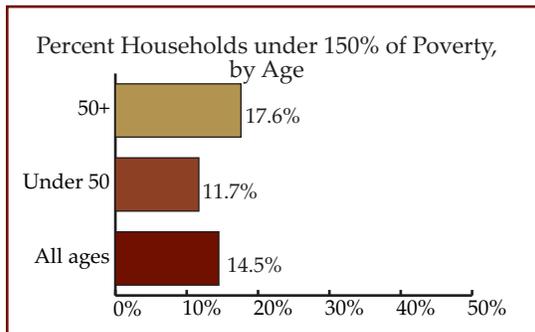


Energy and Telephone Assistance in the States

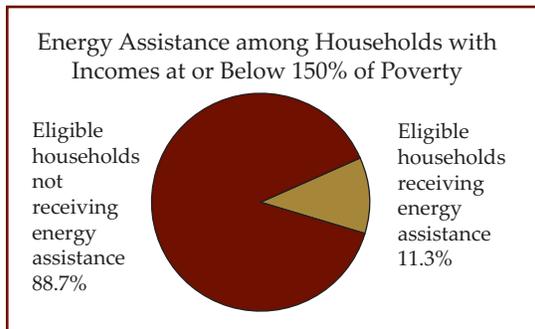
New Jersey

New Jersey in Brief (2006)

Total state population:	8,724,560
State median income:	\$87,412
Percent households age 50+:	47.8%

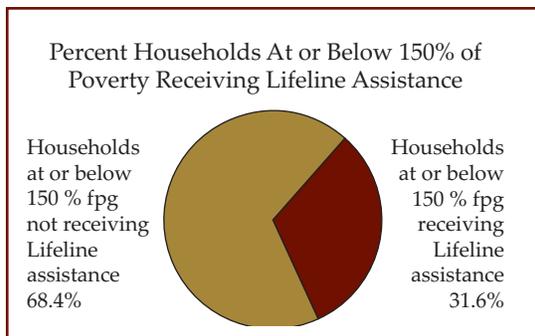


Energy Assistance



Telephone Assistance

Telephone penetration rate in state: 93.4%



Telephone Assistance

Lifeline and Link-Up are the primary sources of telephone assistance for low-income households in New Jersey.

Lifeline

Lifeline provides participating low-income households with a monthly credit toward the price of basic local telephone service.

Benefits (2006)

Maximum monthly credit: \$13.48
 Basic federal support: \$8.25
 State support: \$3.50
 Federal Matching: \$1.73

Funding (2005)

Federal: \$14,955,806
 State: \$6,200,000*

*Source: National Regulatory Research Institute (NRRRI), 2004-2005 NRRRI Universal Service Funding Mechanism Survey

State funding is provided by local telephone companies that recover the cost of providing this funding in the rates they charge non-Lifeline subscribers for basic telephone service.

Eligibility (2006)

Verizon, the largest provider in the state, automatically enrolls customers if they have household incomes at or below 150% of the federal poverty guideline or participate in any of the following programs (Other providers require applicants to prove that they are eligible):

- Food stamps
- General Assistance (GA)
- Home Energy Assistance Program (HEAP)
- Lifeline Utility Credit/Tenants Lifeline Assistance

Energy and Telephone Assistance in the States

- Pharmaceutical Assistance to the Aged and Disabled (PAAD)
- Supplemental Security Income (SSI)
- Medicaid
- Temporary Assistance for Needy Families/Work First New Jersey (TANF/WFNJ)

Beneficiaries must recertify with their local telephone provider periodically to remain eligible for this program.

Participation (2005)

Households served: 128,151

Participation rate: 22.2% (based on 175% of the federal poverty guideline)

Link-Up

Qualified customers receive a discount on the price of installing new telephone service.

Benefits (2006)

LinkUp subscribers receive the following:

- A credit of \$30 or a 50% reduction in the charges customers pay for connecting to new telephone service, whichever is less
- The option of deferring payment on the balance of the connection fee (up to \$200) with no interest charges for a period not to exceed one year

Funding (2005)

Federal: \$58,817

Eligibility (2006)

Eligibility requirements are the same as for Lifeline.

