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LIHEAP Can Help Communities Address Extreme Weather

The Centers for Disease Control and Prevention <u>reports</u> that extreme cold weather caused more than 13,400 hypothermia deaths between 2003 and 2013. The people most at risk for weather-related deaths include populations identified as vulnerable populations by LIHEAP – the elderly, disabled, and young children. The flexibility provided by LIHEAP's block-grant structure can be used to try and assist low-income households during extreme weather situations.

When it comes to extremely cold temperatures, households lacking utility service will sometimes resort to risky measures to stay warm. In 2015, a Maryland family of eight died in their sleep following a utility shutoff when the exhaust from a gas-fueled generator that they had been using to keep warm filled the room with carbon monoxide. More recently, in 2016, a Tennessee man perished in a house fire after using a portable electric heater to stay warm. Other risky heating behaviors include using ovens to heat the home, especially if they are gas ovens, and using portable heaters that burn fuel without proper ventilation.

LIHEAP grantees have many tools to help low-income households try to avoid these cold-weather situations. During FY 2017, all state LI-HEAP grantees indicated in their plans they would offer a heating program to provide assistance. All state grantees offer crisis assistance, and more than half of state grantees use possession of a shutoff notice as criteria for receiving crisis benefits. Along with providing bill assistance, over 30 state grantees will repair or replace furnaces as part of either their crisis or weatherization components.

One example of the impact LIHEAP can have on clients during winter comes from Iowa. A senior with a disability received LIHEAP assistance to help with her heating bills early in the heating season. Later that same winter, the carbon monoxide detector in her home sounded. She called the fire department, which came to her house and discovered elevated levels of carbon monoxide and shut down her furnace. The following day, the woman contacted her local LIHEAP agency, Midlowa Community Action, which immediately sent a repair technician to her house. The technician found her furnace was emitting fatal levels of carbon monoxide. Through Iowa's crisis program, the local LIHEAP agency was able to install a new furnace.

What's New on Our Website

- ◆ <u>Engaging Hard-to-Reach Clients</u> (November 2016)
- <u>LIHEAP and Mixed-Status Households</u> (August 2016)
- Weatherization: Coordinating LIHEAP and WAP (July 2016)
- ◆ 2014 Ratepayer-Funded Program
 Table

State Tables with FY 2017 Data:

- See Clearinghouse <u>Components</u> page for multiple tables
- Eligibility Levels Used
- ♦ Use of <u>Categorical Eligibility</u>
- Heating, Cooling, and Crisis <u>Benefit</u> <u>Levels</u>
- ♦ Assurance 16 Activities

Low-Income Energy Events

February 27-March 1, 2017 NEADA Winder Meeting, Washington D.C. See NEADA website for more details.

March 19-22, 2017 2017 HPC National Home Performance Conference and Trade Show, Nashville, TN. See Home Performance Coalition website for more details

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Advice given by the U.S. Department of Housing and Urban Development states that every home needs to be temperature controlled in order to ensure that households are comfortable and safe from extreme temperatures. LIHEAPs can help with this on multiple fronts. They can help pay a household's energy bills so occupants can keep their homes at safe temperatures. They can also choose to allocate funds to help provide or repair the equipment that heats or cools a home. Funding can also be allocated to weatherization services to help both insulate and ventilate a house. Because of the block-grant structure, LIHEAPs have the flexibility and tools to help low-income households deal with extreme weather events.

Ratepayer Programs: MI Issues Grants, TX Program Shuts Down, CA Expands Assistance

Utility bill discounts and credits funded by ratepayers supplement a number of LIHEAPs across the country. For example, in late August 2016, the Michigan Energy Assistance Program (MEAP) granted out almost \$90 million to assist income-eligible households with energy bills and help them move towards self-sufficiency.

