

Forecasters Predicting Cold, Wet Winter For Most Of Midwest

The first signs of the upcoming winter season are fast approaching. Temperatures, which hovered in the 90s, start to drop to the low 80s and then to the upper 70s and trees begin to lose their leaves. Still we aren't thinking about the cold winter weather that often lies just around the corner. It's a fact. Winter will soon be here with blustery winds, frosty precipitation, sleigh rides, numb fingers and higher energy bills.

According to the 2014 *Farmers' Almanac*, the Midwest will experience below-normal temperatures and above-normal precipitation for the 2013-2014 winter season.

Are you prepared? Do you have a plan for you and your family to safely brave winter's wrath?

Dealing with harsh temperatures, higher energy costs, the possibility of power outages and losing service during extreme weather is difficult for many consumers. You cannot control the weather, but you can control how prepared you are to deal with it. Missouri weather seems unpredictable and can change quickly. Being prepared is essential to coping with cold temperatures and winter storms.

What You Can Do To Prepare

Develop an emergency plan for you and your family that includes a plan for shelter, if necessary, and a storm kit. Ensure that all family members are aware of the plan. Post emergency telephone numbers in an accessible place so you can quickly contact emergency personnel and family members. If someone in your household is dependent on electric-powered, life sustaining medical equipment, contact your utility company to inquire about the company's Medical Registry

policy. It is important to follow these life saving measures before severe weather hits.

To protect the health and safety of residential customers, the Missouri Public Service Commission adopted the Cold Weather Rule. Since its inception in 1977, the PSC has modified the rule several times with additional provisions to help customers keep their heat on during the winter. Today, the Missouri Cold Weather Rule places restrictions on disconnecting heat-related service from November 1 through March 31. For instance, utility companies under Commission

jurisdiction are prohibited from disconnecting heat-related service when the local forecast for the following 24-hour period predicts the temperature will drop below 32 degrees.

The rule also provides an option to enter into a more lenient payment arrangement with the natural gas or electric company that is providing you with

heat-related service. Customers 65 years of age or older and qualifying disabled customers can register with the utility company and receive additional protections.

If you are unable to pay your bill in full, ensure your heat-related utility services stay on by establishing and maintaining a payment arrangement with the utility company. If you are eligible, the utility company will enter into a payment agreement with you.

If your utility company offers a budget-billing plan, consider enrolling. Participation in an average or budget-billing plan provides more certainty about what you will pay each month. Be proactive and communicate with your utility company, address any potential payment issues before they become a bigger problem that could leave you without heat during extremely cold temperatures.

Examine ways to cut down on energy use. Contact your utility company for home energy



audits and suggestions to make your home and business more energy efficient. Caulk and place weather-stripping on doors and windows that leak air.

Add attic insulation if necessary. Have the furnace checked and tuned-up, if needed. Replace filters regularly.

Often we read or hear stories about a tragic event where someone has tried to find an alternative to heating their home due to an inefficient or non-operating furnace. The Commission urges you to NOT attempt any of the following:

1) Never use an outdoor barbeque to heat an indoor space. Outdoor barbeques emit carbon monoxide which is a colorless, odorless, tasteless, and deadly gas.

2) Never use a generator inside the home, garage, crawlspace, shed, or any other enclosed space. Deadly carbon monoxide can quickly build up in these areas and can linger for hours, even after the generator has shut off.

3) Never use candles as a heat source.

4) Never use ovens to heat your house. You can get warm standing near an oven, but opening the oven door or leaving the stove top burners on poses a serious risk. Additionally, there isn't any mechanism to circulate the warm air to other parts of the house, so it is more expensive to run than even an inefficient furnace.

5) Never use dryers to heat your house. Not only is the dryer a more expensive heat source than a furnace, it is a fire hazard. Additionally, gas dryers emit deadly carbon monoxide and need to be vented outside.

The Commission, through its Be Energy Efficient (BEE) campaign, is providing consumers with very useful information designed to empower them to take control of their energy usage. The Commission promotes no cost, low cost and long-term conservation steps you can take to reduce energy usage and save money. Log on to www.beenergyefficient.org for energy saving tips.