Participation (2005)

Households served 2,777

Energy Assistance

Low-income energy assistance in New Jersey includes the following programs:

- Low – Income Home Energy Assistance Program (LIHEAP)—(Home Energy Assistance)

- Universal Service Fund (USF) Program
- Weatherization Assistance Program (WAP)
- Lifeline Utility Assistance Program
- New Jersey Comfort Partners

Low Income Home Energy Assistance Program (LIHEAP)—Home Energy Assistance

The federal LIHEAP program provides the state of New Jersey with a block grant to help eligible low-income households meet their immediate home energy needs. With this grant, New Jersey distributes payments through its LIHEAP program that go primarily for heating assistance, but that can also be used for energy-related emergency assistance and medically-necessary cooling assistance. The state also uses a portion of the grant to supplement funding for New Jersey's Weatherization Assistance Program (WAP).

Benefits (FY2006)

Heating: \$1,400 maximum per household. (this can include emergency assistance)

Clients generally receive one benefit a year. Benefits to households heating with electricity or natural gas are paid directly to the energy provider. For those whose home energy costs are included in rent, the payment is sent directly to the client to cover the imbedded heat cost in the rent. Heating assistance is available from November 1 to March 31. However, in 2006 the application deadline was extended to May 31. Households found eligible for LIHEAP were also protected against utility shutoff between November 1, 2005, and March 15, 2006, based on the state's winter termination protection program.

LIHEAP Funding (FY2006)

Total: \$119,042,315

Federal : \$115,042,315

Tribal set-aside: \$189,980

Regular net block grant: \$75,798,007

Energy and Telephone Assistance in the States

Additional one-time net block grant:
\$1,548,017

Total emergency contingency: \$37,506,311
State grant: \$4,000,000

LIHEAP is jointly administered by the Department of Human Services (DHS) and the Department of Community Affairs (DCA). DHS has overall administrative authority and direct responsibility for automatic eligibility for eligible food-stamp recipients. DCA is responsible for non-Food Stamp applications, emergency assistance and medically necessary cooling.

New Jersey allocates funding in the following manner:

• Heating assistance:	71%
• Cooling assistance:	4%
• Crisis assistance:	6%
• Weatherization:	9%
• Administration:	10%

Eligibility (FY2006)

State residents with households incomes at or below approximately 175% of poverty and responsible for heating costs are eligible for assistance.

Participation (FY2005)

Households served by program components:

Heating:	155,914
Cooling:	35,702
Winter crisis:	13,149
Weatherization:	1,400

Universal Service Fund Program (USF)

The USF program is a partnership among New Jersey's seven investor-owned utilities; the New Jersey Board of Public Utilities, Department of Human Services, and community agencies. The program was created to help make natural gas and electric energy bills more affordable for low-income customers.

Benefits (FY2006)

Maximum annual combined (gas and electric) benefit: \$1,800

Median annual combined benefit: \$701

Median annual electric benefit: \$445

Median annual gas benefit: \$672

USF customers receive a fixed credit each month over a twelve-month period. In addition, through the Fresh Start program, customers can have 100% of preprogram arrearages forgiven if they complete 12 months of payments on current bills.

Funding (FY2006)

Total: \$96,332,000

Utility program costs: \$95,400,000

USF credits: \$73,700,000

Fresh start credits: \$21,700,000

Electric: \$10,600,000

Gas: \$11,100,000

Utility administrative costs: \$932,000

The program is funded through an assessment on electric and gas customers of the seven investor-owned utilities in New Jersey.

Eligibility

Households with income less than, or equal to, 175% of the Federal Poverty Level and paying more than 3% of the household's income on electric bills or more than 3% of the household's income on gas bills are eligible for assistance. If the household has electric heat in the home, it must be paying more than 6% of annual income on electricity.

The program is administered by the Department of Human Services. Applicants may apply through a single USF/LIHEAP application form. Households are automatically screened for eligibility if they apply for food stamps. USF participants must re-apply for the program each year.

Participation (As of November 2005)

Total unique USF participants: 162,940

USF Electric Customers: 127,210

USF Gas Customers: 94,690

Energy and Telephone Assistance in the States

Weatherization Assistance Program (WAP)

Through the Weatherization Assistance Program (WAP), the U.S. Department of Energy provides New Jersey with a formula distribution grant to help low-income residents—especially those older, disabled, or living with young children— increase the energy efficiency of their homes, reduce their energy expenditures, and improve health and safety.

