The cooling season is now ramping up for Federal Fiscal Year 2016 and Maricopa County, Arizona saw the first heat-related death of the season in early June. According to the Centers for Disease Control and Prevention (CDC), heat is the most deadly of extreme weather in the United States—killing more people than all other extreme weather events combined with an average of 618 heat-related deaths per year. For more information on the effects of extreme heat on low-income households, visit the CDC’s website.

The federal government has been working with state, regional, tribal and local communities to raise awareness and prepare communities for extreme heat events this summer. The Administration’s seasonal campaign, “PrepareAthon!,” designated May 23-27 as “Extreme Heat Week” this year. The U.S. Department of Health and Human Services (HHS) participated in the campaign by hosting a webinar titled, “Preparing for Extreme Heat Events: What Energy Assistance Programs and Communities Can Do” featuring Jonathan White, Senior Advisor for Strategic Initiatives at HHS, and Victoria Ludwig from the Environmental Protection Agency. Both PowerPoint presentations from the webinar can be found on the HHS website.

White also addressed LIHEAP directors at regional HHS trainings and spoke on “Energy Security, Indoor Temperatures and Health.” He informed attendees about the health risks low-income and vulnerable populations face in extreme heat. In addition to the threat heat poses as a natural disaster, indoor air quality becomes an issue. Indoor air quality is the second leading factor in childhood mortality after accidents. White also explained that HVAC systems are the best option to keep indoor air at an optimal temperature and keep asthma triggers at bay. He warned that over-weatherizing a home can become problematic if it prevents much-needed ventilation in the home. A link to the most recent HHS Regional Conference, and all of its sessions including this one, will be posted on HHS’s website.

As White mentioned at the HHS training, LIHEAPs have been aware of the dangers posed by heat for years. Twenty-three states, including the District of Columbia, and 74 tribes set aside funds for a cooling
component in their FFY 2016 LIHEAP plans. Because of LIHEAP’s block grant structure, eligibility requirements and benefit awards vary greatly from state-to-state and from tribe-to-tribe. Several LIHEAPs included cooling efforts under their year-round crisis component, while many offer to purchase fans or window air conditioning units for at-risk, low-income households. Others provide cooling centers throughout their service areas where families and individuals may come too cool down.

New York is one such state that opens cooling centers in the event of extreme heat events or heat waves. Missouri also provides cooling centers and a tracking program through the CDC’s Environmental Public Health Tracking Network, which “provides an interactive, dynamic online map that makes cooling centers easy to find.”

Both New York and Illinois recently announced availability of air conditioners as part of their cooling programs. New York’s LIHEAP purchased air conditioners that are provided to low-income households that have at least one member whose health may be impaired by heat. Illinois' Ameren utility company donated 500 air conditioners through its Ameren Cares program. Ameren partners with nonprofit organizations in its service territory to distribute the air conditioners to LIHEAP-eligible households.

Energy Assistance Fund (LIEAF) and Michigan LIHEAP. About $50 million in LIEAF funds are generated each year through a surcharge on electric bills of participating utilities and distributed to local service agencies. The other source of MEAP money comes from $40 million in LIHEAP crisis funds.

One agency that received MEAP funds in 2015, TrueNorth Community Services, spoke about its self-sufficiency program at the recent National Energy and Utility Affordability Conference (NEUAC) in Denver. TrueNorth is a multi-service nonprofit that currently provides services in 64 counties, many of which are located in rural Michigan.

TrueNorth defines self-sufficiency as “A condition in which a household is able to meet all their basic needs without external assistance.” With the help of MEAP funds, TrueNorth developed an innovative program for helping households achieve self-sufficiency. The program starts with a screening process that places eligible households in one of three tracks: those needing one-time crisis assistance; those with enduring vulnerability that requires extended assistance; or those needing services that will move them towards self-sufficiency.

Self-sufficiency services that are provided are case specific and designed to guide eligible clients into services that target their individual needs. Services may include: budgeting education, connecting the household with community resources, providing energy efficiency kits, job skills, education and employment resources, health care, or bill payment contribution. LIHEAP funds help with energy bill payments, and MEAP funds provide other incentives for clients. On average, households in the program receive intervention services for six months. During this time clients are expected to contribute toward paying bills in increasing amounts until program closure. There is a waiting list for TrueNorth’s self-sufficiency program and the drop-out rate is low.

Michigan LIHEAP, MEAP and Self-Sufficiency

The Michigan Energy Assistance Program (MEAP) was established in 2012 by Public Act 615. The program awards grants to private, public and government entities that help low-income households pay their energy bills and move them toward self-sufficiency.

MEAP grants are funded by the state Low-Income Energy Assistance Fund (LIEAF) and Michigan LIHEAP. About $50 million in LIEAF funds are generated each year through a surcharge on electric bills of participating utilities and distributed to local service agencies. The other source of MEAP money comes from $40 million in LIHEAP crisis funds.

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An important objective of TrueNorth’s study was to investigate the effectiveness of interventions that were designed to reduce the need for public assistance. A pre and post self-sufficiency assessment showed that intervention services effectively improved the self-sufficiency of participants after 90 days. The average assistance for households was reduced by over $700 when compared to a control group.

This study also looked at barriers to employment that households experienced and the health status of participating households. The study found that barriers to employment were reduced for participants. The status of health issues for participants did not change during the study. TrueNorth proposed that integration with health care providers may be necessary to investigate the potential for improved health outcomes.

TrueNorth presenters at NEUAC commented that program participants are complex households with complex problems – simple solutions do not work. They are fortunate to have MEAP funds that allow for an extensive program and are piloting a version that is less costly.

Low-Income Energy Publications

*Residential Consumers and the Electric Utility of the Future*, Prepared by Janee Briesemeister and Barbara Alexander for the American Public Power Association, June 2016. The report examines the potential impacts on residential customers by the "Utility of the Future" framework and advises community-owned electric utilities how to approach upcoming changes. Among its recommendations is that public-power utilities need to offer bill payment and arrearage management programs to ensure affordable electric service, while also being open to creating new programs to address equity issues in future rate designs. The report also includes recommendations for how utilities should communicate and educate customers as they move towards the Utility of the Future. The publication ends with an appendix that provides an overview and analyzes Utility of the Future proceedings in California, Massachusetts, Michigan, Minnesota, and New York.

*Recovery of Utility Fixed Costs: Utility, Consumer, Environmental and Economist Perspectives*, Lawrence Berkeley National Laboratory, June 2016. In recent years, utilities across the country have proposed raising the fixed monthly customer charge on energy bills which can negatively impact low-income households. This report explains that raising the charge is being done in the context of flat or declining loads in some areas of the country. This publication is part of a series of reports by the National Laboratory that presents different, and sometimes opposing, views of issues related to the future of regulation and electric utilities. This report features four essays on the issue of fixed utility costs from authors representing the perspectives of a utility, consumer advocate, environmentalist, and an economist.