

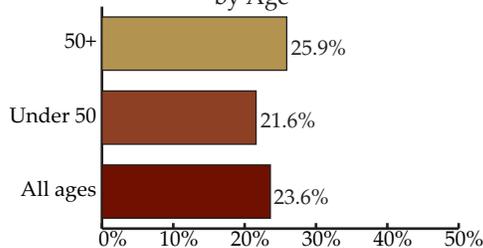
Energy and Telephone Assistance in the States

Tennessee

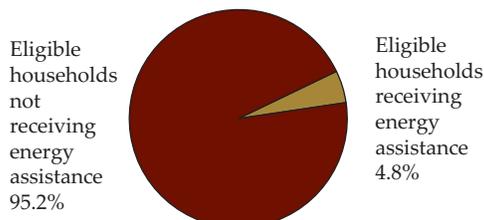
Tennessee in Brief (2006)

Total state population:	6,038,803
State median income:	\$55,401
Percent households age 50+:	47.1%

Percent Households under 150% of Poverty, by Age

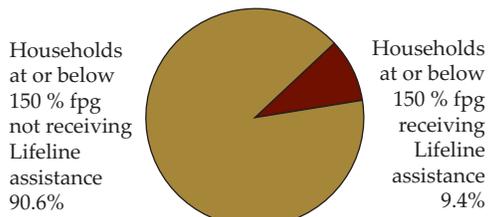


Energy Assistance among Households with Incomes at or Below 150% of Poverty



Telephone penetration rate in state: 92.6 %

Percent Households At or Below 150% of Poverty Receiving Lifeline Assistance



Telephone Assistance

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

Lifeline

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

Benefits (2006)

Maximum monthly credit: \$13.50
 Basic federal support: \$8.25
 Maximum state support: \$3.50
 Maximum federal match: \$1.75

Funding (2005)

Federal: \$6,068,717
 State: \$2,237,728 (est.)

Local telephone companies recover the cost of providing the state portion of this benefit (\$3.50 per subscriber) in the rates they charge non-Lifeline subscribers for basic local telephone service.

Eligibility (2006)

To receive Lifeline assistance, state residents must complete an application with their local telephone provider and prove they are enrolled in any of the following programs:

- Temporary Assistance for Needy Families (TANF)
- Food stamps
- Medicaid
- Supplemental Security Income (SSI)

State residents not enrolled in any of the above programs but with household incomes at or below 125% of the federal poverty guideline must complete an application with the Tennessee Regulatory Authority.

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

Participation (2005)

Households served: 53,284

Participation rate: 11.8% (based on 125% of the federal poverty guideline)

Link-Up

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

Benefits (2006)

Link-Up subscribers receive the following:

- A credit of \$30 or a 50% reduction, whichever is less, on the charges customers pay for connecting to new telephone service
- 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: \$77,390

Eligibility (2006)

Eligibility requirements are the same as for Lifeline.

Participation (2005)

Households served: 4,332

Energy Assistance

Low-income energy assistance programs in Tennessee include the following:

- Low-Income Home Energy Assistance Program (LIHEAP)—Low-Income Energy Assistance Program (LIEAP)
- Weatherization Assistance Program (WAP)

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

The federal Low-Income Home Energy Assistance Program (LIHEAP) provides the state of Tennessee with a block grant to help eligible low-income households meet their immediate home energy needs. With this grant, Tennessee distributes payments through its Low-Income Energy Assistance Program (LIEAP), which includes three categories of assistance: heating, cooling, and crisis. The state also uses a portion of the grant to supplement funding for Tennessee's Weatherization Assistance Program (WAP).

Benefits (FY2006)

Heating: \$350 maximum per household

Cooling: \$350 maximum per household

Crisis: \$350 maximum per household

Clients receive one benefit a year from two of the three programs. Benefits are paid to the energy provider unless the client's home energy costs are included in rent, in which case the payment is sent directly to the client. Heating assistance is available from August 2 until funding is exhausted; cooling assistance is available from May 3 to June 28; and crisis assistance is available from January 5 to April 30.

Funding (FY2006)

Total: \$52,528,410

Federal: \$47,528,410

Regular net block grant: \$27,032,554

One-time additional net block grant:
\$19,330,386

Total emergency/cont.: \$776,212

FY 2005 carryover funds: \$389,258

State: \$5,000,000 (one-time state appropriation)

The Tennessee Department of Human Services distributes grants to community action agencies throughout the state. These agencies accept applications, determine eligibility, notify clients, and make payments to energy providers and

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clients. Previous recipients receive mailed applications from the department.

Tennessee allocates LIHEAP funding in the following manner:

Heating assistance:	80%
Cooling assistance:	10%
Weatherization:	10%

Eligibility (FY2006)

State residents with household incomes at or below 125% of poverty are eligible for assistance. Assistance to emergency heating applicants with disconnected utility service resulting from past due bills is prohibited, unless the LIHEAP assistance in combination with other resources will effect reconnection of utility service.

Participation (FY 2005 est.)

Households served by program component:
Heating: 59,566

Weatherization Assistance Program (WAP)

Through the Weatherization Assistance Program (WAP), the U.S. Department of Energy provides Tennessee with a formula distribution grant to help low-income residents—especially those who are 60 years and older, disabled, or living with young children—increase the energy efficiency of their homes, reduce their energy expenditure, and improve health and safety.

Benefits (FY2006)

Maximum benefit per household: \$2,744

Weatherization technicians use energy audits to identify and implement energy-saving measures for each home. The program now uses the Southeast Weatherization Field Guide to determine energy assistance measures for the homes. 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: \$6,555,044

Federal: \$6,555,044

Department of Energy: \$4,181,594

Additional LIHEAP funding: \$2,373,450

The Tennessee Department of Human Services uses community action agencies, human resource agencies, and government entities to accept applications, determine eligibility, and provide weatherization services, such as performing energy audits and implementing suggested measures.

Eligibility (FY2006)

Persons eligible for LIHEAP assistance (with income at or below 125% of poverty) are also eligible for weatherization assistance. Households with elderly or disabled members or children under age six are given priority.

Participation (2006)

Households served: 2,672

Seasonal, Health-, and Income-Related Disconnection Policy

Seasonal

Tennessee prohibits disconnection of residential electric or natural gas service for nonpayment when the National Weather Service forecasts the temperature at that location to be 32°F or below for that calendar day.

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Health

The state requires natural gas and electric utilities to delay for up to 30 days disconnection of residential service if a physician or public health or social service official certifies in writing that such an action would adversely affect the health of the customer or that of a permanent household member. During these 30 days, the utility is required to refer the customer to social service agencies for investigation, confirmation of need, and guarantee of payment. Medical certificates may be renewed three times, each for an additional 30-day period.

Deferred Payments

The state requires utilities to offer customers an opportunity to avoid disconnection by entering into a deferred-payment arrangement. Such an arrangement requires the customer to pay the current bill as due, and to pay the overdue balance in installments over six months.