

# Media campaigns against “energy theft” at start of heating season

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With the winter heating season underway in Michigan, the media has stepped up its coverage of the alleged “energy theft” problem gripping Detroit. Under the guise of exposing the dangers and costs associated with unauthorized connections to the gas and electrical grid, an effort is being made to provide the utility company DTE Energy with an alibi for the tens of thousands of utility shutoffs it will carry out—shutoffs that will inevitably lead to house fires and deaths.

Because of high utility prices and the ruthless policies of energy giant DTE and the state of Michigan, tens of thousands of Detroit area households will be forced to tap into the energy grid without authorization and to use unsafe methods to heat their homes—or face the prospect of freezing to death. House fires will inevitably result, such as the one that killed a young Detroit worker Saturday, which was likely caused by a space heater (See “Young worker dies in Detroit area house fire”).

The media is indifferent to the social conditions and corporate practices that have created this disaster. They are instead enlisting in DTE’s effort to pin blame on the victims.

National Public Radio’s (NPR) Sarah Hulett has done two stories on the topic over the past month, with the most recent airing on the station’s popular economics program, *Marketplace*, which is broadcast nationwide. Her November 22 report highlighted the efforts of DTE’s investigation unit to stop “energy theft,” implying that it was largely out of concern for “paying customers.”

Hulett concluded by extolling the philanthropic virtues of DTE, implying that the company offered aid to all those willing to seek it. “DTE officials say they put millions of dollars each year into a fund to help people pay their bills. But they say they can’t help people who don’t seek assistance, and many people never do,” remarked Hulett.

The NPR reporter failed to tell listeners that, as was

revealed during the 2009-2010 heating season (See “Findings of the Citizens Inquiry into the Dexter Avenue Fire”), the money that DTE gives to The Heat and Warmth Fund (THAW), a non-profit sponsored by the region’s utility companies, is grossly inadequate to cover the needs of the population and requires that patrons meet onerous conditions that frequently prove prohibitive. Instead, Hulett allowed Mark Johnson, who leads DTE’s theft unit, to wax on about the stealing committed by “squatters” (in other words, desperate homeless people seeking shelter) living in abandoned homes.

Detroit’s local ABC news affiliate carried a sensationalized program earlier in the month on the activities of “illegal hookup guys,” complete with video footage of an individual getting electrocuted. “It’s a frigid Monday morning in Detroit and DTE Energy’s chief security officer Michael Lynch has just been tipped off about a totally illegal, makeshift, power connection at this house on Stockton Street,” the report begins. “Welcome to the dangerous world of stealing electricity in the city of Detroit. Where criminals scale power poles 100 feet in the air and handle electrical wires carrying more than 12 thousand volts of pure electricity.”

Why this “dangerous world” exists is not interesting to the local media, which takes for granted DTE’s “right” to make a profit on the delivery of the basic human need for warmth and light—but not on the right of people to enjoy those necessities.

Unsurprisingly, industry journals have joined in the crusade. Writing for the online outlet *Energy and Capital*, Nick Hodge recently repeated DTE’s claim that it is witnessing a spike in “energy theft” among those the company insists can afford to pay. The September issue of *PowerGrid International* offers a case study that uncritically reprints DTE’s claim that its biggest concern is the “potential safety hazard” created by unauthorized hookups.

Knowing that people will die in fires at homes without utility service, the media seeks to foster the idea that the source of the problem is unauthorized hookups—not the fact that hundreds of thousands of people in Southeast Michigan are forced to live without utilities. The press reports ignore the fact that were it not for utility companies’ policy of shutting people off for non-payment, the need for unauthorized hookups and thus, the fire danger they create, would not exist.

Indeed, while praising DTE’s efforts to stop “energy theft,” there is no mention of either the ongoing rate hikes that have made heat and electricity unaffordable for area residents or the extraordinary social crisis facing Detroit and Michigan as a whole, where hundreds of thousands have lost jobs, suffered wage cuts, or gone into foreclosure.

These same conditions are forcing millions of households across the country to choose among utilities, food, medicine, and other necessities. In October, the National Energy Assistance Director’s Association released a statement predicting increases in home energy prices and record levels of households seeking assistance with their bills. The average cost of heating a home this winter will be 24 percent higher than it was five years ago, with those who rely on deliverable fuels (oil and propane) having to pay approximately 80 percent more.

The consequences of the high prices will be disastrous, with around 9.4 million households becoming eligible for aid with their utility bills, a 6.8 percent increase over last year’s 8.8 million. At the same time, due to the gutting of federal financing for the Low Income Home Energy Assistance Program (LIHEAP), only 28 percent of these families will actually get any help. Those that do will see the average size of their grants decline from \$426 to \$276.

For DTE and other utility companies, the primary issue is not the population’s wellbeing, but corporate profits, a fact that is freely acknowledged by industry publications. According to *PowerGrid International*, “energy theft” creates revenue losses of \$6 billion annually nationwide. DTE claims losing \$45 million a year from unauthorized hookups and meter tampering.

One element of current press coverage of “energy theft” focuses on the crimes supposedly committed by small businesses. According to DTE, while residential customers make up the majority of instances of “energy theft,” small businesses account for the majority of total revenue losses.

“For many small businesses, such as restaurants and Laundromats, the cost of energy may be one of their

largest expenses—and some see energy theft as a creative way to improve their bottom lines,” notes *PowerGrid International*. The industry magazine fails to note that these sorts of enterprises are, like most Detroit-area residents, barely staying afloat in the present economic climate.

The campaign against “energy theft” is not restricted to media coverage. In addition to creating a 30-employee “revenue protection” unit, DTE has now employed the services of a company named Detectent, which provides “customer intelligence solutions” for utility companies. In a manner reminiscent of George Orwell’s *1984*, this San Diego-based outfit reportedly helps DTE gather information about not just consumers’ power usage, but all aspects of their behavior. According to *PowerGrid International*, Detectent “us[es] information from many sources, advanced analytics and proven processes,” in order to help DTE “firmly execute its zero tolerance policy toward energy theft.”

In opposition to this campaign, the Committee Against Utility Shutoffs (CAUS), is continuing its work to mobilize Detroit-area residents, and working people throughout the country, against the utility companies’ criminal rate and shutoff policies. Last Thursday, CAUS held a well-attended meeting in the city at which members discussed forthcoming work in the community. CAUS insists that utilities are a basic social right and should be provided to all people regardless of their ability to pay. No human being should ever be forced to live without heat or electricity, and utility companies should be publicly owned enterprises run in the interests of the population, not private profit.



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