Benefits (FY2006)

Maximum benefit per household: \$5,000

Weatherization technicians use energy audits to identify and implement energy-saving measures for each home. Examples of these measures include the following:

- Insulating attics, floors, water heaters, and exposed pipes
- Tuning up, repairing, or replacing the furnace or heating unit and/or air conditioner
- Providing ventilation fans—including electric, attic, ceiling, or whole-house fans—to increase air circulation
- Stopping air infiltration by weather-stripping and caulking around doors and windows, replacing broken glass panes, and installing storm windows

Funding (FY2006)

Total: \$12,651,722

Federal: \$8,928,722

Department of Energy: \$5,321,722

Additional LIHEAP funds: \$3,607,000

State: Clean Energy Program (based on 2005 budget): \$3,723,000

The New Jersey Department of Community Affairs, Division of Housing and Community, distributes grants to 20 community action agencies throughout the state. These agencies accept applications, determine eligibility, and provide weatherization services, including performing energy audits and implementing suggested measures.

Eligibility (FY2006)

State residents with incomes within 150% of poverty are eligible for the Weatherization Assistance Program. Priority is given to elderly and disabled persons and to households with young children.

Participation (2005)

Households served: 3,005

Lifeline Utility Assistance Program

The Lifeline Utility Assistance Program provides utility assistance to elderly and disabled low-income citizens.

Benefits (FY2005)

A benefit of \$225 per year is issued to all Lifeline recipients. No household receives more than one annual credit. The state treasurer pays \$225 to the participating electric or gas utility on behalf of each eligible residential customer.

If there is a utility bill in the beneficiary's name, a credit is applied directly to the utility account. If the cost of utilities is included in the rent, a \$225 check is mailed to the beneficiary.

Funding

Total: \$74,000,000

State: \$74,000,000

The Lifeline program is funded through a societal benefits charge (SBC) paid by electric and natural gas ratepayers. Funding is apportioned as follows:

Benefits: \$72,400,000

Administration: \$1,600,000

Eligibility

Elderly and disabled state residents who receive Supplemental Security Income or meet eligibility requirements for the Pharmaceutical Assistance to the Aged and Disabled program are eligible for assistance. The commissioner of the Department of Health and Senior Services certifies customer eligibility.

Energy and Telephone Assistance in the States

Participation (2004)

Households served: 312,000 (approx.)

New Jersey Comfort Partners

The New Jersey Comfort Partners program, part of the state's Clean Energy Program, increases energy efficiency and improves energy affordability for eligible low-income households.

Benefits (2006)

Eligible low-income households may receive direct installation of cost-saving and energy-effective measures, including:

- Compact fluorescent lights
- Energy-saving showerheads and aerators
- Water heater insulation, water heater pipe insulation
- Programmable thermostats
- Air sealing and duct sealing
- Heating and cooling equipment maintenance
- Replacement of inefficient refrigerators
- Insulation upgrades (attic, wall, etc.)
- Personalized customer energy education and counseling
- Arrearage forgiveness for qualified participants who adhere to a payment plan
- Performance of health and safety testing to detect, reduce, or prevent the existence of dangerous combustion by-products.

Funding (2006)

Total: \$24,275,000

Utilities: \$21,275,000

State: \$2,000,000

New Jersey Comfort Partners is funded through a portion of the state's societal benefits charge collected from all electric and gas public utility customers.

Eligibility (2006)

Households with incomes at or below 175% of the federal poverty guideline are eligible to participate in the program. Households participating in any of the following programs are also eligible:

- Lifeline
- Home Energy Assistance Program
- Temporary Assistance to Needy Families (TANF)
- Supplemental Security Income (SSI)
- Pharmaceutical Assistance to the Aged and Disabled (PAAD)
- General welfare assistance
- Public assistance

Participation (2005)

Households served: 6,403

Seasonal, Health-, and Income-Related Disconnection Policies

Seasonal/New Jersey Winter Termination Program

Between November 15 and March 15, New Jersey prohibits disconnection of electric or natural gas service to residential households participating in any of the following programs:

- Lifeline (Senior Citizen Utility Assistance Program)
LIHEAP
- Temporary Assistance to Needy Families
- Supplemental Security Income (SSI)
- Pharmaceutical Assistance to the Aged and Disabled (PAAD)
- General Assistance (GA)

Utilities are also prevented from disconnecting services to households unable to pay overdue amounts because of circumstances such as unemployment, illness, medically related expenses, or recent death of a spouse. Customers participating in the Winter Termination Protection program also participate in the Low-income Seal-Up Program and are placed on a budget plan that requires a "good-faith" effort to pay at least a portion of the utility bill.

Energy and Telephone Assistance in the States

New Jersey

Health

New Jersey requires that utilities delay for up to 63 days disconnection of residential service if the customer's attending physician certifies in writing that such an action would adversely affect the health of the customer or a household member. The customer is also required to negotiate a deferred payment agreement during the period of delay.