

Michigan Energy Assistance Program

Report to the Legislature—Fiscal Year 2022

On March 28, 2013 [Public Act 615](#) of 2012 took effect creating the Michigan Energy Assistance Act that required the Michigan Department of Health and Human Services (MDHHS) 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. Public Act 87 of 2019 extended the sunset of the Michigan Energy Assistance Program until September 30, 2023.

On July 1, 2013, [Public Act 95](#) of 2013 was enacted creating the Low-Income Energy Assistance Fund (LIEAF) and charging the Michigan DHHS 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. The funding factor is the same across all customer classes and the monthly customer charge shall not exceed \$1.00. The Act also tasks MDHHS and MPSC with ensuring that all money collected for the fund from a geographic area is returned, to the extent possible, to that geographic area.

On July 27, 2021, in Case No. [U-17377](#), the MPSC adopted a funding factor of 87 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 2021 billing month. Table 6 (page 9) provides a list of the electric utilities that chose to participate in the LIEAF for fiscal year 2022, and Table 7 (page 10) provides a list of the electric utilities that chose not to participate. The funding factor is dependent on the total number electric meters of the utilities opting to participate in the LIEAF.

Table A provides a history of the monthly LIEAF surcharge and the number of participating electric utilities.

Table A								
LIEAF Surcharge and Number of Participating Electric Utilities (Case No. U-17377, Public Act 95 of 2013)								
Fiscal Year	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
Monthly Surcharge Approved	\$0.90	\$0.87	\$0.91	\$0.92	\$0.93	\$0.93	\$0.96	\$0.98
Number of Participating Utilities	28	28	28	28	27	26	22	23

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 2022 budget appropriated \$50,000,000 in LIEAF to MDHHS to operate the MEAP as well as additional funding for the operation of Assurance 16 (A16 funds), a portion of the Low-Income Home Energy Assistance Program (LIHEAP). MDHHS and the Michigan Department of Licensing and Regulatory Affairs (LARA) entered into an Interagency Agreement charging the MPSC with the administration of a low-income energy assistance grant process on behalf of MDHHS in the amount of \$55,000,000; \$50,000,000 collected through the LIEAF factor approved by the MPSC and \$5,000,000 from Federal LIHEAP Assurance 16 funds. The Assurance 16 funds were included to assist grantees in providing additional in-depth self-sufficiency services for eligible low-income households, a key goal of both the MEAP and LIHEAP programs.

Beginning in 2019, MEAP grantees no longer provided initial crisis relief, funded by the LIHEAP, or determined MEAP eligibility. Rather, these functions and program operations are now managed directly by MDHHS. Beginning in 2020, the client-centered approach was established to provide a more holistic distribution of LIHEAP and LIEAF, allowing the State to leverage federal funding while reducing the administrative burden for the MEAP grantees. The energy assistance model ensures that crisis assistance is administered consistently throughout the state and affords MEAP grantees time to focus on self-sufficiency and the energy security needs of the household.

Households who present with an energy crisis initially apply for the State Emergency Relief (SER) program funded through the federal LIHEAP, either directly with MDHHS or with assistance from a

MEAP grantee or MI Bridges Navigator, and MDHHS determines eligibility for LIHEAP crisis assistance. SER recipients are eligible to receive self-sufficiency services, including case management through MEAP grantees. Households who qualify for SER energy services are also eligible for MEAP direct payment assistance, including enrollment in an affordable payment plan.

On May 25, 2021, the MPSC invited proposals for MEAP grants from public or private entities or local units of government that will intervene in energy crisis situations and provide energy assistance program services. The Request for Proposals (RFP) offered a two-year grant program that runs through September 30, 2023. The services delivered by the grantees are designed to 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 RFP 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 MPSC, in conjunction with the Michigan DHHS, approved the following MEAP grants for Year One totaling \$54,500,000 as listed below. The State Administrative Board approved the MEAP grant awards and the grant term began October 1, 2021 and ended September 30, 2022. The list also includes the territory served by the grantee.

