

The role of the government in Detroit's deadly house fires

Andrea Peters
6 March 2010

On Tuesday evening three children died in a house fire on Detroit's west side that was sparked by the family's attempt to heat the home after their utilities had been shut off by the local gas and electricity provider, DTE Energy, just hours before.

Both the city and the state government bear responsibility for this tragedy. Far from protecting the rights and needs of the population for basic utilities, the primary aim of authorities in Michigan and Detroit is to protect the profit interests of energy giant DTE, which in turn lavishes campaign contributions on favored politicians.

There are no laws in Michigan or Detroit that would make it illegal for the company to turn off customers' utilities during the winter months, despite the fact that there is a well-known link between poverty, the onset of cold weather, and increased incidences of deadly home fires. Just a few weeks ago, three people in another Detroit neighborhood perished in a similar situation (See: "Three die in Detroit house fire").

While privately owned, DTE Energy is regulated by the Michigan Public Service Commission (MPSC), an official body whose commissioners are appointed by the state's governor, Jennifer Granholm. Ostensibly tasked with regulating state utilities, the MPSC does little more than enforce DTE's demands on consumers.

Len Singer, a spokesman for DTE Energy told the *World Socialist Web Site*, "Virtually every piece of business we do, every rule and regulation we have as far as operating the company [and] working with our customers is under the purview and oversight of the Michigan Public Service Commission. So our billing practices, our practices that we utilize for collection, [and] any practices we have relative to terminating service—all of those are sanctioned by the MPSC... Reviewed and sanctioned by them."

This makes clear that the state government is directly implicated in the circumstances that gave rise to the deadly house fire this week on Bangor Street, and all blazes caused by residents' desperate attempts to stay warm after being denied access to heat and electricity.

The position of the MPSC, as well as that of Governor Granholm, is that Sylvia Young—the tenant of the home and mother of the three children who died—and not DTE Energy, is largely at fault because, according to them, she failed to seek help with her utilities from the MPSC or the utility company. Thus, it

was not only within the right of DTE Energy, but actually its duty, to disconnect the home's unauthorized access to the electricity grid, despite the fact that seven children under the age of 12 resided there and nighttime temperatures regularly dip into the 20s at this time of the year.

"We encourage people, if they even think they're going to have a problem, to contact us," Judy Panlau, a spokeswoman for the MPSC, told the WSW. "There are a number of shutoff programs available, such as the Winter Protection Plan. The utility is also happy to take calls.

"We are still getting more information as to what happened," she added, "but if press reports are accurate and there was an unauthorized hookup, the utility is obligated to shut off as it is a hazard."

When this reporter asked, "But DTE is not obligated to safely restore power to the home?" Panlau simply replied that the family "did not call the commission and did not contact the utility for help."

The office of Governor Granholm took the same position. After making perfunctory comments about Granholm being committed to "protecting Michigan families," a spokeswoman from her office said, "The MPSC shows that this family did not try to gain help."

In response to this reporter's question—"So are you saying that if a family doesn't try to get help then it is legitimate for their utilities to be cut off?"—she repeated, "nobody had contacted the utility for help." Granholm's spokeswoman also refused to answer a question about what should happen "under conditions in which the family cannot get help, does not qualify for help, or [the help] is not adequate," by insisting that was a "question for the MPSC"—a body comprised entirely of Granholm appointees.

For its part, the office of Detroit's mayor, David Bing, issued a three-sentence statement in the aftermath of Tuesday's fire expressing a position indistinguishable from that of DTE, the MPSC, and Granholm. "We are saddened by this loss, and extend our deepest condolences to the family," the statement read. "We also want to remind the community that there are resources available in times of need: Our department of Human Services, THAW, and United Way's 2-1-1."

When the WSW asked Dan Lijana, a spokesman from the Mayor's Office, why the city does not enact a law to make it illegal to shut off people's utilities when it is clear that such actions lead to death, he refused to comment. "The statement is the statement and we're not going to say anything beyond that," he

said.

City and state politicians are well aware that state residents are not protected from shutoffs in the winter. Indeed, under the Frequently Asked Questions section of the THAW web site, a home heating assistance program in Michigan, there is an entry: “Aren’t people protected from shut-off in the winter?” The web site bluntly states:

“Utility companies may voluntarily protect some low-income people. Seniors are protected by law from November to March; however, this protection does not ensure bill payment. Without payment, accounts are subject to shut-off when the protection period is over. Deliverable fuel customers do not qualify for shut-off protection.”

