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Officials fear heat aid won't stretch

Payments to poor same as '04 - but prices aren't

By CORRINE OLSON

State and local officials charged with helping South Dakotans pay their heating bills say they've managed so far, but they worry that higher energy costs and harsh weather could leave some in the cold before winter ends.

Families applying for help through the Low Income Energy Assistance Program will receive \$630 for the heating season, said Deb Bowman, secretary of the state Department of Social Services.

The program, funded with federal dollars but administered by the state, pays money directly to the energy company that serves the family or the applicant's landlord if heating is part of the rent the family pays.

An estimated \$8.9 million will be provided for heating assistance in South Dakota this year, but Bowman worries that won't be enough.

"That \$630 won't last as long as it did last year," she said. "Our applications are ahead of last year, and even though energy costs are ahead of last year, that doesn't affect how much assistance people receive."

The cost of propane is expected to be 40 percent higher than a year ago. MidAmerican Energy estimates that its 77,300 natural gas customers in South Dakota will pay \$50 more a month to heat their homes because of higher natural gas costs.

And earlier this fall, NorthWestern Energy officials were predicting that a typical customer who paid \$141 to heat his or her home last January could pay between \$165 and \$168 this January.

Companies pitch in

To help some of the most vulnerable among its 35,500 natural gas customers in South Dakota, NorthWestern plans to announce this week that it will provide \$1 million in assistance, said company spokeswoman Claudia Rapkoch.

"We've asked our suppliers to match these funds to provide even more customers with heating assistance," Rapkoch said. "But at the very least, we'll be putting up the \$1 million. It's something we've never done before. But with the

extraordinarily high heating costs, we felt it was necessary."

Some of that money will go to help low-income weatherization efforts, but the bulk will be used as credits for customers who qualify, Rapkoch said.

"We're really targeting those customers who do not qualify for LIEAP assistance," she said. "They're the next tier up, the ones who make too much to qualify for any other assistance but are still going to have trouble paying."

Her company will work with state government offices and energy-assistance programs to help administer the credit program, Rapkoch said. It will be available only to NorthWestern customers, she added.

MidAmerican is promoting its I CARE Program this winter to help its customers who meet LIEAP guidelines. The company provides a 25 percent match for donations to the program from its customers, said spokesman Mark Reinders.

Customers can make donations by simply tacking whole-dollar-amount contributions onto their monthly bills, Reinders said. Donations greater than \$5 can be made by calling MidAmerican toll-free at 888-427-5632 or going to www.midamericanenergy.com.

All donations are administered by agencies in the area where the contribution originated, Reinders said. Last year, customers donated \$269,203, and MidAmerican contributed \$67,301.

Need is great

The need for such assistance is obvious to Hugh Grogan, director of human services for Minnehaha County. Unfortunately, people arrive at his office in a variety of situations concerning their heating bills and sometimes have misconceptions about what will happen if they don't make some payment plan with their energy company, he said.

Because some states have rules that forbid disconnecting heat in the winter, some new

residents to South Dakota think they have nothing to fear in the winter months, Grogan said.

"In South Dakota, you can get turned off, so you have to be paying on that bill," he said.

Another factor in South Dakota is the consolidation of energy companies so that they serve several states at the same time.

"In the old days, you could move to a new community and start over," Grogan said. "Now, when people move, that bill is going to find them."

His office can offer emergency assistance with the understanding that people eventually will be asked to pay back the money they receive from the county, Grogan said.

Many of the people the county helps are facing the threat of disconnection.

"We're the first agency people should come to, and if we're not able to help them, then we will refer them to other agencies," he said.

In addition to government assistance, some nonprofit agencies and churches provide

help, Grogan said. For example, Jim Clark, a spokesman for Xcel Energy, said his company has a program to help people that is administered by the Salvation Army.

Xcel has only electric customers in South Dakota. Although electric bills might increase this winter, it's not expected to be as dramatic as with other forms of energy, Clark said.

Payment plan help

Xcel, MidAmerican and NorthWestern officials say they try to work with customers who fall behind in their payments. Though disconnections can happen 30 days after notification, that typically occurs only in extreme situations where customers are ignoring notifications or aren't responding at all.

"We won't shut anyone off if they are working on a payment schedule," Clark said.

That's true of MidAmerican and NorthWestern as well, Reinders and Rapkoch said.