These MEAP funds are a combination of federal LI-HEAP dollars and Low Income Energy Assistance Funds (LIEAF) that are generated by a surcharge on electric customers' bills. Upon passage of Public Act 95 of 2013, the Michigan Public Service Commission (MPSC) directed utilities to start collecting the surcharge on an opt-in basis to fund the LIEAF. The surcharge is set to collect no more than \$50 million each year. The Michigan Department of Health and Human Services (DHHS) annually contributes between \$30 million and \$40 million in LIHEAP dollars to MEAP. Each year, the MPSC and DHHS request proposals from agencies to disburse funds. This year, 14 agencies, including utilities and non-profits, received MEAP funds.

Low-Income Energy Events (cont.)

March 27-31, 2017

NASCSP Spring Training Conference and Orientation, Arlington, VA. See NASCSP <u>website</u> for more details.

June 26 – 28, 2017

NEUAC Annual Conference, Ft. Lauderdale, FL. See NEUAC website for more details.

Newsletter Archives

Past issues of the news bulletin and the LIHEAPnetworker

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At about the same time MEAP announced its current round of grants, Texas declared that funds for another ratepayer-funded program, Lite-Up Texas, were no longer available after its funds were exhausted following a 2013 decision by the Texas Legislature to rescind the surcharge that funded it.

The Lite-Up Texas program was established in 1999 as a result of deregulation and was funded statewide by a charge on electric bills. Eligible customers received discounts on their electric bills. The discounts varied over years, as did funding for the program, and beginning September 1, 2013, the charge was no longer collected. According to the Texas Public Utility Commission, about 700,000 households received discounts that ranged from 25 to 31 percent in 2015. The Lite-Up fund was depleted and electric discounts ended August 31, 2016.

In mid-November 2016, the California Public Utilities Commission (CPUC) <u>announced</u> it was expanding the reach of the <u>Energy Savings Assistance</u> (ESA) program, which provides energy efficiency services to low-income households through a surcharge on ratepayers. The CPUC extended ESA to rent-assisted

multifamily buildings after two years of studying the proposal. Approximately \$80 million will be available to households living in subsidized multifamily apartments.

MEAP and ESA are just two of the many customerfunded programs found in states around the country. Some examples of other successful programs are the Percent of Income Payment Program in Ohio (PIPP Plus) and Maryland's Electric Universal Service Program (EUSP), both of which help participants pay current bills and reduce arrearages. PIPP Plus and EUSP are administered in conjunction with their states' LIHEAPs.

Ratepayer-funded programs are an important source of supplemental funding when it comes to low-income energy assistance. The LIHEAP Clearinghouse summarizes rate assistance and energy efficiency programs that are funded by ratepayers, and its most recent table, which is for 2014 programs, can be viewed on the Clearinghouse website. According to research by the Clearinghouse, ratepayer funds amounted to over \$3.4 billion for bill assistance and almost \$920 million for energy efficiency programs in 2014. The rate assistance was slightly more than the total federal LIHEAP allocation for Fiscal Year 2014, while the ratepayer-funded energy efficiency amount was more than four times the allocation for the Department of Energy's Weatherization Assistance Program for the same year. For more information about ratepayer-funded programs, see the state summaries on the LIHEAP Clearinghouse website.

Low-Income Energy Publications

"Understanding 'Energy Insecurity' and Why It Matters to Health," Social Science and Medicine, Volume 167, September 2016. The link goes to an abstract of the article, and payment is required to access the piece in its entirety. Lead author Dr. Diana Hernandez and her team found that high utility bills can trigger negative health outcomes in low-income households, including anxiety and depression. The study found that the constant threat of disconnection due to inability to pay energy bills increases feelings of fear, stigma, and shame. Hernandez and her researchers also discuss how the struggles of low-income households to pay their energy bills are exacerbated by living in housing of poor quality that lacks energy-efficiency measures.

Solar for All: What Utilities Can Do Right Now to Bring Solar Within Reach for Everyday Folks, Southern Environmental Law Center, June 20, 2016. The report offers ideas about how utilities can expand access to solar energy for low-to-moderate income households and details various forms of financing that make it more affordable. It examines how low-er-income constituencies can benefit from shared community solar projects, such as solar gardens. The authors also propose that solar development across communities is a way for states to comply with the Environmental Protection Agency's proposed Clean Power Plan.

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