The city of Detroit and the state government are attempting to absolve themselves of their role in permitting the deadly practice of utility shutoffs. Like DTE and the media, they imply that Young is to blame because she supposedly failed to seek help, and that if she had, there would have been adequate programs in place to provide for her needs. Neither is true.

Young, in fact, attended a widely publicized event last summer at the state fairgrounds in which DTE Energy and city authorities indicated people could receive help with their bills. Thousands showed up at the location seeking assistance. Young, whose account is in arrears, went there and said that by the time she got to the front of the line, no more aid was being given out (See “State attempts to victimize mother of fire victims”).

The claim that people could get help if only they would seek it is absurd on its face. In the past year 221,000 households in southeast Michigan have had their utilities shut off, a 50 percent increase in one year.

The assistance programs that the city and state government tout, such as THAW and the Winter Protection Plan, have done nothing to stem the mounting tide of shutoffs.

The Winter Protection Plan is available only between November 1 and March 31 to those who are age 65 or older, receive food stamps or assistance from the Michigan Department of Human Services, or have a household income of 150 percent above the federal poverty threshold (\$22,000 for a family of four).

The MPSC web site describes the program in the following manner: “Winter Protection allows eligible low income customers to make monthly payments of at least 7% of their estimated annual bill, along with a portion of any past-due amount, November through March, and avoid shut-off during that time even if their bills are higher. Eligible senior citizens participating in Winter Protection are not required to make specific monthly payments between November 1 and March 31, but are encouraged to do so to avoid higher bills when the protection period ends. At the end of the protection period, both low-income and senior citizens taking part in the plan must pay off any money owed in installments between April and November in addition to the current bill.”

This much-touted “charity,” in other words, does not reduce the total amount owed, does not lower utility rates, and does not reduce back payments. In return for a moderate decrease in wintertime bills (which may be very large depending on the age and condition of the house), a resident will get hit with a huge bill for back payments during the spring, summer, and fall. If these

bills cannot be met, power will be shut off before the onset of the next winter and will not be resumed until payment is received.

The Board of Directors and Executive Committee of THAW is stacked with employees from utility companies, as well as other corporate entities. Serving as agency chairman is Mark Stiers, the vice president of gas sales and supplies at a DTE subsidiary—that is, someone with a direct interest in ensuring that people are not released from their debts to the utility company.

The policy of the city and state towards utility shutoffs is shaped by extensive and long-standing relationships between elected officials, government agencies, and the utility companies.

On January 22, Mayor Bing announced that the former manager of economic development for DTE, Albert Fields, will now serve as the city’s Group Executive for Planning and play a role in developing measures for reversing the city’s budget crisis.

One of the plans that Bing’s office recently proposed is shutting down whole neighborhoods in the city where the population has declined and relocating the remaining residents. Such a move would be in the interests of DTE Energy, which is currently forced to bear the cost of maintaining power and gas lines to areas in which their customer base has fallen.

Last summer, DTE Energy CEO Anthony F. Earley, Jr. was one of the co-chairs of a campaign fundraiser for Mayor Bing that brought in \$250,000, according to a July 20, 2009 article by *Crain’s Detroit Business*. The utility company was also a major backer of Detroit’s former mayor, Kwame Kilpatrick. In 2005, the DTE Energy Political Action Committee (PAC) gave \$11,800 to Kilpatrick’s campaign and Earley personally donated \$4,400. DTE Energy’s relationship with leading politicians extends to the state and federal level, with a review of its PAC’s donations this year alone showing a wide range of Michigan politicians as recipients.

In order for working people to mount a campaign against the criminal practice of shutting off utilities they must expose and fight against the practices of DTE Energy and the government that sanctions and oversees them.

The WSWS and the Socialist Equality Party are organizing a citizen’s inquiry into the criminal practice of utility shutoffs in the Detroit area. The first session, to be held March 20 (see details below), will gather testimony from residents and experts about the utilities crisis, social conditions in the area, and the role played by DTE Energy and local and state government.

Saturday, March 20, 1 -5 PM

Wayne State University
General Lectures room 150
5045 Anthony Wayne
Detroit MI, 48202



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact