

Less federal home-heating aid available this winter for low-income residents

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By **Tarryl Jackson | Jackson Citizen Patriot**

Hundreds of Jackson County residents who struggle to keep their homes warm during the cold months will not get as much help from the federal government for 2012.

Funding for the federal Low Income Home Energy Assistance Program — or LIHEAP — has been reduced from \$4.7 billion to \$3.5 billion for the 2012 budget. Michigan's funding is expected to drop from \$240 million to about \$173 million, said Whitney Skeans, customer assistance coordinator at Jackson-based Consumers Energy. The Obama administration originally wanted to cut LIHEAP funding to \$2.5 billion, but Congress opted for \$3.5 billion.

"It's not as big as it could have been, (but) it's a significant hit," Skeans said. The federal government's rationale behind cutting funding to LIHEAP is that energy costs are falling, Skeans said. However, that is not the case for low-income and rural residents who rely on deliverable fuels to heat their homes every winter, she said.

LIHEAP funding is distributed to each state to assist low-income families with energy costs. In Michigan, the funding is used for state emergency relief, home heating credit and weatherization assistance. In Jackson County, 712 households received state emergency relief funds in September, with payments averaging about \$206, according to the most recent data from the state Department of Human Services. It is a crisis intervention program and provides payment for heating fuel, electricity, home repairs and more. The Community Action Agency received about \$260,000 in LIHEAP funding this year to provide about 300 clients in Jackson, Lenawee and Hillsdale counties with fuels such as propane and wood. Payments can range from \$200 to \$1,200 per household based on need.

Marsha Kreucher, CEO of the Community Action Agency, does not know yet how much the nonprofit will receive in LIHEAP funding, but "I know it will be dramatically reduced," she said. Kreucher said the agency plans to work harder to raise private donations for home heating assistance. The nonprofit's Heat-A-Home campaign,

which provides emergency heating assistance for low-income residents, starts in January. Kreucher said she does not think heating assistance will go away completely but that the government will probably continue to reduce funding for years to come. "I don't think we're done seeing cuts," she said.

Gov. Rick Snyder, meanwhile, recently signed bills that create a \$58 million fund to replace the Low Income and Energy Efficiency Fund. The Michigan Court of Appeals ruled this summer that the fund program no longer was authorized. The replacement plan calls for refunding or rebating to customers about \$48 million that has been collected in escrow since the ruling. The charge on utility bills resumes until \$48 million is raised for the new Vulnerable Household Warmth Fund.

An additional \$10 million will come from the state's general fund. The money is expected to provide heating assistance to 95,000 low-income Michigan residents. "As a company, Consumers is pleased with the outcome," Skeans said. However, "this is a short-term fix," she said. "We are absolutely concerned about the customer impact."

— The Associated Press contributed to this story.

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