

EWR Low Income Workgroup – Special LIHEAP Session (11/18/21)

[9:43 AM] Charlotte Jameson (Guest)

what is the average cost per unit limit that DOE places on homes?

Curious what the \$ amount is

[9:44 AM] Martin Kushler (Guest)

My operating premise is that we must massively increase overall weatherization efforts in Michigan. I certainly understand all the challenges facing any effort to scale up weatherization work (e.g., capacity issues; labor shortages; feeling burnt by the ‘boom and bust’ ARRA experience of ramp-up then let-down; etc.). On the other hand, the size of the need out there is enormous...not only in terms of energy affordability issues, but now also the climate crisis. There needs to be a massive increase and sustained effort.

The Governor’s executive orders and executive directives on climate set extremely aggressive goals for greenhouse gas reduction (e.g., a 28% reduction from 1999 levels by 2025; total carbon neutral by 2050). There is absolutely no way to accomplish that without achieving deep energy retrofits in virtually all existing housing. The point is that if economic and climate goals are to be taken seriously, all agencies and parties involved must focus on what is needed (funding, job training, employee retention, program rules, over-coming “walk-away” barriers, etc.) to facilitate the necessary massive ramp-up in weatherization. Can the Governor designate a “Weatherization Czar” to try to lay out some plans to get this done?

(2 liked)

[9:46 AM] Kamalay, Maddy (DHHS)

Charlotte Jameson (Guest) ACPU maximum per DOE requirements for PY21 (7/1/21-6/30/22) is \$7,776

[9:47 AM] Charlotte Jameson (Guest)

Got it thanks Kamalay, Maddy (DHHS)

[9:47 AM] Kamalay, Maddy (DHHS)

Chong-Anna or Robb, can you speak more on the legislative work you all are doing on the bill that is sunseting? Also, how can folks in this group help support you?

(1 liked)

Edited

[9:49 AM] Annika Brindel (Guest)

Maddy, will there be an update today on what is happening with your multifamily initiatives?

[9:50 AM] Kamalay, Maddy (DHHS)

We are doing a lot of the work that Marty is referencing in his section. A lot of the ground work has to be laid before we can implement the rollout of stimulus, but we are very focused on those initiatives mentioned.

[9:50 AM] Charlotte Jameson (Guest)

I wonder too on the sunset bill if it makes sense to increase the minimum amount to appropriate? Sen. McCann has a bill that would do that- up the minimum to 15% of LIHEAP block grant. Seems like if one concern is to have a stable amount of funding year to year (to avoid boom and bust) but also we need more Wx money that one way to achieve both of those is to ensure that the sunset extension also includes an increase in the minimum appropriation

[9:51 AM] Brace, Alicia (DHHS-Contractor)

What are the primary reasons for deferral?

[9:52 AM] Charlotte Jameson (Guest)

More info on the Dem bills that eliminate the sunset and increase the minimum appropriation: Increase the amount of federal low-income home energy assistance block grants that can be spent on weatherization to at least 10%, as current funds are capped at \$6 million each fiscal year.

- Senate Bill 749 by Sen. **Sean McCann** (D-Kalamazoo) and House Bill 5579 by Rep. **Rachel Hood** (D-Grand Rapids)

[9:52 AM] Bair, Tammy (DHHS)

Just to clarify, funds are not currently "capped" at \$6M, that is the minimum.

(2 liked)

[9:52 AM] Ben Dueweke (Guest)

Thanks for redirecting Maddy, we'll chat more later.

(1 liked)

[9:54 AM] Ritter, Lisa (DHHS-Contractor)

Common reasons for deferral include roof replacements, roof leaks, asbestos, mold, knob & tube, foundation issues....the list is long, but I believe the most common deferrals have to do with roof issues

(1 liked)

[9:55 AM] Charlotte Jameson (Guest)

thanks Bair, Tammy (DHHS)- good correction. I just copied and pasted from the dem press release.

(1 liked)

[9:56 AM] Kamalay, Maddy (DHHS)

Annika Brindel - not today, I'm happy to provide an update on that work if you need it but the focus of today is the LIHEAP legislation work that MCA is doing

(1 liked)

[9:56 AM] Chong-Anna Canfora (Guest)

ccanfora@micommunityaction.org - Chong-Anna Canfora

[9:57 AM] Charlotte Jameson (Guest)

MEC is very interested in engaging

[9:59 AM] Ben Dueweke (Guest)

What was the basis of the utilities' pushback?