- Barry County United Way: \$150,000, Barry County.
- Bureau of Community Action and Economic Opportunity: \$6.39 million, statewide.
- Society of St. Vincent de Paul of the Archdiocese of Detroit: \$4.663 million; multiple counties throughout Michigan.
- Superior Watershed Partnership: \$2.46 million, 15 Upper Peninsula counties and multiple Northern-Lower Peninsula counties.
- The Heat and Warmth Fund: \$6.724 million, statewide.
- The Salvation Army: \$11.263 million, statewide.
- TrueNorth Community Services: \$11.2 million, statewide.
- United Way for Southeastern Michigan: \$6.4 million, statewide.
- United Way of Jackson County: \$5.25 million, statewide.

Grantees may experience fluctuations in requests for assistance from year to year. In instances where requests for assistance are lower than a grantee originally anticipated, the grantee may reduce their award amount, voluntarily returning unneeded funds for distribution to other grantees that may be experiencing higher than anticipated requests for assistance. No instances of this occurred this program year. However, DHHS allocated additional A16 funds to the MEAP program. All grantees were asked to request additional A16 funds. Four did so and were awarded additional A16 funds as outlined below.

Table B shows the amended award amounts.

Table B				
Amended MEAP Award Amounts				
Grant #	Name of Organization	Original Award	Amended Amounts*	Total Amended Award
PSC-22-02	Bureau of Community Action and Economic Opportunity	\$6,390,000	\$332,000	\$6,722,000
PSC-22-03	Society of St. Vincent de Paul	\$4,663,000	\$27,000	\$4,690,000
PSC-22-07	TrueNorth Community Services	\$11,200,000	\$600,000	\$11,800,000
PSC-22-08	United Way for Southeastern Michigan	\$6,400,000	\$20,000	\$6,420,000

Grant funds totaling \$54,892,668.98 (\$49,069,738.12 State LIEAF and \$5,822,930.86 Federal LIHEAP) were spent by grantees during the term of the grant. Six grantees are returning funds totaling \$586,330.94 (\$430,261.87 State LIEAF and \$156,069.14 Federal LIHEAP). Grant funds totaling \$40,632,927.59 (State LIEAF) were spent assisting low-income households with energy bills; \$10,002,818.57 (\$4,179,887.71 State LIEAF and \$5,822,930.86 Federal LIHEAP) was spent on total energy assistance program expenses including low-income self-sufficiency programs; and \$4,256,922.82 (State LIEAF) was spent on administrative costs, including indirect costs. These numbers may be adjusted slightly once all final reports are approved.

During FY22, households benefitted from a much-needed influx in federal funding. MEAP Grantees utilized the lessons learned during FY20 and FY21 and broadened their collaborations with established community partners and established new partnerships with non-traditional partners to provide a more holistic approach to self-sufficiency and energy security services. The MEAP Grantees and other community partners were instrumental in helping customers complete the State Emergency

Relief (SER) application. The increased customer outreach and increase in the assistance caps broke down some of the existing barriers to access. Grantees served households through providing self-sufficiency services, assisting households with SER co-payments and other one-time assistance, and enrolling customers in Affordable Payment Plans (APP). Despite additional resources being available, the APP enrollment numbers were down slightly due to increased utility costs and changing estimates in the costs of APPs.

Michigan customers needing assistance benefited from the joint efforts of many people and organizations working together to ensure that low-income and temporarily unemployed customers did not experience service interruptions.

MPSC and MDHHS staff meet regularly to coordinate and problem-solve. Additionally, the State MEAP team connects monthly with grantees and utilities through the MEAP workgroup. This workgroup plans to implement two new subcommittees in FY23 to focus on Affordable Payment Plan (APP) Alignment and Assurance 16 & Tiered Approach. The subcommittee work aims to continue to discover solutions to previously identified challenges. MEAP grantees and State program administrators will continue to employ the best practices learned over the last few years, in preparation for the projected FY23 challenges of having decreased funding available from other sources and expected increases in energy costs.

Table 1 provides an overview of households served by various types of MEAP assistance.

Table 1		
MEAP Assistance by Type		
Assistance Type	Households Served*	Direct Payments Issued
Self-Sufficiency Services	38,737	N/A
Affordable Payment Plan	31,353	\$24,877,879.79
One-time/Other Payment Assistance	16,298	\$15,755,047.80
Any type*	56,050	\$40,632,927.59

**Households may have received more than one type of assistance.*

Table 2 provides Households Served with Assurance 16 services.