What To Put In Your 'Storm Kit'

Consider creating a "Storm Kit" with these items:

- Flashlights and Batteries
- Battery Powered Radio
- Bottled Water
- Non-perishable Food
- Items For Infants and Elderly
- Blankets
- First Aid Supplies
- Medications
- Hand-Operated Can Opener
- Identification
- Copies Of Important Documents

Cold Weather Rule Facts

- Prohibits disconnection of heat-related service from November 1 through March 31 when the temperature is forecasted to drop below 32 degrees.
- Allows you to budget your payments over 12 months.
- You may be able to extend payment of pre-existing arrearages beyond 12 months.
- Does not require a deposit if payment agreement is kept.
- Requires that you be notified before your service is shut off.
- Allows you to register with the utility if you are 65 years of age or older; disabled to the extent that you have filed with the utility a medical form submitted by a medical physician attesting that your household must have natural gas or electric utility service provided in the home to maintain life or health; or if you have obtained a formal award letter issued from the federal government of disability benefits.
- Requires you be notified of possible financial help in paying your bill.
- Allows reconnection of your service for less than the full amount owed.
- Prohibits disconnection of registered low-income elderly or disabled customers who make a minimum payment.
- Additional provisions for natural gas customers: Allows customers who defaulted on a previous Cold Weather Rule payment agreement to make an initial payment of 50% of his/her outstanding balance or \$500, whichever is less, with the remaining amount deferred to be paid in a Cold Weather Rule payment agreement plan over 12 months.

Low Income Weatherization Program Provides Services To Help Consumers

The federal Low Income Weatherization Assistance Program (LIWAP) provides home-improvement services that can help lower utility bills while ensuring health and safety to Missouri's low-income households.

Weatherization is a long term solution designed to assist people who are hit the hardest by high utility costs, especially the elderly, children, and those with physical disadvantages. Low-income customers are less likely to have the money to absorb increases in monthly utility bills or make their homes more energy efficient. Homes of low-income customers are often among the least energy efficient.

A weatherized home saves an average of \$437 per year on heating and cooling costs, according to the Energy Information Administration.

The oil embargo in 1973 dramatically increased heating oil prices. Subsequently federal natural gas deregulation, which started in the late 1970s, resulted in an increase in the supply of natural gas, but also led to substantial increases in both the wholesale and retail price of natural gas. Increases in home heating bills led to widespread efforts to conserve energy by increasing the energy efficiency of homes and the establishment of LIWAP under Title IX of the Energy Conservation and Production Act of 1976.

The federal LIWAP mission is to reduce the energy burden on low-income residents by installing cost effective efficiency measures, while ensuring health and safety. LIWAP benefits Missourians because it helps to: 1) reduce energy usage; 2) make housing more affordable; 3) increase the efficiency of existing housing; 4)

alleviate substandard living conditions; 5) provide a safer, healthier living environment; and 6) reduce the risk of homelessness.

During the process, a weatherization agency will ask the consumer to complete an application and provide information, such as income statements, to verify eligibility. Renters can also apply for program assistance, but their landlord will need to cover some of the cost and give permission for the work to be done.

Once eligible, the consumer will be placed on a list to have an auditor from the agency conduct an energy audit of the home. The energy audit determines what actions need to be taken for health and safety reasons, and what actions will have the greatest energy savings.

After the audit is complete, an agency crew or contractor will install recommended measures to the home. A quality control inspector will check to ensure the quality of work and completeness.

Energy education is also conducted as part of the weatherization process. The Department of Economic Development Division of Energy (Division of Energy) monitors weatherization agencies to make sure state and federal guidelines are met.

Low income weatherization has been federally funded in Missouri since the late 1970s. The Division of Energy manages the federal funds and determines the subcontractor agencies that will qualify applicants and oversee the weatherization.

Funding for low income weatherization programs has been available in Missouri for over 20 years. In a 1992 rate case, the Commission authorized ratepayer funding of a low income



Consumers applying for weatherization will be asked to complete an application and provide information, such as income statements, to verify eligibility. Renters can also apply for program assistance, but their landlord will need to cover some of the cost and give permission for the work to be done.

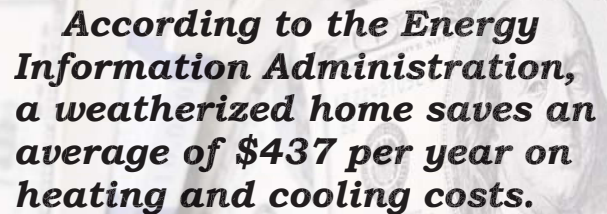
weatherization program by approving an agreement that included a short-term experimental program conducted by the Laclede Gas Company. This program was available for a limited number of low-income customers in Laclede's St. Louis service area. The Laclede experimental program was proposed by the Office of the Public Council, the state agency that represents residential consumers before the Commission. The Commission Staff and the Division of Energy participated along with Laclede in the development of the experimental program.

Weatherization was conducted by an agency in St. Louis that was already performing low income weatherization using funds from the Division of Energy. The experimental Laclede program provided a good experience and guidance for subsequent programs.

