

MORNING SUN

Mt. Pleasant, Michigan

October 16, 2005

Families face heating crisis

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It will cost a lot more to stay warm this winter, according to state and federal energy experts, and that's left hundreds of mid-Michigan residents facing the prospect of a winter with little heat.

Residential natural gas customers in Michigan this year can expect monthly heating bills to average 46 percent above last winter, according to the Michigan Public Service Commission. That's considerably higher than earlier predictions, and hurricanes Katrina and Rita get a lot of the blame.

"It's just going to be catastrophic," said Gary Gilbert, executive director of the Mid-Michigan Community Action Agency. His agency provides assistance to many of the working poor in a six-county area across central Michigan.

Those skyrocketing bills will stretch many middle- and upper-income families' budgets, but many people who already are scraping by, paycheck to paycheck, are facing a long, hard winter. Unlike previous winters, there's little government help available yet.

"We're turning away about 100 families a month," Gilbert said. That's already happening in early fall; he shudders to think what it might be like once the thermometer falls below zero.

"About 30 to 40 percent of those people are completely out of fuel, or have shutoff notices from MichCon or Consumers Energy," Gilbert said. But there's little his agency, or any other agency, can do.

That's because money for a federal program that had helped low-income people pay their energy bills has run out, and Congress has yet to appropriate any more money for the 25-year-old Low Income Energy Assistance Program, known as LIHEAP.

"At this point there is no money," Gilbert said. "Unless you're a Department of Human Services client, there are very limited resources."

Statewide, Michigan received \$117 million in LIHEAP money last year, and more than 1 million people got help. As fuel prices have zoomed, so has the need, Gilbert said.

"A few years ago, a couple of hundred dollars would help," he said. "Now, they need \$700 to pay the back bill, and another \$700 to fill up the propane tank again."

The price increases in heating fuel stem largely from disruptions in natural gas production along the Gulf Coast. Hurricane Rita resulted in more than a dozen natural gas processing plants going off-line, owing either to flooding, lack of supplies, an inability to move stored liquids, or safety precautions, according to the federal Energy Information Agency.

"The energy supply system remains fragile and it will be months before the nation's energy supply returns to more normal operations following the damage from hurricanes Katrina and Rita," a state report released last week said. "Substantial disruption of natural gas production in the Gulf of Mexico has reduced supply, driving up prices. There is some uncertainty on the prospect for even higher prices depending on how long it might take to return natural gas production from the Gulf of Mexico to normal levels following the hurricanes."

Natural gas prices are expected to average \$12.30 per thousand cubic feet during the winter months this year compared to \$8.42 last winter. That's high, but in New England, natural gas prices for residential customers could go as high as \$20 per thousand cubic feet.

According to the federal agency, households heating primarily with natural gas are expected to spend about \$350 more this winter in fuel expenditures. Propane users are expected to see their bills go up, on average, \$325, or about 30 percent.

Heating oil users can expect their bills to be 32 percent higher, or about \$378 more, according to the federal agency. Households heating primarily with electricity can expect, on average, to pay another \$38, or 5 percent more

But those are broad averages. The heating equipment in a particular home, the home's size and insulation, and just how high the thermostat is set can play a huge role.

Conserving energy can play a big role in reducing home heating costs, but for many of the rural poor, that's tough to do. Old mobile homes and drafty old farmhouses are energy sieves, Gilbert said.

Money is available for weatherization, he said, but his agency is swamped with requests. Help isn't likely this winter, unless families already are in line.

"We're doing 20 or 30 homes a month," he said. "We've got a waiting list of probably 300 homes."