[10:02 AM] David Becker (Guest)

I have to drop for another meeting, thank you for the great presentation.

[10:02 AM] Kamalay, Maddy (DHHS)

The statutory higher set aside allows the Weatherization network to plan for multiple years in a row on that funding. Tammy is right that we don't come close to the cap on LIHEAP in Weatherization but without the dollar amount spelled out in legislation, it is not possible to allocate a higher amount for Weatherization at the beginning of the fiscal year and it is not possible to plan on the same amount of funding from year to year. Those are programmatic logistical differences in the funding being spelled out in statute, not determined by program offices each year.

[10:02 AM] Ritter, Lisa (DHHS-Contractor)

If you consider the cost to replace a furnace and water heater, and the average cost per unit set at \$7,776, there is not much left to do anything else. Additional funding outside of DOE is extremely helpful in accomplishing what is needed for every house (yes)

(2 liked)

[10:06 AM] Yvonne K. Lewis (Guest)

Is this cost after the Utility rebate? There are substantial rebates available to the CAA's for furnaces and water heaters.

[10:07 AM] Charlotte Jameson (Guest)

Ritter, Lisa (DHHS-Contractor) to your point- is most weatherization dollars spent on HVAC and appliance replacements or on building shell improvements?

[10:07 AM] Tim Skrotzki (Guest)

Are these programs considering using funding for electrification of the heating systems with the potential for rising natural gas prices?

[10:08 AM] Martin Kushler (Guest)

In an earlier EAAC meeting this year we heard that Michigan only allocates about 4% of LIHEAP funds to Weatherization, vs. 13% in Illinois and 19% in Ohio.

(1 liked)

[10:09 AM] Ritter, Lisa (DHHS-Contractor)

Charlotte Jameson (Guest) It really depends on the house. Some homes need a ton of added insulation which can be costly and take a lot of time. But yes, HVAC work and furnace/water heater replacements is costly too!

[10:10 AM] Ritter, Lisa (DHHS-Contractor)

If the agency has a lot of homes on propane, there would be no rebate available unfortunately
(1 liked)

[10:12 AM] Kamalay, Maddy (DHHS)

Martin Kushler that's correct. We are emphasizing that a scale up to those higher percentages would need to be facilitated with a guarantee of the funds to remain from year to year

[10:15 AM] Ritter, Lisa (DHHS-Contractor)

Michigan has the 2nd highest amount of DOE funding, yet we have one of the absolute lowest percentage of LIHEAP for Wx. It's a terrible situation

[10:15 AM] Martin Kushler (Guest)

This LIHEAP allocation issue would be a great item for a "Weatherization Czar" to work on solving. (smile)

(1 liked)

[10:19 AM] Charlotte Jameson (Guest)

At Kamalay, Maddy (DHHS) I think I missed it- but is the issue around DOE dollars vs wx dollars a regulatory problem (i.e. how our programs are set up in DHHS) or a legislative issue (i.e. how the money is appropriated)?

[10:21 AM] Kamalay, Maddy (DHHS)

100% echo what Ben is saying

(1 liked)

[10:22 AM] Ritter, Lisa (DHHS-Contractor)

We need people, we need to beef up the Wx workforce, and it would be nice if COVID would just go away (smile)

(1 liked)

[10:22 AM] Banks, Brad (LARA)

Yes, Lisa, it would!

(1 liked)

[10:25 AM] Gina Kostoff (Guest)

I must jump off for another meeting. Very informative presentation. Have a great day!

[10:26 AM] Martin Kushler (Guest)

Thanks for hosting this discussion, Brad.

[10:27 AM] Charlotte Jameson (Guest)

Thanks for the very helpful presentation and discussion!

[10:27 AM] Ritter, Lisa (DHHS-Contractor)

Thank you, Chong-Anna! Great presentation

[10:27 AM] Ben Dueweke (Guest)

Thank you Brad for setting this up. Thanks MCA team for all the work you do. Appreciate all the extra insight from Maddy. We are going to get this done!

(1 liked)