The Michigan Energy Assistance Program

An introductory overview of the Michigan Energy Assistance Ecosystem and the MEAP









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April 17, 2024









The Energy Assistance Ecosystem

Federal Funds Ratepayer Funds Utility Department Based Low-Income Energy of Energy Low-Income Home Energy Assistance Program (DOE) Assistance Funds (LIEAF) **Utility Based Credits** Energy (LIHEAP) Administered by MDHHS Administered by MPSC Waste **Administered** by MDHHS Reduction MPSC Michigan reasury Michigan Energy Assurance 16 Assistance Energy Low-Income Energy Home Heating (A16) Self-Weatherization Weatherization State Emergency Program Assistance Assistance Conservation Services Services Credit (HHC) Relief (SER) (MEAP) Program Assistance Credits (LIA) Services (MEAP) Crisis Affordable Credits (RIA) Services Payment Plans Payments <u>Community</u> Human Service Action Contractors Grantees Agencies



2024 FPL Table

Household					
Size	100% FPL	110% FPL	150% FPL	200% FPL	250% FPL
1	\$15,060	\$16,566	\$22,590	\$30,120	\$37,650
2	\$20,440	\$22,484	\$30,660	\$40,880	\$51,100
3	\$25,820	\$28,402	\$38,730	\$51,640	\$64,550
4	\$31,200	\$34,320	\$46,800	\$62,400	\$78,000
5	\$36,580	\$40,238	\$54,870	\$73,160	\$91,450
6	\$41,960	\$46,156	\$62,940	\$83,920	\$104,900
7	\$47,340	\$52,074	\$71,010	\$94,680	\$118,350
8	\$52,720	\$57,992	\$79,080	\$105,440	\$131,800



The Low-Income Energy Assistance Fund

- Established in 2013 in MCL 460.9t; Provides for the following:
 - → Annual "non by passable surcharge" of up to \$1.00/month
 - → On each customer meter of participating electric utilities
 - → Calculated to collect no more than \$50M
- Allows electric utilities to opt out of collecting the surcharge BUT electric utilities that opt out cannot shut customers off for nonpayment from November 1 through April 15.
- Exclusively used to fund the Michigan Energy Assistance Program (MEAP)



Establishing the LIEAF Surcharge

Order #1

- Directs all utilities to indicate whether they are opting in or opting out.
- Utilities that opt in provide the total number of meters within their service territory.

Order #2

- Commission
 Staff calculates
 the proposed
 surcharge by
 dividing \$50M
 by the total
 number of
 meters
 multiplied by 12.
- This is the proposed surcharge included in Order #2 and is put out for comment.

Order 3

 Adopts the final surcharge after the comment period.



Michigan Energy Assistance Program (MEAP)

- Michigan Energy Assistance Program
 - → The department shall distribute the funds to eligible low-income households for energy assistance.
 - → Energy assistance must include services that will enable participants to become or move toward becoming selfsufficient, 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
 - assisting participants in utilizing energy services to optimize on energy efficiency
- Program provides 1-time payments as well as ongoing payment support through utility Affordable Payment Plans

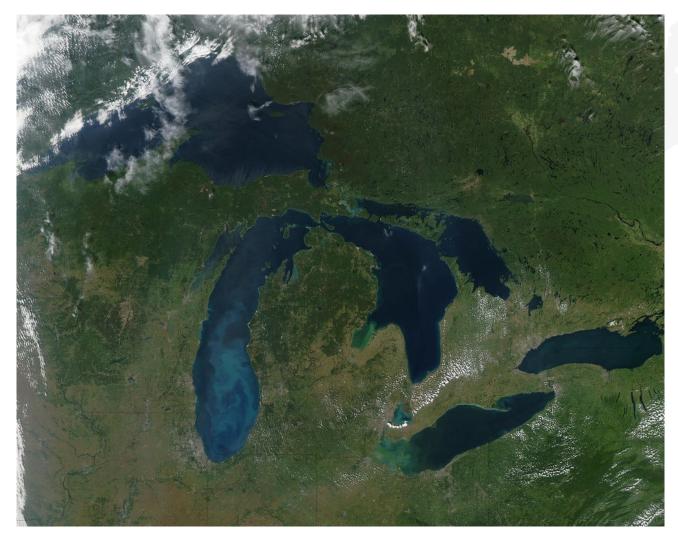


Administering the MEAP

- Administered by the MPSC
 - → Annual RFP process to select grantees who will provide assistance and services to customers
 - → 9 grantees were selected in 2024
 - Barry County United Way
 - Bureau of Community Action and Economic Opportunity
 - □ 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
 - United Way for Southeastern Michigan
 - United Way of South Central Michigan
- Continuous collaboration between MPSC, MEAP Grantees, and DHHS



Statewide Program











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The Customer Journey: Getting Assistance

- Tax form: Home Heating Credit heating assistance
- Past due notice and DHHS State Emergency Relief (SER) crisis application
 - → MEAP (goal of self-sufficiency)
 Additional crisis assistance
 Affordable Payment Plans
 LIHEAP self-sufficiency services
- *LIA/RIA utility credit enrollment
 - → Automatic → HHC or SER
 - → Self-declaration for LIA/RIA





Challenges within the Ecosystem

- Orientation of the system toward addressing crisis requires going into crisis despite stated goals of encouraging selfsufficiency.
- Lack of effective coordination between programs creates unnecessary barriers for customers and administrative burden for front-line staff.
 - → Cross-over eligibility and inconsistencies in the receipt of benefits
- Lack of coordination between funding streams creates inefficiencies in the delivery of assistance and may not result in funds helping those who are most in need.
- Funding.



Thank you!!



