

# Michigan Energy Assistance Program

## Report to the Legislature—Fiscal Year 2018

On March 28, 2013 [Public Act 615](#) of the Michigan Public Acts of 2012 was enacted creating the Michigan Energy Assistance Act that required the Michigan Department of Health and Human Services (DHHS) to establish and administer the Michigan Energy Assistance Program (MEAP). The purpose of the MEAP is to establish and administer programs statewide that provide energy assistance to eligible low-income households. Energy assistance programs must include services that enable participants to become or move toward becoming self-sufficient, including assisting participants in paying their energy bills on time, assisting participants in budgeting for and contributing to their ability to provide for energy expenses, and assisting participants in utilizing energy services to optimize on energy efficiency. The Act requires that not more than 30% of the funds received for the program shall be spent outside the crisis season, which begins on November 1 and ends May 31 each year. On September 7, 2016 Public Act 147 of 2016 was enacted extending the sunset of the Michigan Energy Assistance Program until September 30, 2019.

On July 1, 2013 [Public Act 95](#) of the Michigan Public Acts of 2013 was enacted creating the Low-Income Energy Assistance Fund (LIEAF) charging the Michigan Department of Health and Human Services with expending money from the fund as provided by the Michigan Energy Assistance Act. The Act allows the Michigan Public Service Commission (MPSC) to annually approve a low-income energy assistance funding factor, not to exceed \$50,000,000, to support the LIEAF.

On July 24, 2018, in Case No. [U-17377](#), the MPSC adopted a funding factor of 93 cents per meter per month for all Michigan electric utilities that have opted to participate in the funding of the LIEAF, effective for the September 2018 billing month. Table 7 (page 9) provides a list of the energy service providers that chose to participate in the LIEAF for fiscal year 2018, and Table 8 (page 10) provides a list of the energy service providers that chose not to participate. As set forth in 2013 PA 95 “an electric utility, municipally owned electric utility, or cooperative electric utility that elects to not collect a low-income energy assistance funding factor shall not shut off service to any residential customer from November 1 to April 15 for nonpayment of a delinquent account.”

The 2018 budget approved by the Governor appropriated the \$50,000,000 to DHHS to operate the MEAP.

DHHS and LARA entered into a Memorandum of Understanding charging the Michigan Agency for Energy (MAE) with the administration of a low-income energy assistance grant process on behalf of DHHS in the amount of \$90,000,000. The MEAP was funded by \$50,000,000 collected through the low-income energy assistance funding factor approved by the MPSC; and \$40,000,000 in Low Income Home Energy Assistance Program (LIHEAP) funds provided by DHHS.

On August 15, 2017 the Michigan Agency for Energy (MAE) invited proposals from public or private entities or local units of government for Michigan Energy Assistance Program (MEAP) grants that will intervene in energy crisis situations and provide energy assistance program services. These services will help eligible low-income households meet home energy costs for their primary residence to prevent future crisis situations through payment or partial payment of bills for one or more of the following: 1) electricity; 2) natural gas; 3) propane; 4) heating oil; or 5) any other deliverable fuel used to provide heat. The Request for Proposal required that proposed energy assistance programs include services that will enable participants to become or move toward becoming self-sufficient, including assisting participants in paying their energy bills on time, assisting participants in budgeting for and contributing to their ability to provide for energy expenses, and assisting participants in utilizing energy services to optimize on energy savings. The grants are funded by the state Low-Income Energy Assistance Fund (LIEAF) and the federal Low-Income Home Energy Assistance Program (LIHEAP). MAE in conjunction with the Michigan Department of Health & Human Services (DHHS), approved the following MEAP grants totaling \$88,320,000 as listed below. The State Administrative Board approved the MEAP grant awards and the grant term began October 1, 2017 and ended September 30, 2018. •

- Barry County United Way: \$217,480, Barry County. •
- Flat River Outreach Ministries, Inc.: \$67,765, Lowell School District. •
- Michigan Community Action: \$11 million, statewide. •
- Society of St. Vincent de Paul of the Archdiocese of Detroit: \$6 million; 39 counties throughout Michigan. •
- Superior Watershed Partnership: \$3.13 million, 15 Upper Peninsula counties. •
- The Heat and Warmth Fund: \$14.1 million, statewide. •
- The Salvation Army: \$19.55 million, statewide. •
- TrueNorth Community Services: \$23.5 million, statewide. •

- United Way of Jackson County: \$4 million, Consumers Energy customers.
- United Way for Southeastern Michigan: \$6.75 million, DTE Energy Co. customers in Macomb, Oakland, and Wayne counties.

Prior to the end of the grant year, two grantees (TrueNorth Community Services and United Way of Jackson County) voluntarily reduced their original grant award amounts. Those funds were reallocated along with the remaining unallocated funds to Flat River Outreach Ministries, Michigan Community Action, Society of St. Vincent de Paul, Superior Watershed Partnership, The Heat and Warmth Fund and United Way for Southeastern Michigan.

Table A provides only the amended award amounts.

<b>Table A</b>				
<b>Amended MEAP Award Amounts</b>				
<b>Grant #</b>	<b>Name of Organization</b>	<b>Original Award</b>	<b>Amended Amounts</b>	<b>Total Amended Award</b>
MAE-18-02	Flat River Outreach Ministries	\$67,765	\$7,500	\$75,265
MAE-18-03	Michigan Community Action	\$11,000,000	\$311,040	\$11,311,040
MAE-18-04	Society of St. Vincent de Paul	\$6,000,000	\$358,500	\$6,358,500
MAE-18-05	Superior Watershed Partnership	\$3,132,770	\$323,484	\$3,456,254
MAE-18-06	The Heat and Warmth Fund	\$14,100,270	\$1,582,145	\$15,682,415
MAE-18-08	TrueNorth Community Services	\$23,500,000	(\$1,500,000)	\$22,000,000
MAE-18-09	United Way of Jackson County	\$4,000,000	(\$140,471)	\$3,859,529
MAE-18-10	United Way for Southeastern Michigan	\$6,750,000	\$237,802	\$6,987,802

Grant funds totaling \$89,376,604.72 were spent by grantees during the term of the grant. Seven grantees are returning funds totaling \$123,395.28. Grant funds totaling \$76,527,945.22 were spent assisting low-income households with energy bills; \$8,291,164.13 was spent on total energy assistance program expenses including low-income self-sufficiency programs; and \$4,557,844.45 was spent on administrative costs.<sup>1</sup>

Table 1 provides the number of unduplicated TANF<sup>2</sup> and Non-TANF households served.

<sup>1</sup>These figures may slightly change as the 2018 Grantees Final Reports are still being audited.

<sup>2</sup> TANF eligible clients are low-income households with: (a) a related child under age 18; (b) an un-emancipated child, age 18 or under, who is a full-time high school student living with an adult caretaker; or (c) a pregnant woman living in the home.

<b>Table 1</b>		
<b>Unduplicated TANF / Non-TANF Households Served</b>		
<b>TANF Households</b>	<b>Non-TANF Households</b>	<b>Total Households</b>
48,936	45,509	94,445

Table 2 provides unduplicated household demographics.

<b>Table 2</b>	
<b>Household Demographics</b>	
<b>Household Type</b>	<b>Households Served</b>
Contains at least one member age 60 or older	19,388
Contains at least one member age 2 or younger	11,282
Contains at least one member age 3, 4 or 5	14,122
Contains at least one member that is handicapped	35,162

Table 3 provides the number of unduplicated households served and MEAP funds spent broken down by poverty level.

<b>Table 3</b>		
<b>Unduplicated Households Served, Income Levels &amp; Total MEAP Funds Spent</b>		
<b>Poverty Level</b>	<b>Households Served</b>	<b>Total MEAP Funds Spent</b>
Under 75%	55,045	\$44,436,870.46
75 - 100%	21,098	\$15,134,874.26
101 - 125%	14,376	\$10,711,950.74
126 - 150%	8,327	\$6,269,511.64
Over 150%*	9	\$8,393.17

\*MEAP grantees were allowed to make exceptions for households that were slightly over 150% FPL if extenuating circumstances existed such as a medical hardship or senior citizen. Households in this category were under 200%.

Table 4 provides the number of households denied assistance broken down by poverty level.

<b>Table 4</b>	
<b>Households Denied Assistance &amp; Income Levels*</b>	
<b>Poverty Level</b>	<b>Households Denied</b>
Under 75%	20,348
75 - 100%	4,284
101 - 125%	2,414
126 - 150%	1,289
151 - 200%	2,400
Over 200%	920
Other	1,664

\*Households could be denied due to lack of required eligibility documentation, FPL over 150%, MEAP agency funds were expended at time of application, etc.

Table 5 provides the total energy assistance payments and MEAP funds spent by energy type.

<b>Table 5</b>		
<b>Households Served by Energy Type &amp; Total MEAP Funds Spent</b>		
<b>Energy Type</b>	<b>Total Energy Assistance Payments*</b>	<b>Total MEAP Funds Spent</b>
Natural Gas	226,332	\$27,238,007.56
Propane/ LP Gas	5,502	\$3,546,430.82
Fuel Oil	752	\$483,418.93
Coal	2	\$1,740.00
Non-Heat Electricity	291,353	\$42,440,819.69
Wood	1,661	\$1,269,912.99
Other	3,023	\$1,547,091.44

Table 6 provides the amount of MEAP funds spent by county.

