

## **Michigan Energy Assistance Program Frequently Asked Questions**

**Q. What is the Michigan Energy Assistance Program?**

- A. On March 28, 2013 [Public Act 615](#) of the Michigan Public Acts of 2012 was enacted creating the Michigan Energy Assistance Act that requires the Michigan Department of Human Services (DHS) 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.

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 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 29, 2013, in Case No. [U-17377](#), the MPSC adopted a funding factor of 99 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 2013 billing month.

**Q. What is the DHS State Emergency Relief (SER) Program?**

- A. The State Emergency Relief (SER) Program provides immediate help to individuals and families facing conditions of extreme hardship or for emergencies that threaten health and safety. Through a combination of direct financial assistance and contracts with a network of non-profit organizations SER helps low-income households meet emergency needs such as:

- Heat & Utilities
- Home Repairs
- Relocation Assistance
- Home Ownership Services
- Burial

The SER program is primarily designed to maintain low-income households who are normally able to meet their needs but occasionally need help when unexpected emergency situations arise. The SER program is not an appropriate solution to ongoing or chronic financial difficulties.

**Q. What is the difference between SER and MEAP?**

- A. SER is supported by federal LIHEAP (Low-Income Home Energy Assistance Program) funds. The SER funds administered by DHS are intended to avoid emergency situations (i.e., loss of a utility connection posing a risk to health and safety). Under DHS policy, SER funds are only available when there has been a shut off or threat of a shut off. DHS policy provides as follows: “When the group’s heat or electric service for their current residence is in past due status, in threat of shut off or is already shut off and must be restored, payment may be authorized to the enrolled provider. The amount of the payment is the minimum necessary to prevent shut off or restore service, not to exceed the fiscal year cap. Payment must

resolve the emergency by restoring or continuing the service for at least 30 calendar days. Current bills that are not subject to shut off should not be included in the amount needed.”

To be eligible to receive SER benefits an individual must be at or below 150% of the federal poverty level, and be in threat of having his/her power shut off or loss of utility connection due to shut off. The SER cap per household is \$450 each for natural gas and non-heat electric service.

MEAP is supported by a combination of LIEAF and LIHEAP funds. MEAP funds are intended for preventative programs designed to help low-income customers reach energy self-sufficiency. These funds are subject to the limitations set forth in 2012 PA 615. To be eligible to receive assistance from a MEAP provider an individual must be at or below 150% of federal poverty level, and must have a past due notice an energy bill for his or her household. The amount of energy assistance available per household varies from one MEAP provider to another.

**Q. How does a low-income household apply for or gain access to MEAP assistance?**

A. Below is a list of MEAP providers; click on the organization name for additional information. Low-income households can also contact [United Way 2-1-1](#) for information regarding MEAP providers in their county.

- [Barry County United Way](#)
- [Consumers Energy Company](#)
- [DHS – Bureau of Community Action and Economic Opportunity](#)
- [Downriver Community Conference](#)
- [DTE Energy](#)
- [Flat River Outreach Ministries, Inc.](#)
- [Lighthouse Emergency Services](#)
- [Michigan Community Action Agency Association](#)
- [SEMCO ENERGY Gas Company](#)
- [Society of St. Vincent de Paul of the Archdiocese of Detroit](#)
- [Superior Watershed Partnership](#)
- [The Heat and Warmth Fund](#)
- [The Salvation Army](#)
- [TrueNorth Community Services](#)

**Q. What is the “crisis season,” what is the “heating season,” and when are customers of opt-out utilities protected from shut off?**

A. The “crisis season” is the period from November 1 through May 31. State law requires that 70% of MEAP grant funds must be spent during that time.

The “heating season” is the period from November 1 through March 31. The MPSC rules and state law require all regulated natural gas and electric companies, municipally owned utilities and some electric cooperatives to provide shutoff protection for senior citizens and low-income customers who are enrolled and meeting the requirements of a Winter Protection Program.

From November 1 through April 15 residential customers of electric utilities, municipally owned electric utilities, or cooperative electric utilities that elected to not collect a low-income energy assistance funding factor are protected from shut off.

