

Thousands line up for heating assistance in Detroit

Shannon Jones, Lawrence Porter
23 November 2011

An estimated 6,500 people seeking help with gas and electric bills crowded downtown Detroit's Cobo Hall Monday at DTE Energy's Customer Assistance Day. The turnout was double that of a similar event held last year and speaks to the deepening misery facing ever wider layers of the population in Detroit, the poorest big city in America.

DTE spokesperson Scott Simon told the WSWWS that people began lining up as early as 6 a.m. and that the numbers were so great that by noon company officials began turning people away.

Customer Assistance Day is largely a public relations stunt on the part of DTE. This year's event was the culmination of a "Week of Warmth," billed as an effort to raise awareness about the conditions of vulnerable families heading into the winter months.

At any rate, those attending the event found scant help available. Those whose utilities were already shut off were told they could get nothing. According to DTE, it planned to hand out a little over \$1 million in assistance through various agencies, including The Heat and Warmth fund (THAW) and the Department of Human Services. This is a drop in the bucket compared to the massive need.

DTE officials were clearly taken aback by the size of the turnout. As the crowd increased in size throughout the morning, officials became increasingly concerned. A WSWWS reporter heard one DTE supervisor say, "We don't want to see a repeat of what happened last year," when there was a near riot because people thought they were getting help. "We have to stop people from coming down here, otherwise anything could happen."

Tura Stewart, one of those attending the event, spoke to the *World Socialist Web Site* afterwards.

She said, "Most of the people who came down to the event didn't receive any help."

Tura is on a payment plan of \$213 a month, but missed her payment last month because she worked shorter hours. "I paid my bill on time for two years and yet they threatened me with shutoff because I missed one payment. I paid my bill faithfully and I am not on any government services."

Through the end of October 2011, an estimated 330,000 people this year have had their utilities disconnected by Michigan power and gas monopolies DTE and Consumers Energy. Utility shutoffs are a national problem. Some 4.3 million households had their utilities shutoff in 2009 and the number is rising.

While need is increasing, the funding available for heating assistance is being slashed at the state and federal levels. The Obama administration is recommending that funding for the federal Low Income Heating Assistance Program (LIHEAP) be cut by as much as one-half. In Michigan, the courts are currently holding up money for the Low Income and Energy Efficiency Fund (LIEEF).

DTE and Consumers Energy are concerned about the cuts in heating assistance from the standpoint of the potential loss of income and profits they face due to uncollectible bills. The companies are therefore backing a proposal by the Michigan Public Service Commission for a utility surcharge to compensate for the revenue lost due to so many households being behind in their payments. The new fund would solely benefit the utility giants. It would not be used to provide aid to those facing shutoff.

The rate surcharge would compound the difficulties so many working people already face in paying their

utility bills. Even without the rate surcharge, DTE is making enormous profits. On September 30 the company announced pre-tax earnings of \$561 million.

The cuts in assistance and threat of further rate hikes come as more and more people are being driven to the edge. Recent cuts to the Michigan welfare system have slashed cash assistance to 41,000 residents of the state, including 29,700 children.

In Detroit, Democratic mayor Dave Bing recently announced plans to demand a 10 percent pay cut from city employees and carry out one thousand layoffs. This follows round after round of devastating cuts in Detroit, including the closing of dozens of schools, fire stations, libraries and recreation centers. Bing has proposed to shut down whole neighborhoods deemed “unviable,” eliminating basic services such as fire protection and trash pickup to drive residents out. Certain members of the Detroit City Council are demanding even more drastic cuts.

These attacks will add to the suffering in a city facing mass unemployment and pervasive poverty. The official unemployment rate in Detroit is over 28 percent with real unemployment hovering around 50 percent. Nearly 40 percent of all Detroit residents and more than one half of the city’s children already live in poverty.

Supporters of the Committee Against Utility Shutoffs distributed hundreds of copies of a statement entitled “Oppose all utility shutoffs! Heat and Light are a Social Right!” to those attending the DTE Energy event. It stated in part, “DTE’s ‘Energy Customer Assistance Day’ has nothing to do with genuinely helping residents keep their gas and lights on. It is a public relations stunt by the company supported by Mayor Dave Bing’s administration. It is intended to give the appearance of generosity, even as the utility giant continues to terminate service to households everywhere, while paying multi-million dollar salaries to its executives and generating massive profits for Wall Street investors.”

The statement continued, “Why should so many people suffer so much to generate profits for so few? Millions live without power, cities are going dark and the Democrats and Republicans join hands to cut needed social services while bailing out banks and corporations.

“The Committee Against Utility Shutoffs was founded to mobilize working people in opposition to

DTE, the utility giants and their backers, the Democrats and Republicans. We call on you to join and fight with us.”



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact