

Are there any other plans I should consider?

Yes, you can pay on the “budget plan”. In this case your annual estimated bill is spread out over 11 months. For example, if your annual estimated bill is \$3600, you would pay \$300 per month. If your usage is higher, you have to make up any difference in the 12th month. If it is less, you would get a credit.

What option is best for me this winter?

There is no right answer for everyone. To figure out what your payments will be, you will need to know your annual estimated bill and how much you owe. You should ask the utility company to estimate what your payments will be. Or you should go to a community agency such as Salvation Army and ask for their help.

What other help is available to prepare for the winter?

Home Heating Tax Credit - You can also apply for the Home Heating Credit through the State of Michigan. If you are eligible, the amount is based on your household income, exemptions and heating costs. If you are receiving any cash benefits from the Department of Human Services, the heating credit will be applied directly to your bill. You may qualify even if your heat is included in your rent or if you shared the utility bill with someone else. You must apply by the September 30th after the end of the tax year for which you want a credit.

Contact the Michigan Department of Treasury at 1 800 367-6263 for more information or go to www.michigan.gov/treasury. *Weatherization* - Your local Community Action Agency may be able to help you with caulking, weather stripping, insulation and smoke detectors if low income guidelines are met. The Michigan Public Service Commission offers free brochures that can give you other ideas on how to cut your utility bill. Call (800)292-9555 to ask for a copy.



PREPARING FOR WINTER HEATING BILLS:

Is the Winter Protection Plan Right for You?



The Winter Protection Plan protects both seniors age 65+ and low-income customers from shut-offs from November 1 through March 31. This booklet will help you understand how the Plan works.

The rules in this pamphlet apply only to “regulated” utility companies that provide natural gas and electricity. This includes Consumers Energy and Detroit Edison. **These rules do not cover propane, heating oil, water or telephone service.**

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Am I eligible?

You can sign up for the plan if you are either a) over age 65 or b) you receive food stamps or Medicaid. Or you can sign up if your household income is below 150% of the what the government says is “poverty” for the year based on your household size. In 2007-08, for example, a 3 person household would qualify if their yearly income is below \$25,755 (\$2146 per month). Your utility company can give you the exact income limits for your family size for the current year. The Winter Protection Plan is available only from “regulated” utility companies like Consumers Energy or Detroit Edison. You can’t use it for propane gas, oil, coal or wood heat.

How can the Plan help me?

It provides you with shut-off protection during the winter heating season (November 1 through March 31). But you will have to pay what you owe by the end of the year.

How do I sign up ?

Generally you sign up by contacting the utility company between November 15 and 30. You will need to both pay your current bill and 1/12 of anything you owe in order to sign up, unless you are age 65 or older.

What if I can’t make a required monthly payment?

If you don’t make a monthly payment that is due, the utility company will take you off the plan. You will lose shut-off protection. The utility company does not have to offer you another payment plan. It is still a good idea to contact the utility company as soon as you know you are having trouble making a payment. They may agree to some kind of payment arrangement.

NOTE: Always make your payments on time —you can be taken off the plan and lose shut-off protection if ONE payment is late!

How much do I have to pay while on the plan?

This is different for every person and changes during the year.

A. November 1 to March 31 - The winter heating season

If you owed anything on your bill at the time you sign up for the plan, you have to pay 1/12 of that amount unless you are age 65 or older. You must *also* pay at least 7% of your “estimated annual bill”. This is the amount that the utility company thinks you will pay for utilities over the whole year based on past usage at your address. You can call your utility company and ask how much this will be for you.

Example: You owe \$840 when you sign up. Your estimated annual usage is \$3600. Your monthly payment will be \$322 per month during the heating months. If you pay this, you are protected from a shut-off.

B. April 1 through October 31—No shut-off protection

Starting April 1st, you lose shut-off protection. You have 8 months to pay off what is still owed from the winter months. You must also pay all your regular monthly bills.

Example: At the end of the heating season, you still owe a total of \$1400. Pay your current monthly bills *and* 1/7 of anything that you still owe the utility company as of the end of March. In this case, you would pay the current bill **PLUS** \$200

NOTE: The more you use heat and electricity in the winter, the more you will have to pay in the summer. It pays to save energy! Turn down your heat at night and when you are not home. Turn off lights, TVs and stereos when you’re not using them.