**Q. Is a DHS decision letter required before a low-income household can seek energy assistance from a MEAP provider?**

A. No, that is a benefit of MEAP; a decision letter from DHS is NOT required.

**Q. Are low-income households required to seek energy assistance services from SER prior to seeking energy assistance from a MEAP provider?**

A. No. In the past low-income households were required to seek SER assistance prior to seeking energy assistance from other agencies.

With the creation of the MEAP, low-income households are encouraged to first seek energy assistance from MEAP providers and continue working with one MEAP provider through the heating season.

**Q. Can a low-income household receive SER benefits and subsequent MEAP energy assistance?**

A. MEAP providers may assist DHS customers who have received SER benefits at their discretion and according to their program requirements.

There are instances where the DHS-established SER cap for fiscal year 2014 may not resolve the emergency; in these cases the low-income household would be referred to a MEAP provider if additional assistance is needed.

Low-income households enrolled in Consumers Energy's CARE program cannot apply for SER energy benefits from DHS for their Consumers Energy bill until November 1, 2014; and likewise if a CARE participant is removed from the CARE program for non-payment he/she cannot apply for SER energy benefits until November 1, 2014.

Low-income households enrolled in DTE's LSP program that are struggling to make payments or that have been terminated from the LSP program may not be eligible for fiscal year 2014 SER benefits. However, they could be eligible for assistance from other MEAP agencies if an agency determines extenuating circumstances or hardship.

If a low-income household needs additional SER support after seeking assistance from a MEAP energy assistance provider, efforts to access those funds should be coordinated between the MEAP agency, DHS and the client.

It is anticipated that if a household works first with a MEAP service provider, the household will continue working with that agency for any energy assistance needed during the 2014 heating season.

The ultimate goal is that one MEAP service provider will resolve a low-income household's energy crisis in full resulting in a convenient, customer-friendly system for distributing energy assistance to eligible low-income households.

**Q. Is there a cap on the dollar amount of MEAP assistance a low-income household can receive?**

A. 2012 PA 615 does not impose a cap on the dollar amount of energy assistance available to an eligible low-income household. The dollar amount of energy assistance available per household varies from one MEAP provider to another.

**Q. Can a low-income household be assisted more than one time during the crisis season?**

A. The number of times a low-income household can be assisted during the crisis season varies from one MEAP provider to another.

**Q. Can a low-income household be assisted with an electric crisis whose home is not heated with electricity?**

A. Yes, the intent of the grant is to provide energy assistance program services that will help eligible low-income households meet home energy costs for their primary residence 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.

**Q. If a low-income household fails to complete a MEAP provider's program, would the household be eligible for the Winter Protection Program?**

A. Enrollment in a MEAP provider's program or failure to complete a program does not preclude a low-income household from enrolling in a Winter Protection Program.

**Q. Are low-income customers limited to receiving assistance from a certain number of agencies, including not-for-profit and DHS, during the heating season?**

A. Low-income households are not required to seek energy assistance services from SER prior to seeking energy assistance from a MEAP energy provider.

It is anticipated that eligible low-income households will work with a single MEAP provider throughout the entire heating season. This will enable the MEAP provider to identify the needs of the household and work with the household to provide energy assistance and other wrap around services, as needed.

**Q. Are low-income households limited to receiving assistance from two agencies only, e.g., if a low-income household receives SER assistance and the cap is met, can the low-income household seek help from only one other agency?**

A. The MEAP does not include a specific policy stating that a household may or may not work with more than one MEAP provider.

There are instances where the DHS-established SER cap for fiscal year 2014 may not resolve the emergency; in these cases the low-income household would be referred to a MEAP provider if additional assistance is needed.

Low-income households enrolled in Consumers Energy's CARE program cannot apply for SER energy benefits from DHS for their Consumers Energy bill until November 1, 2014; and likewise if a CARE participant is removed from the CARE program for non-payment he/she cannot apply for SER energy benefits until November 1, 2014.

