

Heating aid endangered as Michigan money runs out

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By **The Associated Press**



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In this Sept. 19, 2011 photo, Ruth Watkins, 87, poses in Jackson, Mich. Watkins hopes she'll be able to get energy assistance to help her pay a \$1,037 propane heating bill this fall. A state-run program that helps pay the energy bills of low-income residents will end unless Michigan lawmakers act soon.

Social services groups and state officials are scrambling to prevent thousands of low-income Michigan residents from having their heat cut off after a state-run program that helped pay overdue utility bills for the poor lost its source of funds.

A state appeals court in July struck down the financing system used by Michigan's Low Income and Energy Efficiency Fund, and the state Legislature has not enacted a new one. With the program now running out of money as winter approaches, state officials are working to tide over needy families at least until Nov. 1, when they will be protected from a utility shut-off by state law.

Though Michigan law forbids utility companies from shutting off heat to customers between Nov. 1 and March 30, social service workers are worried about the impact on the 95,000 people now helped by the program if the aid is not restored by next spring.

"We had a chilly start to the fall, so we're already getting the phone calls when people want their heat turned back on," said Molly Maynard, social services director for the Capital Area Salvation Army in Lansing, which has helped people get aid under the state program. People in need are being directed to the Department of Human Services, which is getting access to some federal money that can be used for energy assistance.

The turmoil in the aid program comes at a difficult time. Michigan has the nation's third-highest jobless rate, at 11.2 percent, and nearly 17 percent of its 9.9 million residents live in poverty. Most areas of the state already have seen nighttime temperatures dip into the 30s.



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In this Sept. 22, 2011 photo, Mark and Kathy Jones pose for a photo in Lansing, Mich. The Joneses worry that a state-run energy assistance program that helped them pay a \$1,000 heat bill at the end of last winter still will be available next year if they need it. Health issues have made it hard for 53-year-old Mark, an Army veteran, to keep jobs as a forklift driver and computerized machine tool operator, and Kathy is getting less work caring for the elderly in their homes.

Mark and Kathy Jones of Lansing were more than \$1,000 in arrears on their utility bill when they got \$850 from the state program last April. Their home, built in 1914, is expensive to heat and Mark, who has health problems, hasn't had steady work as a forklift driver and computerized machine tool operator in recent years. "For the most part, we've struggled through," said Kathy Jones, but she fears they could need help again next spring.

Money for the state program, which has been operating since 2002, was built into the rate base used by Detroit Edison and Consumers Energy Co., Michigan's two largest utilities. But the appeals court ruled that lawmakers failed to authorize the fee when they rewrote state energy laws several years ago.

Republican state Rep. Ken Horn, chairman of the House Energy Committee, said the Legislature has to come up with a new funding mechanism to supply the \$60 million for utility assistance. He said it's not clear the state would replace an additional \$30 million the program used for weatherizing homes, schools and other public buildings.

"We could just let the court case be what it is and just ignore the issue," Horn said. "(But) as a compassionate society, is that really the way we want to handle this?"

Rick Coy, an attorney for the Association of Businesses Advocating Tariff Equity, which filed the lawsuit that led to the court ruling, said only residential ratepayers should be assessed for the cost of the aid since industrial and commercial users get no benefit from the fund. A spokesman for Consumers Energy said the utility is open to discussing new ways to provide the money.

Tammy Rodriguez, DHS state emergency relief specialist, said that federal energy assistance funds that become available Oct. 1 should help keep the heat on in low-income residents' homes until the no-cutoff date arrives a month later. But the needy may not get as much as they usually did toward their bills.

Some residents likely will be living in suspense until spring while officials ponder what to do longer term. Ruth Watkins, 87, got help paying a big propane bill last March and said she may need help again. The widow lives in a small cement block house in northeast Jackson County on less than \$700 a month from Social Security, and filling her home's propane tank costs more than \$1,000.

"It's hard when you don't know where your next penny's coming from," Watkins said.