# ADDRESSING DISPARITIES IN ENERGY BURDENS

## A COMMUNITY INFORMED PROJECT

#### AGENDA

Introductions

Review of project thus far

"Missouri Energy Burden Explorer" tool – FIRST LOOK

"Resource Navigator" tool – FIRST LOOK

Questions

## **PROJECT PARTNERS**

#### Renew Missouri

- Renew Missouri is a 501(c)(3) founded in 2006 and focused with a mission of advocating and championing for renewable energy and energy efficiency throughout the state.
- Advocacy before the Public Service Commission, the Missouri General Assembly, local governments, and with utility companies and clean energy industries.
- Andrew Linhares, Tori Cheatham



#### **Consumers** Council

- Consumers Council of Missouri works to build a more inclusive and equitable community through advocacy, coalition building, collaboration, and community education. 501(c)(3) founded in 1971.
- Advocates on behalf of residential utility consumers, pushing for a rate design that does not unfairly burden underserved households.
- Jackie Hutchinson, Sandy Padgett





#### PROJECT OVERVIEW

- In 2022, Renew Missouri and Consumers Council were granted funds to research energy burdens in the St. Louis Metro area.
- Our aim is to reduce energy burdens and improve health outcomes for vulnerable populations.
  - Develop an interactive web-based tool displaying energy burdened areas. Our analysis and webtool will identify and quantify disparities in energy burdens based on available data, including looking at energy burdens along racial/ethnic and geographic line.
  - Use tool, grassroots support, and advocacy, to secure more funding and programs to address energy burdens in the area.

#### SCOPE OF WORK, 3-YEAR OUTLOOK

#### <u>Year I</u>

- Work with partners to secure data including, utilities, census data, credit data, and other sources.
- Public engagement campaign around energy disparities.

#### <u>Year 2</u>

- Develop and launch Energy Burden Explorer tool, and Energy Resource Navigator
- Release report(s) and engage media.
- Identify policy tools to close disparities in energy burdens and resource access.

#### <u>Year 3</u>

- Conclude negotiations with utilities and secure new designs for low-income energy assistance and energy efficiency programs. Use energy burden analysis to target specific communities, demographics, and populations to create the largest impact possible with the resources available.
- Goal = reduce energy burdens, disconnections, and arrearages for those communities most impacted.

#### ENERGY BURDENS: WHAT YOU NEED TO KNOW



## WHAT IS AN ENERGY BURDEN?

"Energy burden" is defined as the percentage of gross household income spent on energy costs.



- A household can experience a high energy burden when a large portion of their income goes to home energy costs (e.g., electricity, natural gas, and other home heating fuels).
- On average, U.S. households spend 3% of their household income on energy.
- The average energy burden for low-income households is 8.6% (almost three times higher than the average).

### LOW-INCOME ENERGY BURDENS

**GT3.5X** 

The median energy burden

of low-income households

is 3.5 times higher than

that of non-low-income

households

- A quarter of low-income households have an energy burden above 14.4%.
- 25% of households have high energy burden above 6%.
- In some areas, depending on location and income, energy burden can be as high as 30%. Of all U.S. households, 44%, or about 50 million, are defined as <u>low-income</u>.
- African American households have an average 45% higher energy burden than non-Hispanic, white families.
- Hispanic families have an average 20% higher energy burden.
- Native Americans have an average 43% higher energy burden.

The median energy burden of low-income multifamily households is 2.3 times higher than that of multifamily households

**© 2.3X** 

The median energy burden of Black households is 45% higher than that of non-Hispanic white households.

#### HOME ENERGY COSTS IN ST. LOUIS

- The burden of high home energy costs is felt disproportionately by low income and African American St. Louisans.
- Nearly 52% of low-income households and 48% of black households in St. Louis face energy burdens that are more than twice the citywide median.
- Inability to pay utility bills can lead to housing insecurity and eviction.
- Of the 48 largest cities in the United States, St. Louis places the 6th highest energy burden on black households



#### ENERGY BURDEN AND HEALTH IMPACTS

Health-energy nexus

- Home energy efficiency is related to breathing diseases like COPD and asthma.
- Many studies have linked home energy efficiency with improved outcomes for patients with respiratory diseases (Wingardh, Goransson, & Larsson, 2020) (Osman et al, 2008)
- Poor quality homes are associated with childhood asthma, particularly among African Americans.



Number of emergency room visits (per 1,000 residents) due to asthma in St. Louis bt race, 2010-2015 ((Environmental Clinic at Washington University, 2019).

#### COMMUNITY ENGAGEMENT

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#### Community Advisory Committee to assist us with:

- I. Community Engagement and Education;
- 2. Advocacy for equity and access to affordable energy;
- 3. Affordability Programs/ Medical Needs Registries;
- 4. Increased access to energy Efficiency Programs;
- 5. Participation in Rate Case Interventions; and
- 6. Participation in Long-Term policy reform.



#### WEB PLATFORMS (IN PROGRESS)

I. Missouri Energy Burden Explorer tool: <u>https://app.power-d.city/dashboard/missouri</u>

11. Missouri Energy Resource Navigator: <u>https://renewmo.org/missouri-energy-</u> <u>resource-navigator/</u>

Other tools: <u>https://renewmohomes.com/</u>

### ENERGY EXPLORER TOOL

- Tool built and analysis performed by our data partners at Power-D.City
- Provides visualization of energy burdens and related factors (income, energy costs, race and other demographic factors), aggregated at the census tract level.
- Uses real electric and gas utility data from Missouri utilities (Ameren, Spire, and soonto-be Evergy)
  - Ameren: In 2021 rate case (ER-2021-0240) Stipulation, Company made commitment to share energy burden-related data (usage, billing, disconnections) for all residential customers. Megan Hegger's team worked with us to aggregate by census tract, and exclude outlier meters.
  - Spire: voluntary participation in project, sharing similar data to Ameren. Jennifer White and data expert Vidya Sadhanala currently working with us on residential data.
  - Evergy: In 2022 rate case (ER-2022-0129) Stipulation, Company made similar commitment to Ameren's. We have had recent discussions with Kim Winslow and Theresa English's teams in which they have agreed to provide us with data aggregated at the census tract level.





#### ENERGY RESOURCE NAVIGATOR

- Lists all billing assistance and energy efficiency programs available to customers, including both utility and government resources.
- Intended to simplify available resources and guide customers through the process
- Features:
  - Billing assistance (temporary) and energy efficiency (more permanent) are given equal focus
  - Resources listed in terms of recommended order of priority, decided through input from advocates and communities.
  - Includes an Income Qualification tool that will filter which programs you may qualify for based on your income, family size, and your utility.
- Currently designed only for the Ameren and Spire territories, hope to include Evergy and others as well.





## QUESTIONS,

#### COMMENTS,

#### REACTIONS

#### Thank you for your time!

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