

Brian Lewis: House Energy Committee

Testimony: Energy Assistance

April 17, 2024

Consumers Energy

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Good morning and thank you Chair Scott, Vice Chair Andrews, Vice Chair Wendzel and committee members for the opportunity to testify before you today about the vital role that energy assistance plays in meeting the critical needs of Michigan families.

My name is Brian Lewis and I am Executive Director of Customer Operations at Consumers Energy. Our company provides natural gas and electric service to nearly 7 million Michigan residents. We are the state's largest utility with customers in every county within the Lower Peninsula including 9 out of the 10 counties in Michigan with the highest rates of poverty.

I've worked at Consumers Energy for 11 years now, serving in a variety of customer centric roles. As the leader of our customer operations team, I am extremely proud of our commitment to caring for customers, communities, as well as coworkers. This commitment to care, especially to those in need, is not new to me. It's been a central theme in my both my personal and work life, starting with my time serving as a combat medic in the U.S. Army, to the 24 years of customer facing roles I've held in my professional career.

For the past 5 years, I have overseen the company's energy assistance team which works to deliver energy assistance offerings to our customers through federal LIHEAP funding, our MEAP funded Affordable Payment Plan, which we refer to as CARE, our Percent of Income Payment Plan (or PIPP) pilot, available energy waste reduction resources, and various other bill credits. During this time, I have gained tremendous respect for my coworkers and especially our agency partners, including all of the groups who have already testified here today. Their tireless work to provide essential support for households in need across the state continues to inspire me. I have also gained a deeper understanding of the challenging times we live and just how many of our customers face hardships on multiple fronts, including energy crisis or need some assistance with their bills during a given year and how the current levels of funding, fall short.

In 2023, close to 150,000 Consumers Energy customers across 30 counties received some form of energy assistance either from LIHEAP, the State's MEAP dollars or through supplemental funding provided by Consumers Energy. However, to put it bluntly, the magnitude of the need for assistance is immense and available resources are simply not enough to meet the needs of our customers today. The U.S. Department of Health and Human Services, which oversees LIHEAP nationally, estimates that only around 30% of eligible Michigan households receive the assistance they need each year. Just within our service territory, we estimate that more than 450,000 customers could qualify for energy assistance under existing eligibility rules which is far greater than the 150,000 customers we reached in 2023.

I work on customers challenges each day at work but recently heard of customer hardships at a bowling alley of all places. I was at a once-a-month bowling league in the small west Michigan town of Rockford I call home, bowling terribly, I can assure you, when I struck up a conversation with a fellow bowler. The topic changed to work, I shared I worked at Consumers Energy and then she shared her work, or perhaps mission, supporting Michiganders as an employee with MDHHS. She further shared that she has never seen the number of calls for energy assistance that they've experienced this year... and not only that, but energy assistance requests were the number one call they are receiving...all of this at a time when there is a real risk that funding will run out sooner than ever this year.

We recognize that current funding is not sufficient based on existing eligibility levels, but we also see that customers whose income is just too high for traditional assistance resources can find themselves in need of financial support for their energy needs as well. The COVID-19 pandemic made this more apparent than ever. For many households within this low- to moderate-income the difference between paying an energy bill on time or not, can change due to an unexpected medical bill or a needed car repair that puts them behind. Some moderate customers are one unexpected expense away from significant need.

To help overcome these gaps, in recent years Consumers Energy shareholders have provided some \$25 million dollars to support vulnerable customers, including many customers that would otherwise be ineligible for state or federal dollars.

While the funding from the federal government through LIHEAP has always made up the majority of assistance resources, fluctuations in the level of funding provided over recent years has made it clear that Michigan needs to take action to address need in a more holistic and sustainable way.

Other groups' have already provided testimony this morning about the importance of MEAP and how the program has fundamentally shifted the delivery of energy assistance for Michigan households, so I won't take more of your time on these points. I do want to express Consumers Energy's continued support for MEAP and our belief that the past 10 years of administering the funding has demonstrated the success of program while illustrating opportunities to fine tune MEAP to better serve customers for years into the future.

In closing, I would like to reiterate my appreciation to Chair Scott for allowing me to bring attention to the critical need for energy assistance and to all committee members for your time today.

I would be happy to answer any questions that you may have.