In the mid-1990s, the Commission approved a LIWAP for the Kansas City area in a Western Resources natural gas rate case. When Missouri Gas Energy (MGE) succeeded Western Resources as the Kansas City natural gas local distribution company (LDC), the LIWAP was modified and later expanded to the entire MGE service area in Missouri. The program continues today.

Ratepayer-funded LIWAP has since been implemented by local gas distribution companies throughout Missouri and many of those programs continue today.

Around 2000, the Commission approved an Ameren Missouri electric low income weatherization program as part of the settlement of a complaint case. The other Missouri electric com-



According to the Energy Information Administration, a weatherized home saves an average of \$437 per year on heating and cooling costs.

panies subsequently received approval for low income weatherization programs.

Ratepayer funding for weatherization of low-income customer homes is seen as a way to reduce unpaid bills and service shutoffs due to nonpayment. It also plays a role in reducing customer payment arrearages which are ultimately absorbed by all ratepayers.

Utility ratepayer funded low income weatherization programs have enabled a number of low-income homes that can be weatherized. Each utility company program has unique features, but all the programs are designed to enable the local weatherization agency to best serve the customers in the company's service area. Several of the utilities have had their LIWAP independently evaluated, and they have been found to be generally cost effective.

*Contributing to the articles on Pages 3-6 were **Contessa Poole-King** (Policy Analyst I), **Henry Warren** (Regulatory Economist II) and **Michael Stahlman** (Regulatory Economist III) of the PSC Staff.*

The Missouri Low Income Home Energy Assistance Program

The Missouri Low Income Home Energy Assistance Program (LIHEAP) has two components: Energy Assistance/Regular Heating (Energy Assistance) and Energy Crisis Intervention Program (ECIP).

Energy Assistance is designed to provide financial assistance to help consumers pay heating bills from October through March. Eligibility requirements are based on income, household size, available resources and responsibility for payment of home heating costs. Eligibility for Energy Assistance may also qualify individuals for additional financial assistance from ECIP, when threatened with discontinuance or service has been discontinued.

Missouri's Department of Social Services, Family Support Division (Family Support Division), works in partnership with the Missouri Association for Community Action (MACA) to strengthen and support the Missouri community action network. Among other programs, the Family Support Division administers and manages LIHEAP and contracts with Missouri's 19 Community Action Agencies to support its purposes. For more information please go to:

<http://www.dss.mo.gov/fsd/eassist/pdf/liheap-information.pdf>

If the 2013-2014 winter season brings colder temperatures and increased precipitation as forecasted, be prepared. For more information on preparedness, log on to the Federal Emergency Management Agency (FEMA) website at **<http://www.fema.gov>** or contact the Missouri Public Service Commission's Consumer Services Unit at 1-800-392-4211. Go to the Commission's website at **www.psc.mo.gov** to learn more about the Cold Weather Rule and how to Be Energy Efficient.



prepare • conserve • save

www.beenergyefficient.org

Take Control Of Your Energy Costs

Explore ways to save energy.
Here are some tips:

NO COST ENERGY SAVINGS TIPS

- Make sure vents are not blocked by furniture or drapes.
- Close off rooms that are not in use.
- Turn off lights not being used.
- Turn down the temperature on the water heater to 115 degrees.
- Let sunlight into your home during the winter and keep it out in the summer.
- Wear extra layers of clothing or blankets in the winter.
- Keep refrigerator base clean, take guard off and clean dirt and debris from underneath refrigerator.
- Clear area in freezer around freezer fan.
- Check your meter weekly to monitor consumption and plan for billing amount.
- Consider setting the thermostat to a lower temperature in winter and a higher temperature in the summer. **Important:** Seniors and people with special medical needs should check with their doctors before changing their normal home temperatures or turning off air conditioning or heating units.



LOW COST ENERGY SAVINGS TIPS

- Replace furnace filter when dirty.
- Caulk around windows and doors.
- Replace conventional light bulbs with efficient light bulbs.
- Install an energy efficient thermostat.
- Replace shower head with a low-flow shower head.
- Install switch and outlet gaskets/foam inserts on outer walls.
- Install plastic on windows.
- Place foam pipe wrap around warm water pipes. *(Keep wrap 12 inches away from heater top).*
- Install a water heater jacket. *(Do not install if heater has foam insulation).*
- Insulate heating ducts that travel through unheated areas of your home.
- Seal up areas around plumbing penetrations on outer walls and fill gaps around the chimney.
- Have your furnace and air conditioner inspected and tuned up before heating and cooling seasons.