



# Consumer Alert

HOME HEATING HELP: MICHIGAN'S 2008/2009 HEATING SEASON

## Michigan Citizens Can Get Help with Heating Bills

Winter heating bills can have a major impact on household budgets. For people having trouble paying their bills, it is extremely important to know that help with winter heating bills may be available. There are several energy assistance programs for senior citizens and low-income customers. The Michigan Public Service Commission (MPSC) encourages eligible customers to take advantage of the available programs. Customers with heating bills they are unable to pay should first contact their utility company or energy supplier and explain their situation **before** receiving a shut-off notice. This Consumer Alert provides information on the major assistance programs available to Michigan residents.

- ◆ Winter Protection Plan
- ◆ Earned Income Credit
- ◆ Home Heating Credit
- ◆ State Emergency Relief Program
- ◆ Programs to Reduce Energy Use

### Winter Protection Plan

The Winter Protection Plan (WPP) protects senior and low-income customers of MPSC-regulated natural gas and electric companies and rural electric cooperatives from electric or natural gas service shut-off and high utility payments between November 1 and March 31.

Persons qualify for the plan if they meet any of the following criteria:

- are age 65 or older (some companies may use age 62), or
- receive Michigan Department of Human Services cash assistance, or
- receive Food Stamps or Medicaid, or
- have a household income at or below 150% of the poverty level.

WPP allows eligible low income customers to make monthly payments of at least 7% of their estimated annual bill, November through March, and avoid shut-off during that time even if their bills are higher. Low-income customers with past due bills must also pay a portion of the amount owed in equal monthly installments between the time they apply for WPP and the start of the following heating season. Eligible senior citizens participating in Winter Protection are not required to make specific monthly payments between November 1 and March 31, but are encouraged to do so to avoid higher bills when the protection period ends. At the end of the protection period, both low-income and senior citizens taking part in the plan must pay off any money owed in installments between April and November.

***To apply for this or other shutoff protection plans, contact your natural gas or electric utility company or alternative gas supplier.***

### Federal Earned Income Credit

The Earned Income Credit (EIC) is a special tax benefit for people who work full or part-time. Those who qualify will owe less in taxes and may get a refund. Even a person who does not generally owe income tax may get a credit, but must file a tax return to do so. Apply for an Earned Income Credit with the U.S. Department of Treasury, Internal Revenue Service (IRS) by filling out Form 1040 or 1040A and attach the EIC when completing your Federal Income tax returns. For details, check IRS tax forms for the Earned Income Credit.

***Application forms can be requested from the IRS at 1-800-829-1040 or through its website at [www.irs.gov](http://www.irs.gov).***

## Michigan Earned Income Tax Credit

For tax year 2008, a taxpayer may claim a Michigan earned income tax credit equal to 10 percent of the federal earned income tax credit for which the taxpayer is eligible, if any. The maximum credit for 2008 will be \$482, and the average credit amount is expected to be approximately \$190. Watch for additional information in the 2008 Michigan income tax booklet.



## Home Heating Credit

Qualified persons may receive a credit to help pay winter heating bills. Apply for a Home Heating Credit if you have a low income, are receiving public assistance, or are receiving unemployment compensation. Eligible customers must meet guidelines based on household income, exemptions, and heating costs. Home Heating Credit forms for tax year 2008 must be filed by **September 30, 2009**.

*The application form (MI-1040CR-7) can be requested from the Michigan Department of Treasury at 1.800.367.6263, or through its website at [www.michigan.gov/treasury](http://www.michigan.gov/treasury).*

## State Emergency Relief Program

This program may help low-income households pay part of their heating or electric bills and may help keep their utilities in service or have service restored. The program is available year-round.

**Call your local Department of Human Services office for information.**

STATE OF MICHIGAN  
Department of Labor & Economic Growth  
Michigan Public Service Commission  
Customer Support Section  
PO Box 30221  
Lansing, MI 48909  
800.292.9555  
[www.michigan.gov/mpsc](http://www.michigan.gov/mpsc)  
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## Protection for Customers on Active Military Duty

Utility customers or their spouses called to full-time active military duty by the President or the Governor during a time of declared national or state emergency or war may apply for shut-off protection for electric or natural gas service for up to 90 days. These customers may reapply for extensions. The utility company may request verification of active duty status. Customers will still be responsible to pay for all services used during the time of protection. **Contact your utility company.**

## Other Assistance Options

There are other organizations that can, at times, provide emergency energy bill payment assistance. The Heat and Warmth Fund (THAW) provides bill payment assistance to low-income residents in 73 Michigan counties – including the Upper Peninsula. THAW's toll-free referral number is 1-800-866-THAW (8429). Your local Salvation Army or Community Action Agency may also be able to provide emergency assistance. Check your telephone book for the nearest locations.

## Programs to Reduce Energy Use

Using less energy in the home will lower utility bills. Local Community Action Agencies may help with caulking and insulation, if specific low-income guidelines are met.

The MPSC offers the brochure "Energy Savers-Tips on Saving Energy & Money at Home." For a free copy of this brochure, call the MPSC at 1.800.292.9555. This brochure and others on important utility issues are also available on the MPSC's website at: [www.michigan.gov/mpscalerts](http://www.michigan.gov/mpscalerts).

You can also get information on a variety of energy resources at: [www.michigan.gov/bewinterwise](http://www.michigan.gov/bewinterwise).

**Remember, as soon as you have a problem paying energy bills, call your utility company or alternative natural gas supplier!**



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