

Amendment to the State Plan for Michigan's FY 2008 Low Income Home Energy Assistance Program (LIHEAP)

- Under statutory references 2605(c)(1)(C)(use of funds) (page 7): Change the percentages **for FY08 only (October, 1 2007-September 30, 2008)** to:
46.47 % heating assistance
0 % cooling assistance
40.94 % crisis assistance
2.59 % weatherization assistance
 % carryover to the following fiscal year
10 % administrative and planning costs
0 % services to reduce home energy needs including needs assessment
0 % used to develop and implement leveraging activities

100% TOTAL

- The income maximum table for the alternate calculation should be replaced with the following:

<u>Exemptions:</u>	1	2	3 or more
<u>Income Maximum:</u>	\$12,263	\$16,502	\$20,282

- Statutory references 2604(c) 2605 (c)(1)(A)(eligibility)(page 13):
Add the following:

The crisis program was expanded to allow for an Arrearage Payment Program. This program is allowed for households that receive TANF (Family Independence Program-FIP), SSI and/or Food Stamps (Food Assistance Program-FAP). Applications are not required to be filed by the household for this program. Eligibility is based on electronic file matching with three energy companies: DTE Energy, Consumers Energy and SEMCO Gas Company. The electronic match process determines which households are eligible and which accounts will be paid. These households are categorically eligible based on receipt of FIP, FAP and/or SSI. These categorically eligible groups automatically meet income criteria. There is no requirement that the household make required payments toward their energy bills in order to be eligible for the arrearage payment program. Eligible households may receive an arrearage payment if:

- there is sufficient funding
- they are participating in a winter protection program
- they have an active FIP, FAP or SSI case
- the energy bill is in the name of the household grantee or grantee's spouse
- the bill is for service received at the household address
- the household grantee is not an ineligible or minor grantee

- there are no household members who are disqualified from the FIP, FAP or SSI programs
- all other applicable requirements are met

Statutory references 2605 (b)(5) 2605 (c)(1)(B) (benefit levels) (page 20):

For Home Heating Credit payments, the reduction factor should be changed to 53%.

Statutory references 2605(b)(5) 2605(c)(1)(B) (determination of benefits) (page 22) for the Crisis Component

Under Payment Levels, the fiscal year cap for deliverable fuel was increased to \$1200 effective 8/1/08 – 9/30/08 only. This allowed for a summer fill program for eligible households that heat with deliverable fuel – specifically propane, fuel oil or coal. Other deliverable fuel types (corn pellets, cherry pits, kerosene, etc.) remained at the fiscal year cap of \$350.

Statutory references 2607A (Leveraging) (page 39) –Correct the following:

Michigan Public Service Commission Funds: Replace with:

The Department of Human Services applied for and received \$30.9 million from the Michigan Public Service Commission’s Low Income Energy Efficiency Fund to expand eligibility for its crisis assistance program in FY 2008. \$5 million was distributed via an electronic file match process with DTE Energy, SEMCO Gas and Consumers Energy to pay arrearages on accounts of low-income customers who were actively enrolled and participating in the Winter Protection Plan or similar plan. Arrearage payments were made for categorically eligible clients up to a maximum amount established for each company. Each company entered into contract agreements. As a provision of the contract, each utility agreed to pay 50% of the total arrearage on each qualified account. The balance of the funds was used for crisis payments. DHS plans to apply for these funds, if available, to use in a similar manner every fiscal year.