Low-income households enrolled in DTE's LSP program that are struggling to make payments or that have been terminated from the LSP program may not be eligible for fiscal year 2014 SER benefits. However, they could be eligible for assistance from other MEAP agencies if an agency determines extenuating circumstances or hardship.

If a low-income household needs additional SER support after seeking assistance from a MEAP energy assistance provider, efforts to access those funds should be coordinated between the MEAP agency, DHS and the client.

It is anticipated that if a household works first with a MEAP service provider, the household will continue working with that agency for any energy assistance needed during the 2014 heating season.

The ultimate goal is that one MEAP service provider will resolve a low-income household's energy crisis in full resulting in a convenient, customer-friendly system for distributing energy assistance to eligible low-income households.

**Q. Are customers who are served by opt-out utilities eligible to receive SER assistance?**

A. The SER funds administered by DHS are intended to avoid emergency situations (i.e., the loss of a utility connection posing a risk to health and safety). Under DHS policy, these funds are only available when there has been a shut off or the threat of a shut off, except in special cases involving health and safety concerns. DHS policy applicable to SER (ERM 301) provides in pertinent part:

“When the group's heat or electric service for their current residence is in past due status, in threat of shut off or is already shut off and must be restored, payment may be authorized to the enrolled provider. The amount of the payment is the minimum necessary to prevent shut off or restore service, not to exceed the fiscal year cap. Payment must resolve the emergency by restoring or continuing the service for at least 30 calendar days. Current bills that are not subject to shut off should not be included in the amount needed.”

In some situations, a customer with a past due notice may be in threat of shut off, but that would not be the case if the provider is legally precluded from disconnecting the customer. Accordingly, DHS does not provide emergency relief in these situations. Rather, a customer in that situation would be advised to seek assistance from the MEAP funds. This is not a new policy. What is new is the number of providers who are legally precluded from shutting off customers during the winter months. In past years, a provider on the Wisconsin-Michigan border was under the same restriction and DHS did not provide SER during the time period when disconnection was not possible.

If the MEAP funds are properly utilized as preventative measures, then DHS should not be “swamped” with SER requests in April, and providers will not have to wait until April, or shut off customers, in order to obtain payment.

**Q. Are customers who are served by opt-out utilities eligible to receive MEAP assistance?**

A. Low-income customers of opt-out utilities are eligible to receive MEAP assistance. It does not matter if the utility is participating or opting out of the LIEAF funding factor, all utility customers are eligible to receive assistance through the MEAP grants as long as they meet the eligibility criteria. An electric utility, municipally owned electric utility, or cooperative electric utility that elects to not collect a low-income energy assistance funding factor under this section shall not shut off service to any residential customer from November 1 to April 15 for nonpayment of a delinquent account.

**Q. Is the dollar amount of assistance ultimately available to a low-income customer the same regardless of whether or not he/she is a customer of an opt-out utility?**

A. The dollar amount of energy assistance available to eligible low-income households is the same regardless of whether or not the household is a customer of an opt-in or opt-out utility.

The MEAP requires that any payment made on behalf of an energy customer must resolve the crisis/emergency for at least 30 days.

The MEAP does not impose a cap on the dollar amount of energy assistance that can be provided to a low-income household, and does not impose a cap on the number of times a payment can be made on behalf of a low-income household. Individual MEAP providers, based on their specific program, may have a cap on the dollar amount of assistance provided or the number of payments that can be made on behalf of a household.

**Q. Do the local DHS case workers understand the MEAP program and how a low-income customer can gain access to MEAP assistance?**

A. Information has been distributed to DHS local office staff and management. They have received the MEAP provider fact sheets and other procedural information. The MEAP provider fact sheets are available on the MPSC website at [www.michigan.gov/MPSC](http://www.michigan.gov/MPSC).

**Q. Are DHS case workers advising low income customers of opt-out utilities they are not eligible for SER funds but not to worry, the utility cannot disconnect until April 15?**

A. The local offices have been provided the list of providers who opted out of the surcharge and have been instructed to refer those customers to the participating MEAP providers in their area for help with the utility bill prior to April 15th. Local offices are not telling clients not to worry but telling them to contact the MEAP provider in their area for assistance prior to April 15.

