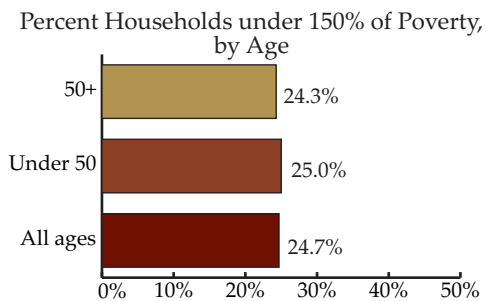


Energy and Telephone Assistance in the States

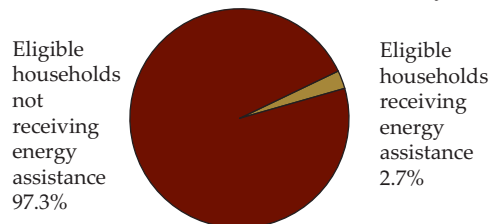
Texas

Texas in Brief (2006)

Total state population:	23,507,783
State median income:	\$54,554
Percent households age 50+:	42.5%

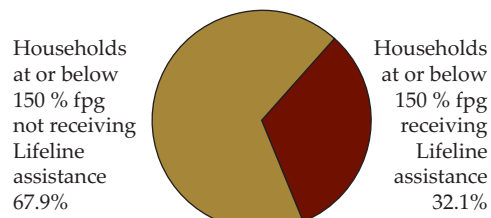


Energy Assistance among Households with Incomes at or Below 150% of Poverty



Telephone penetration rate in state: 90.1%

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 Texas.

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
 State support: \$3.50
 Federal match: \$1.75

Funding (2005)

Federal: \$69,884,890
 State: \$27,409,452 (est.)

Funding at the state level is provided through a legislature-approved 3.6% surcharge on taxable intrastate, interstate, and international telecommunications revenues. Funds are collected through the Texas Universal Service Fund (TUSF). Telecommunications providers are allowed to pass the costs of the TUSF on to all non-Lifeline customers as a separate line charge on their monthly bills.

Eligibility (2006)

State residents enrolled in any of the programs listed below are automatically enrolled in the state Lifeline program. Through the Low Income Discount Program (LIDA), a third party administrator designated by the Texas legislature, the Texas Department of Human Services provides eligible telecommunications carriers (ETCs) with an electronic list of customers enrolled in the programs. The ETCs are then required to provide identified households with Lifeline benefits. Automatically enrolled households receive Lifeline benefits

Energy and Telephone Assistance in the States

as long as they continue to participate in the qualifying programs.

- Food stamps
- Low-Income Home Energy Assistance Program (LIHEAP)
- Medicaid
- Federal public housing, Section 8
- Supplemental Security Income (SSI)

State residents not enrolled in the above programs must certify with their provider that their household incomes are at or below 125 percent of the federal poverty guideline (150 percent as of March 2007). Beneficiaries must recertify with their local telephone provider periodically to remain eligible for this program.

Participation (2005)

Households served: 652,606

Participation rate: 40.5% (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: \$2,365,303

Eligibility (2006)

Eligibility requirements are the same as for Lifeline.

Participation (2005)

Households served: 123,746

Energy Assistance

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

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

Low-Income Home Energy Assistance Program (LIHEAP)—Comprehensive Energy Assistance Program (CEAP)

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

Benefits (FY2006)

Heating: \$1,200 maximum per household

Cooling: \$1,200 maximum per household

Crisis: \$1,200 maximum per household

Equipment replacement maximum:
\$4,000 per household

Clients receive one or more benefits of up to a total of \$1,200 per year for utility assistance. Benefits are paid to the energy provider. The heating and cooling components are combined and, along with the crisis component, are available year-round.

Funding (FY2006)

Total: \$84,639,707

Federal: \$84,639,707

Regular net block grant: \$44,144,179

One-time additional net block grant:
38,276,836

Energy and Telephone Assistance in the States

Total emergency/cont.: \$1,584,092
Leveraging incentive program: \$634,600

The Texas Department of Housing and Community Affairs (TDHCA) distributes grants to local community action agencies throughout the state. These agencies accept applications, determine eligibility, notify clients, and make payments to energy providers.

Texas distributes LIHEAP funding in the following manner:

Heating/cooling assistance:	65%
Crisis assistance:	10%
Weatherization:	15%
Administration, etc.:	10%

Eligibility (FY2006)

State residents with household incomes at or below 125% of poverty are eligible for assistance. Participation in Texas's LIHEAP program does not reduce the client's eligibility or benefits under other state assistance programs.

Participation (FY2006)

Households served by program component:	
Heating:	20,988
Cooling:	61,059
Winter/year-round crisis:	42,649
Weatherization:	3,591

Weatherization Assistance Program (WAP)

Through the Weatherization Assistance Program (WAP), the U.S. Department of Energy provides Texas with a formula distribution grant to help low-income residents—especially those 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: \$2,826 (in most cases)

Weatherization technicians use energy audits to identify and implement energy-saving measures

for each home. Installed measures must cost no more than energy saved over the expected life of the improvements. 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: \$18,300,895
Federal: \$18,300,895
Department of Energy: \$6,607,385
Additional LIHEAP funding: \$11,693,510

The Texas Department of Housing and Community Affairs (TDHCA) contracts with community action agencies, local government offices, and nonprofits agencies throughout the state. These agencies accept applications, determine eligibility, and provide weatherization services, such as performing energy audits and implementing suggested measures.

Eligibility (FY2006)

Recipients must have household incomes at or below 125% of poverty, or include at least one member who is receiving cash assistance payments from either of the following programs:

- Supplemental Security Income (SSI)
- Social Security Disability Insurance (SSDI)

In addition, priority is given to households with elderly or disabled members, families with young children, and households with the highest energy costs and lowest incomes.

Participation (2006)

Households served: 4,800 (goal)

Seasonal, Health-, and Income-Related Disconnection Policy

Seasonal

Texas prohibits utilities from disconnecting residential natural gas or electric service for nonpayment when the temperature was 32 degrees or below on the previous day and is forecasted by the National Weather Service to be 32°F or below during the next 24 hours. Utilities are also prohibited from disconnecting service if a heat advisory has been in effect for any of the two preceding days. In these cases the utility must defer collection full payment until after the weather emergency is over and work with customers to establish a pay schedule for deferred bills.

Health

Texas requires utilities to delay for up to 63 days disconnection of residential service if a licensed physician certifies that such an action would adversely affect the health of the customer or a household resident. The customer is also required to enter into a deferred-payment agreement with the utility by the stated date of disconnection.

Low-Income

Texas prohibits electric utilities from disconnecting residential service for nonpayment if the utility receives notification that an energy assistance provider intends to forward payment on the client's behalf.