 cents a month on their bills (\$4.80 for commercial accounts), which goes into a special state fund that supplements the federal allocation.

Are there any other resources for help paying or reducing my utility bills?

LIHEAP and IHWAP are the only government-funded programs that are equally available throughout the state. Ameren, ComEd, Nicor and Peoples Gas/North Shore Gas fund their own programs to provide utility bill grants and free or reduced-cost energy efficiency products and services. Some smaller utility companies and co-ops may run similar programs.

Organizations like Catholic Charities, The Heartland Alliance, and The Salvation Army can provide help with utility bills under certain circumstances. Local faith-based institutions and community organizations sometimes assist as well.

Your municipality or your township may also offer some form of assistance. If you are struggling to afford your utility bills, you should contact utility providers, government offices, and nonprofit organizations in your area—or visit their websites—to explore your options.

Also, call CUB's Consumer Hotline, at **1-800-669-5556**, to find out exactly what your rights are if you do get behind.

What if I am signed up with an alternative gas or electric supplier?

CUB has found that the vast majority of unregulated gas and electric offers may cost more, in the long-run, than standard prices through your regulated public utility.

For the LIHEAP household, a bad energy deal can be particularly damaging. Excess charges can “eat up” a standard DVP grant. Customers enrolled in the PIPP may end up with bills so large they “max out” and the program requires an additional out-of-pocket contribution from them—above and beyond the percentage of income calculated by the PIPP law. Some customers, in particular those with alternative gas suppliers on their utility accounts, may not be able to apply for PIPP at all.

Finally, in some instances, a bill from an unregulated gas or electric supplier might not be able to receive LIHEAP or PIPP funds at all, if the company's system is not set up to receive electronic payments from the state.

So LIHEAP and PIPP households that are paying supplier charges that are more expensive than the public utility drain funds from the program, which hurts everyone.

Luckily, the Home Energy Affordability Transparency (HEAT) Act protects many low income households from predatory marketers. Passed in 2020, the HEAT Act requires alternative energy companies to file a “guaranteed savings plan” with the Illinois Commerce Commission if they want to sell to low-income customers. To date, no supplier has been able or willing to guarantee savings. If a utility account has received LIHEAP funds within the past 12 months, it cannot be released to an energy supplier. So that's another reason to make sure you apply for LIHEAP if you are eligible – ensure your account is protected from overcharging!

Questions?

For any questions about these programs and eligibility, please call LIHEAP at **1-877-411-9276**.