**Q. Some opt-out utilities have had caseworkers tell them to continue referring low income customers to them and they will direct them to possible other agencies. They have been told by other caseworkers that they cannot refer these customers to other agencies because in April they will not be eligible for DHS funds if they have received funding from other agencies. Which caseworker is correct?**

A. Customers do not have to seek DHS assistance (or receive a denial for SER), prior to requesting assistance from a MEAP provider. DHS has not released any policy prohibiting a customer from receiving MEAP assistance and SER (LIHEAP) assistance.

**Q. What are DHS' plans for dealing with low-income households that come off shut off protection in April with large arrearages that apply for SER?**

A. It is anticipated that customers will seek assistance from MEAP providers, as needed, and prior to April. Energy providers may want to refer customers with large account arrearages to participating MEAP providers in their service territory. From a SER perspective, this is no different than it has been in the past for those coming off winter protection or senior protection plans, except with the benefit that MEAP funding is available to qualifying households prior to the end of winter protection programs.

**Q. Will there be adequate funding?**

A. The amount of SER/LIHEAP crisis funds is less than previous years since money was allocated to the MEAP program.

- Q. Is there information that opt-out utilities should be including in delinquent customers' utility bills that would increase their chances of accessing the SER funds in April?**
- A. As previously stated, energy providers should advise customers that assistance is currently available through MEAP providers.
- Q. How far in advance of the April 16, 2014 date can low-income customers from opt-out utilities go to DHS for assistance?**
- A. April 1, 2014.
- Q. DHS normally requires a 10 day hold period to determine eligibility. When will the 10-day clock start for opt-out utilities?**
- A. The Standard of Promptness for a SER application is 10 days which starts the date DHS receives the application.
- Q. Should opt-out utilities advise their low-income customers to contact their DHS caseworker for a "denial" before they contact possible other agencies for help?**
- A. No, that is a benefit of MEAP; a DHS denial is not needed to receive assistance.
- Q. Are MEAP providers allowed to exclude Medicare premiums when calculating a low-income household's income?**
- A. MEAP providers are allowed to deduct Medicare premiums when calculating a low-income household's income for eligibility purposes.
- Q. Are MEAP providers allowed to exclude Foster Care payments when calculating a low-income household's income?**
- A. MEAP providers are allowed to deduct Foster Care payments (made by the State of Michigan) when calculating a low-income household's income for eligibility purposes.
- Q. Are MEAP providers allowed to exclude DHS food assistance benefits when calculating a low-income household's income?**
- A. MEAP providers are allowed to deduct DHS food assistance benefits when calculating a low-income household's income for eligibility purposes.
- Q. Can MEAP providers assist eligible low-income individuals that receive and pay their utility bills through a third-party utility bill management company?**
- A. Payment to a third-party billing company is not allowed. All payments must be in the form of a voucher or direct payment to the utility provider, cooperative, or distributor of deliverable fuel. Specifically, MEAP payments to residential landlords, residential management companies, billing service agencies, or collection agencies are not allowed.

**Q. Can MEAP providers use a portion of the funds allowed to be used outside of the crisis season to pay for utility bills for services provided to the customer outside of the crisis season, e.g., if a low-income customer is unable to pay for utility service provided in the month of July, can they be assisted using MEAP funds?**

A. The MEAP does not include a specific policy addressing these circumstances; however, 2012 PA 615 does specifically state that the intent is to assist low-income households with payment of bills for all sources of energy used to provide heat.

The requirement that not more than 30% of the funds received by the MEAP provider shall be spent outside of the crisis season means that “actual grant funds spent” after May 31 will count toward the 30%. Bills that are paid in November do not count toward the 30% because the grant funds are being spent between November 1 and May 31. However, bills paid in June will count toward the 30% because the grant funds are being spent after May 31.

**Q. Can MEAP funds be used for cooling assistance?**

A. The MEAP does not specifically indicate that funding cannot be used for cooling assistance; however the act describes energy assistance as “a program to assist eligible low-income households in meeting their home energy costs for their primary residence through payment or partial payment of bills for one or more of the following:

- (i) Electricity
- (ii) Natural gas
- (iii) Propane
- (iv) Heating oil
- (v) Any other deliverable fuel used to provide heat.”

