

Beacon Hill Byline by Mary Rogeness

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## **Winter Heat Help**

New England's autumn skies have been blue, the foliage beautiful, and weather mild. I have to remind myself that winter will soon follow once the leaves are gone from the trees. The coming winter and its heating needs are, however, on the radar screen of state government, and Governor Cellucci's plans to address those needs are the subject of today's Byline.

The first mention of winter fuel needs followed a price spike of OPEC oil in September. The Washington administration responded to the \$35 per barrel by releasing 30 million gallons of crude oil from the nation's Strategic Petroleum Reserve. The benefit of this action has not to date been reflected in any markets, and the lack of a requirement to refine the oil into heating oil raises questions of the likelihood of such benefits.

The heating oil crisis last winter had two separate aspects. The first issue was supply. Our weather throughout January remained mild. There is little demand for home heating oil in the springtime, so oil suppliers maintained a modest oil reserve. A sudden cold snap depleted their supply, leading to the second problem, cost. With demand outstripping supply, the cost of available fuel was unaffordable.

Recalling last year's experience in Massachusetts, Gov. Cellucci has filed a bill to address both problems this winter. These are the provisions of his proposal, which is now before the legislature.

The total asks for \$32 million to be divided among energy efficiency, low income assistance and fuel supply.

Energy efficiency is promoted through the Division of Energy Resources (DOER), which receives \$5 million to provide rebates for efficiency upgrades to existing homes. Efficient furnaces or water heaters, circulation system upgrades and programmable thermostats would all qualify for rebates to the limit of the appropriation.

Low income assistance is provided with a \$12 million appropriation to augment federal funding of the Low Income Home Energy Assistance Program. Administered through the Department of Housing and Community Development (DHCD), it will enhance existing federal relief.

The third provision of the bill addresses fuel supply. It appropriates \$5 million to encourage suppliers to retain home heating oil reserves. It is directed at wholesalers and retail distributors with a capacity to store 25,000 barrels of #2 heating oil who agree to buy and resell their product according to new DOER regulations.

An additional \$10 million is appropriated for the state's increased fuel costs, and that money may be transferred to any of the previously mentioned programs if necessary.

The governor filed his bill in the house of representatives. In order for it to advance before the weather turns cold, it needs the support of all members. The legislative calendar, with the absence of formal voting sessions, can act on legislation only so long as no member objects. I cannot predict the fate of the bill this session, but I can promise to refile the bill in December if no action has been taken by then. Even if the state is forced to deal with the issue early in the next session, we can be ready to handle winter's chill before it chills us to the bone.