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## Cooler Weather Won't Curb Energy Problems

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WASHINGTON - After a summer of soaring gasoline costs, people should not expect cooler weather in autumn to end their energy woes. Prices at the gas pump probably will stay high and record heating bills in the winter are almost certain to follow.

The Energy Department predicts that heating costs for homes using natural gas or fuel oil could be 16 percent to 25 percent higher than last year. That estimate came before the latest price spike in crude oil and natural gas.

Already, drivers are reeling from gasoline prices that are approaching \$3 a gallon in some areas and averaging \$2.55 a gallon nationwide. Prices are expected to ease after Labor Day, but not by much, analysts predict, as crude oil prices remain above \$60 a barrel.

Utilities are warning customers that their bills will be high this winter, says Chris McGill of the American Gas Association, which represents the natural gas retailers.

Wholesale prices for natural gas have soared along with crude oil and gasoline.

The Energy Information Administration estimates that natural gas could cost more than \$10 per thousand cubic feet by January, about 30 percent more it did this summer.

The increase to consumers is usually less because the actual gas accounts for about half of a typical bill and the other half usually remains pretty constant, according to the retailer's group. Utilities also have bought gas at the lower price this summer and are storing it.

A little more than half of U.S. homes use natural gas for heating; the heaviest concentration is in the Midwest.

About 9 percent use fuel oil, mostly in the Northeast. The rest use electricity, with a small number relying on propane. The cost of these fuels is rising, too.

People are being hit with a "triple whammy," said David Fox, executive director of the Campaign for Home Energy Assistance. The Washington-based group advocates for more federal money to help needy people pay home heating and cooling bills.

This summer's string of 100-degree temperatures in many parts of the country caused greater use of air conditioners and produced high electricity bills that many people have yet to pay.

Then came skyrocketing prices at the pump, on average 67 cents a gallon higher last week than a year ago. Now there is the prospect of big heating bills looming.

"I see a very difficult winter ahead," Fox told The Associated Press.

The recently enacted energy bill authorizes \$5.1 billion a year in government energy assistance. But Congress traditionally has funded much less than what is authorized.

This year Congress is providing a little more than \$2 billion for the budget year that begins Oct. 1.

Fox said that will not be nearly enough for the demand. "People will have to be turned away," he said.

Nearly two out of three people surveyed believe today's high gasoline prices will adversely affect them financially for the next six months, according to a recent AP-AOL poll.

"For people on fixed incomes, a lot of them are already pinched and have very little to give up. ... anything further will be a hardship," said Bill Godsell, a retiree in Iowa Falls, Iowa.

Jean Casinger, a retiree in Oakland, Ore., said she does not drive more than she has to but cannot avoid the 40-mile round trip to get chemotherapy treatments. The cost of gas is a problem now, and higher heating costs will make the problems worse, she says.

"It's going to have an effect this winter on my finances," she said.

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Associated Press Writer Will Lester contributed to this report.

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On the Net

Energy Information Administration: <http://www.eia.doe.gov>

Campaign for Home Energy Assistance: <http://www.liheap.org>

American Gas Association: <http://www.aga.org/>

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