**Q. If a propane provider fills an eligible low-income household’s heating fuel/propane tank that is over 25% capacity, can the fill be paid with MEAP funds?**

A. MEAP standards for receiving funds do not define the fuel/propane tank capacity level as a determining factor for providing assistance.

2012 PA 615 states if a residential fuel tank is “estimated to contain not more than 25% of its heating fuel capacity” (key word being estimated).

Determining the level of fuel remaining in a propane tanks is not an exact science. Since the capacity in fuel tanks changes based on the weather, there is no real way to determine the fuel capacity accurately based on the amount of capacity filled during delivery.

Based on information received from the Michigan Propane Association, a propane company, and other sources, the following trends are customary for propane customers:

- In order to accommodate for propane’s tendency to expand as the temperature warms, propane tanks are generally filled only to 80% - 85% capacity. This is standard practice in the propane industry. A MEAP provider may assume from a bill that states 55% of the tank capacity was delivered that the tank was at 45% (100% minus 55% equals 45%). However, 55% delivered plus 25% before the fill equals 80% capacity, which is the guideline used by propane companies.



- “Will call customers” are asked to schedule delivery when their gauge reaches 30%.
- If the tank runs out there is a \$75 charge because lines must be re-pressurized.
- Propane companies generally charge a fee (around \$75) when a customer requests same day or next day refueling services.
- Generally at least 50% of customers are on automatic fill.
- Budget billing is designed to evenly spread propane costs throughout the year. Rather than allowing a large balance to build up in the colder months when budgets might already be stretched thin.

**Q. What are the TANF eligibility requirements?**

A. TANF eligible clients are low-income households with:

- (a) a related child under age 18,
- (b) an unemancipated 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.

**Q. What utilities opted out of the LIEAF funding factor?**

A. The following utilities opted out:

- Alpena Power Company
- Bayfield Electric Cooperative
- Charlevoix, City of
- Cloverland Electric Cooperative
- Coldwater Board of Public Utilities
- Croswell Municipal Light & Power Department
- Crystal Falls, City of
- Daggett Electric Department
- Detroit Public Lighting Department
- Dowagiac, City of
- Eaton Rapids, City of
- Escanaba, City of
- Gladstone, City of
- Grand Haven Board of Light and Power
- Great Lakes Energy Cooperative
- Harbor Springs, City of
- Hart Hydro, City of
- Holland Board of Public Works
- HomeWorks Tri-County Electric Cooperative
- L’Anse, Village of
- Lansing Board of Water & Light

- Marquette Board of Light and Power
- Ontonagon Co. Rural Electrification Association
- Paw Paw, City of
- Portland, City of
- Sebewaing, City of
- South Haven, City of
- Stephenson, City of
- Sturgis, City of
- Traverse City Light & Power
- Upper Peninsula Power Company
- Wakefield, City of
- Wisconsin Public Service Corporation
- Wisconsin-Electric Power Company d/b/a/ We Energies
- Wyandotte Department of Municipal Service
- Zeeland Board of Public Works

**Q. What utilities are participating in the LIEAF funding factor?**

A. The following utilities are participating:

- Alger-Delta Cooperative Electric Association
- Baraga, Village of
- Bay City, City of
- Chelsea Department of Electric and Water
- Cherryland Electric Cooperative
- Clinton, Village of
- Consumers Energy Company
- DTE Electric Co. f/k/a Detroit Edison Company
- Hillsdale Board of Public Utilities
- Indiana Michigan Power Company
- Lowell Light and Power
- Marshall Electric Department
- Midwest Energy Cooperative
- Negaunee Department of Public Works
- Newberry Water and Light Board
- Niles Utility Department
- Northern States Power Company-Wisconsin
- Norway, City of
- Petoskey, City of
- Presque Isle Electric and Gas Co-op
- St. Louis, City of
- Thumb Electric Cooperative
- Union City Electric Department