



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
PUBLIC SERVICE COMMISSION

STEVE ARWOOD
ACTING DIRECTOR

ORJIAKOR N. ISIOGU JOHN D. QUACKENBUSH GREG R. WHITE
COMMISSIONER CHAIRMAN COMMISSIONER

January 11, 2013

Honorable Rick Snyder
Governor of Michigan

Honorable Members of the Senate
Secretary of the Senate

Honorable Members of the House of Representatives
Clerk of the House of Representatives

The enclosed Report on the Low-Income Home Energy Assistance Program, is submitted on behalf of the Michigan Public Service Commission in accordance with Section 10s of the Customer Choice and Electricity Reliability Act (CCERA), 2000 PA141, MCL 460.10s. The Michigan Public Service Commission is required to monitor the availability of federal funds for low income energy assistance programs and conduct a hearing if there is a reduction in funds to determine the need for supplemental funding.

On May 14, 2012 the MPSC held a public hearing in Lansing in response to the President's proposed budget for fiscal year (FY) 2013 which included an allocation of \$3.02 billion for LIHEAP, \$450 million less than in FY 2012 which could have translated into a decline of nearly \$36 million of LIHEAP funding in Michigan.

In November of 2012, the Department of Health and Human Services made available a total of \$3.068 billion in FY 2013 LIHEAP block grants under the current Continuing Resolution which runs through March 27, 2013. The overall funding formula used the same distribution used in FY 2012.

The Commission recognizes the challenge to meet the energy needs of Michigan's low-income working families and senior households and supports maintaining at least current levels of LIHEAP funding. The Commission will continue to monitor the status of LIHEAP funding in FY 2013 and 2014 and inform the Governor and Legislature of any changes that will present additional challenges to meeting the energy needs of the state's low income citizens.

The complete report and all written comments are filed in the MPSC Docket No. U-16978, located on the MPSC website: www.michigan.gov/mpsc.

Very truly yours,

John D. Quackenbush, Chairman

Orjiakor N. Isiogu, Commissioner

Greg R. White, Commissioner