by Marcus Banks
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This year New Yorkers will face sharp rises in home heating costs, and while there is some government assistance available to individuals of low income, it is likely that the great majority of those eligible will never receive it.

Hurricanes Katrina and Rita significantly damaged oil-refining capacity in the Gulf Coast, and oil prices climbed to more than $70 a barrel in late August. What this means for the average New Yorker who uses home heating oil, according to Senator Charles Schumer, is an increase of some $450 in heating costs over last year.

Many New Yorkers use natural gas to heat their homes, and the major hub for transporting natural gas to the Northeast is also located in the Gulf Coast region -- which is why the average New Yorker using natural gas will see a price rise that is even higher, at some $473.

Federal Efforts To Reduce Heating Costs

Northeastern senators of both parties have called upon the Department of Energy to release heating oil from the Northeast Heating Oil Reserve . President Bill Clinton established the reserve in 2000 in order "to reduce the risks presented by home heating oil shortages". As of early November the department has refused this request, arguing that the situation is not serious enough to justify tapping into the reserve.

Another idea that has gained the support of Democrats as well as typically tax-averse Republicans, is to impose a "windfall tax" on oil companies . All of the major companies posted record profits in the third quarter of 2005, at the same time that many consumers faced record-high gasoline prices. Some proceeds from this tax would help poor and elderly Americans pay their heating bills.

The oil companies argue that their profits are not disproportionate, and that a windfall tax would reduce their incentive to locate new sources of energy. They have a powerful ally in President George W. Bush, who is opposed to the idea.

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Individual Assistance With Heating Bills

Regardless of how the political skirmishes are resolved, the Low-Income Home Energy Assistance Program (LIHEAP) will help individuals pay their heating bills. This is the primary federal program for this purpose, and it took effect in New York State on November 1, 2005, though it is not yet clear how much money will be available. (For fiscal year 2005, New York State received $235.6 million in such funds.)

In New York City, these funds are administered by the city's Human Resources Administration. Individuals can receive assistance whether they pay their heating costs directly or if these costs are included in their rent. Eligibility is based on an individual or family's monthly income, and the program provides both regular and emergency benefits of up to $400 a year. The city estimates that it provides almost 440,000 grants each year, for a total of about $31 million.

The National Fuel Funds Network , an umbrella group for 250 organizations nationwide (including in New York City, the HeartShare Neighborhood Heating Fund) that raise donations to help people with their heating costs, estimate that only 15 percent of individuals eligible for the Low-Income Home Energy Assistance Program actually receive assistance.

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