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Utility customers line up for help after shut-offs Applications for crisis heat aid surge in NW Indiana; Illinois numbers level

BY KEITH BENMAN

The number of people seeking crisis heat aid because their utilities have been turned off has surged in Northwest Indiana.

In the first seven days of this year's Low Income Home Energy Assistance Program (LIHEAP), the number of people getting crisis assistance is up 224 percent over last year, according to Northwest Indiana Community Action.

"We just can't believe the number of shut-offs we are dealing with," said Jane Hopkins, director of community services for the agency.

In Illinois, the number of people seeking assistance because their natural gas utility has disconnected them is on a par with last year, with about 17,071 crisis heat aid applications processed, according to Marsha Belcher, public policy director for the Community and Economic Development Association (CEDA).

"Our LIHEAP population has to make day-to-day decisions on money," Belcher said. "So when it's paying past arrears on utility bills versus baby formula, it's the arrears that will wait."

Hopkins and Belcher both said many of the customers shut off for nonpayment have gone all summer without utilities. Those customers were turned off after the winter heating season moratorium on shut-offs for low income customers expired in March. Some of the crisis heat aid also goes to those threatened with shut-off.

been bracing for record heating bills this winter, raising fears that disconnections could soar this winter once the shut-off moratorium, which starts in December, ends in March.

Figures from NIPSCO, the state's largest utility, show that from March 16 through August, there actually was a 1 percent dip in customers across northern Indiana requesting LIHEAP assistance, according to Tom Cuddy, a NIPSCO spokesman. Disconnections for LIHEAP-eligible customers were up 7 percent over the previous year.

Cuddy said much of the increase in LIHEAP applications seen by Northwest Indiana Community Action this season may be due to widespread public awareness that heating bills are going up.

"The message of preparing now is resonating with customers," Cuddy said. "More people are aware assistance is available."

On both sides of the border, state and local officials, as well as utilities, have sought to head off any Katrina-like crisis that may come with soaring heating bills. The U.S. Energy Information Agency predicts winter heating bills will be about 41 percent higher this year than last.

In Illinois, natural gas utilities Ameren, Nicor Gas and Peoples Energy have waived reconnection fees and deposits for those who qualify for LIHEAP assistance after prodding from Gov. Rod Blagojevich.

In Indiana, the Indiana Utility Regulatory Commission is considering a rule

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that would lower the cap on deposits utilities are allowed to charge. Under the proposed rule, the current cap allowing utilities to charge a deposit equal to four months worth of average bills would be lowered to two months.

However, those disconnected for nonpayment would only get that protection if they qualified for LIHEAP and were being charged the deposit during the state disconnection moratorium between Dec. 1 and March 15. Otherwise, they could be charged up to four months.

In addition, NIPSCO, with 712,000 natural gas customers, has proposed limiting deposits to one month's average bill under a program it calls Winter Warmth. But it also wants to put a surcharge on customers' bills to help pay for heat assistance offered under the same program. That has state regulators mulling whether or not to approve the program for this winter.

Northwest Indiana Community Action is also reporting an upsurge in applications for general heating assistance. In Illinois, the number of applications taken so far is about on a par with last year.

In its first seven days of taking LIHEAP applications, Northwest Indiana Community

Action reported it processed 2,645 applications, a 20 percent increase over the same seven days last year.

About 6 percent of the increase in Indiana appears to be due to the expansion of eligibility for Indiana LIHEAP. Gov. Mitch Daniels upped the income eligibility ceiling to 150 percent of the federal poverty level, as compared to 125 percent previously.

Northwest Indiana opened up the LIHEAP application season for at-risk households on Nov. 3. This Thursday, open enrollment starts for all households meeting eligibility limits.

The Community and Economic Development Association has been taking applications for at-risk households since September. It began open enrollment in early November.

In addition to the season-opening surge, social service agencies expect another spike in applications when the first really cold weather hits. So far, it has been one of the warmest Novembers on record.