<b>Table 6</b>	
<b>Unduplicated Households Served by County</b>	
<b>County</b>	<b>Total MEAP Funds Spent</b>
Alcona	\$113,663.89
Alger	\$372,592.70
Allegan	\$560,969.82
Alpena	\$322,482.47
Antrim	\$145,458.33
Arenac	\$227,182.92
Baraga	\$283,982.01
Barry	\$294,540.24
Bay	\$646,784.01
Benzie	\$180,191.83
Berrien	\$1,096,100.77
Branch	\$151,915.73
Calhoun	\$1,862,588.52
Cass	\$242,608.21
Charlevoix	\$102,540.79
Cheboygan	\$239,757.95
Chippewa	\$374,824.70
Clare	\$485,048.02
Clinton	\$258,733.67
Crawford	\$90,210.81
Delta	\$668,648.77
Dickinson	\$188,898.93
Eaton	\$364,979.13
Emmet	\$160,380.01
Genesee	\$4,893,740.85
Gladwin	\$282,426.05
Gogebic	\$355,724.04
Grand Traverse	\$289,727.28
Gratiot	\$349,291.74
Hillsdale	\$272,299.89
Houghton	\$556,852.29
Huron	\$94,985.34
Ingham	\$1,038,638.14

Ionia	\$251,604.27
Iosco	\$269,415.64
Iron	\$252,692.99
Isabella	\$333,739.13
Jackson	\$1,459,771.17
Kalamazoo	\$1,924,501.24
Kalkaska	\$224,593.62
Kent	\$2,776,919.29
Keweenaw	\$28,392.69
Lake	\$234,900.27
Lapeer	\$228,201.39
Leelanau	\$51,765.66
Lenawee	\$284,363.16
Livingston	\$319,649.23
Luce	\$74,246.84
Mackinac	\$165,672.48
Macomb	\$2,665,134.40
Manistee	\$259,532.33
Marquette	\$1,138,137.81
Mason	\$195,865.85
Mecosta	\$345,509.37
Menominee	\$344,902.40
Midland	\$604,883.95
Missaukee	\$189,441.01
Monroe	\$346,672.95
Montcalm	\$358,758.56
Montmorency	\$92,945.19
Muskegon	\$2,008,221.15
Newaygo	\$908,457.11
Oakland	\$3,049,546.04
Oceana	\$362,033.83
Ogemaw	\$248,236.76
Ontonagon	\$255,373.07
Osceola	\$213,021.08
Oscoda	\$142,853.76
Otsego	\$159,975.59
Ottawa	\$549,897.69
Presque Isle	\$69,918.11

Roscommon	\$318,561.84
Saginaw	\$3,260,346.97
Sanilac	\$231,260.42
Schoolcraft	\$168,177.52
Shiawassee	\$342,349.83
St. Clair	\$1,012,722.21
St. Joseph	\$242,967.16
Tuscola	\$174,962.26
Van Buren	\$357,899.04
Washtenaw	\$905,623.71
Wayne	\$28,159,355.27
Wexford	\$394,645.27



<b>Table 7</b>	
<b>FY18 Participating Electric Service Providers</b>	<b>Estimated amount of</b>
<b>FY2018 Participating Electric Service Providers</b>	<b>LIEAF to be collected</b>
Alger Delta Cooperative Electric Association	\$ 109,895.16
Alpena Power Company	\$ 184,426.41
City of Bay City	\$ 234,207.41
City of Gladstone	\$ 32,368.31
City of Hart	\$ 13,239.03
City of Norway	\$ 23,392.69
City of Petoskey	\$ 55,424.41
City of St. Louis	\$ 21,765.86
Consumers Energy	\$ 20,294,377.68
DTE Energy	\$ 24,202,191.40
Great Lakes Energy Cooperative	\$ 1,319,089.78
Hillsdale Board of Public Utilities	\$ 67,541.49
HomeWorks Tri-County Electric Cooperative	\$ 282,956.21
Indiana Michigan Power Company (AEP)	\$ 1,437,668.85
Lowell Light & Power	\$ 30,214.16
Marshall Electric Department	\$ 50,947.82
Midwest Energy Cooperative	\$ 314,415.73
Negaunee Department of Public Works	\$ 21,597.57
Newberry Water & Light Board	\$ 15,325.86
Niles Utilities Department	\$ 73,992.71
Northern States Power Company -Wisconsin (Xcel)	\$ 100,515.65
Presque Isle Electric & Gas Co-op	\$ 366,418.19
Thumb Electric Cooperative	\$ 130,954.20
Union City Electric Department	\$ 16,750.74
Upper Peninsula Power Company	\$ 591,649.99
Village of Baraga	\$ 8,672.69

<b>Table 8</b>
<b>FY2018 Non-Participating Electric Service Providers</b>
Bayfield Electric Cooperative
Chelsea Department of Electric & Water
Cherryland Electric Cooperative
City of Charlevoix
City of Crystal Falls
City of Dowagiac
City of Eaton Rapids
City of Escanaba
City of Harbor Springs
City of Portland
City of Sebewaing
City of South Haven
City of Stephenson
City of Sturgis
City of Wakefield
Cloverland Electric Cooperative
Coldwater Board of Public Utilities
Croswell Municipal Light & Power Department
Daggett Electric Department
Grand Haven Board of Light & Power
Holland Board of Public Works
Lansing Board of Water & Light
Marquette Board of Light & Power
Ontonagon County Rural Electrification Association
Traverse City Light & Power
Upper Michigan Energy Resources Corporation (UMERC)
Village of Clinton
Village of L'anse
Village of Paw Paw
Wisconsin Electric Power Company (We Energies)
Wyandotte Department of Municipal Services
Zeeland Board of Public Works