Table 2	
Assurance 16 – Self-sufficiency Services	
Service Type	Households Served*
Needs Assessment (includes referrals)	26,813
Vendor Advocacy	20,666
Energy Education	26,510
Financial Counseling	19,344
Short-term Case Management	15,806
Long-term Case Management	4,578

**Households may have received more than one service.*

A total of 38,737 households received some type of Assurance 16 service.

Table 3 provides the number of unduplicated households served and MEAP funds spent broken down by Affordable Payment Plan Enrollment.

Table 3**			
Affordable Payment Plan Assistance			
Program	Households Served	New Enrollments FY22	Total MEAP Funds Spent
Consumers Energy – CARE	11,059	4,605	\$10,751,848.99
DTE Energy – LSP	18,115	7,281	\$12,161,290.16
SEMCO Energy - MAP	3,939	2,151	\$1,496,065.63
UPPCO – EASE	463	106	\$311,419.72
Great Lakes Energy	169	49	\$157,819.39

Table 4 provides the total energy assistance payments (any type) and MEAP funds spent by energy type.

Table 4**		
Households Served by Energy Type & Total MEAP Funds Spent		
Energy Type	Number of Households	Total MEAP Funds Spent
Non-Heat Electricity	46,108	\$24,948,187.88
Natural Gas	38,494	\$13,314,574.99
Propane/ LP Gas	1,397	\$1,475,220.96
Wood	283	\$352,283.80
Fuel Oil	123	\$133,691.50
Coal	-	0
Other	500	\$408,968.46

***Tables 3 and 4 may omit additional payments which are still being processed for reporting.*

Table 5 provides the number of unduplicated households receiving an energy assistance payment and the MEAP funds spent by county.

Table 5		
Unduplicated Households Served by County		
County	Households Served	Total MEAP Funds Spent
Alcona	35	\$37,486.60
Alger	103	\$102,347.57
Allegan	220	\$249,001.37
Alpena	68	\$65,957.03
Antrim	72	\$66,541.69
Arenac	110	\$135,229.13
Baraga	62	\$69,225.77
Barry	173	\$151,264.09
Bay	312	\$218,431.02
Benzie	53	\$49,550.42
Berrien	386	\$226,965.08
Branch	58	\$41,184.07
Calhoun	1,640	\$975,724.03
Cass	178	\$87,099.42
Charlevoix	57	\$34,710.46
Cheboygan	107	\$97,124.86
Chippewa	66	\$49,632.78
Clare	223	\$245,192.63
Clinton	156	\$136,216.61
Crawford	51	\$39,735.04
Delta	194	\$195,991.27
Dickinson	57	\$51,931.66
Eaton	210	\$179,228.59
Emmet	63	\$52,575.50
Genesee	3,636	\$3,452,214.22
Gladwin	145	\$156,637.37
Gogebic	130	\$93,839.19
Grand Traverse	68	\$50,518.23
Gratiot	158	\$145,070.43
Hillsdale	193	\$181,350.03
Houghton	304	\$248,166.60
Huron	78	\$64,922.87
Ingham	739	\$380,397.22
Ionia	138	\$112,695.49

Iosco	135	\$117,669.70
Iron	144	\$159,342.95
Isabella	161	\$123,562.84
Jackson	1,326	\$1,016,008.75
Kalamazoo	1,094	\$870,385.40
Kalkaska	71	\$64,857.42
Kent	2,229	\$1,196,097.73
Keweenaw	21	\$21,129.54
Lake	158	\$145,127.82
Lapeer	121	\$88,625.75
Leelanau	4	\$4,381.32
Lenawee	212	\$176,559.77
Livingston	138	\$92,707.38
Luce	47	\$37,083.41
Mackinac	24	\$17,571.95
Macomb	2,472	\$1,251,423.07
Manistee	108	\$128,934.07
Marquette	514	\$401,783.83
Mason	237	\$167,002.06
Mecosta	164	\$174,568.83
Menominee	72	\$100,651.73
Midland	370	\$315,335.89
Missaukee	87	\$102,050.37
Monroe	397	\$212,298.32
Montcalm	272	\$213,099.81
Montmorency	21	\$14,309.10
Muskegon	1,180	\$813,675.57
Newaygo	441	\$390,082.19
Oakland	2,135	\$1,149,640.15
Oceana	227	\$173,050.75
Ogemaw	147	\$130,830.00
Ontonagon	68	\$76,753.85
Osceola	95	\$97,508.79
Oscoda	52	\$40,657.23
Otsego	108	\$58,147.70
Ottawa	482	\$246,533.98
Presque Isle	23	\$23,337.60
Roscommon	147	\$127,745.21
Saginaw	2,047	\$1,986,762.75
Sanilac	256	\$177,350.09

