

## **Illinois Leaders Sound Alarm on Rising Natural Gas Prices, Soaring Heating Bills**

**By Michael Tram**

**Associated Press**

**October 12, 2005**

Congressional leaders from Illinois on Tuesday joined the growing chorus of alarm about soaring natural gas prices, warning that many people may struggle to afford to keep warm this winter.

Presiding at a hearing in Chicago on heating costs, representatives from Illinois pointed to predictions that natural gas prices will jump 71 percent this winter - on top of other recent price surges for the heating fuel.

"When you're getting projections of 71 percent, that becomes frightening," said U.S. Rep. Danny Davis, D-Chicago, adding that the poor will be hit inordinately hard and shouldn't have to "make a decision to eat or heat."

Fellow Chicago Democratic Rep. Daniel Lipinski echoed that, saying elderly residents might have to choose between paying heating bills or foregoing prescription drugs.

"I fear the sky-high prices could even prove to have deadly consequences this winter," he said.

Heating bills are headed through the roof across the country, expected to average 50 percent higher this winter for homes that use natural gas. People in parts of the Midwest are likely to pay even more - as much as \$1,600 for the winter months if the weather is especially severe, the American Gas Association said Tuesday.

The average family in Illinois is expected to pay \$600 more compared to last winter because of high natural gas prices, Ed Hurley, an energy adviser to Gov. Rod Blagojevich, told the Chicago panel.

"This year, rising global demand for natural gas, a hot summer that required greater use of gas-fired generation and two hurricanes that disrupted natural gas production created the perfect storm for natural gas prices," he said.

In response to the escalating prices, several utility companies are waiving reconnection fees and suspending deposit requirements for some low-income customers, the governor's office said.

At Tuesday's hearing, Rep. Jan **Schakowsky**, D-Evanston, criticized federal leaders for failing to fashion a coherent natural gas policy.

"What has occurred recently at the federal level in response to energy price spikes in general has taken us in the wrong direction," she said. "In terms of natural gas, we have really gone in no direction . . . . As the cold weather hits America this winter, we cannot be caught unprepared like we were with (Hurricane) Katrina."

**Schakowsky** called for more money for state- and federally funded programs that subsidize heating costs for lower-income families.

Spokesmen for Illinois energy utilities defended their companies when congressional leaders asked if they might be reaping unfair profits in the wake of Hurricanes Katrina and Rita.

"Well before Hurricane Katrina and Rita struck a devastating blow to the energy infrastructure, numerous yellow warning lights had already been flashing," said Rodrigo Sierra, of Peoples Energy, saying that supply shortages and booming demand for natural gas were apparent well before storms ravaged the Gulf Coast.

The utilities also said they're doing what they can to keep energy bills manageable this winter, including by enrolling consumers in budget payment programs and by encouraging people to weatherize their homes.

State officials also urged Illinoisans not to put off thinking about how they're going to budget money for heating over the next few years, cautioning that natural gas prices aren't likely to fall any time soon.

"The message that we are sending is that this crisis, unlike a crisis like Katrina, is not date specific and will be a long term emergency situation we have to be prepared for," Hurley, the governor's aide, said.