Schoolcraft	62	\$39,315.77
Shiawassee	242	\$229,984.40
St. Clair	1,335	\$635,072.10
St. Joseph	169	\$100,104.07
Tuscola	129	\$110,966.91
Van Buren	116	\$150,376.90
Washtenaw	842	\$445,214.67
Wayne	25,047	\$17,542,287.50
Wexford	214	\$230,802.26

Table 6 provides the list of Participating Electric Service Providers for FY2022.

Table 6		
FY2022 Participating Electric Service Providers	Estimated LIEAF Remittance	Number of Years Participating
Alger Delta Cooperative Electric Association	\$106,487.93	10
Alpena Power Company	\$173,301.84	9
City of Bay City	\$211,312.31	10
City of Crystal Falls	\$16,771.48	5
City of Dowagiac	\$27,474.68	3
City of Gladstone	\$28,615.10	7
City of Hart	\$11,215.86	6
City of Norway	\$21,908.60	10
City of Petoskey	\$56,612.91	10
City of St. Louis	\$20,810.03	10
Consumers Energy	\$19,481,202.15	10
Croswell Light & Power Department	\$10,964.76	3
DTE Energy	\$23,263,040.76	10
Great Lakes Energy Cooperative	\$1,258,938.86	6
Hillsdale Board of Public Utilities	\$62,388.24	10
HomeWorks Tri-County Electric Cooperative	\$276,619.61	6
Indiana Michigan Power Company (AEP)	\$1,360,990.67	10
Marshall Electric Department	\$47,604.65	10
Midwest Energy Cooperative	\$346,603.67	10
Negaunee Department of Public Works	\$20,077.65	10
Newberry Water & Light Board	\$15,536.90	10
Niles Utilities Department	\$74,316.56	10
Northern States Power Company -Wisconsin (Xcel)	\$93,263.26	10
Presque Isle Electric & Gas Co-op	\$349,972.62	10
Thumb Electric Cooperative	\$123,960.41	10
Union City Electric Department	\$15,965.87	10
Upper Peninsula Power Company	\$543,676.44	6
Village of Baraga	\$8,066.63	10

Table 7 provides the list of Non-Participating Electric Service Providers for FY2022.

Table 7	
FY2022 Non-Participating Electric Service Providers	Number of Years Participating
Bayfield Electric Cooperative	0
Chelsea Department of Electric & Water	0
Cherryland Electric Cooperative	1
City of Charlevoix	0
City of Eaton Rapids	0
City of Escanaba	0
City of Harbor Springs	0
City of Portland	0
City of Sebewaing	0
City of South Haven	0
City of Stephenson	0
City of Sturgis	0
City of Wakefield	0
Cloverland Electric Cooperative	0
Coldwater Board of Public Utilities	0
Daggett Electric Department	0
Grand Haven Board of Light & Power	0
Holland Board of Public Works	0
Lansing Board of Water & Light	0
Lowell Light & Power	6
Marquette Board of Light & Power	0
Ontonagon County Rural Electrification Association	0
Traverse City Light & Power	0
Upper Michigan Energy Resources Corporation (UMERC)	0
Village of Clinton	4
Village of L'Anse	0
Village of Paw Paw	0
Wisconsin Electric Power Company (We Energies)	0
Wyandotte Department of Municipal Services	0
Zeeland Board of Public Works	0