The utility affordability crisis: A call to simplify access to energy assistance programs

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It won't surprise most people to learn that there's a growing affordability crisis in the utility sector. According to the US Census, nearly 64 million people survive below 150% of the federal poverty threshold. These customers struggle to pay utility bills. More than 60% of low-income households in the US face a high energy burden, with some paying more than 20% of their income on utility bills, according to the Alliance to Save Energy's Energy Efficiency Impact Report.

Commit to energy assistance strategies

Sign the petition to make it easier for vulnerable utility customers to access critical, available energy assistance and affordability services.

Sign the petition

According to our research, low- and moderate-income (LMI) customers remain worried about paying utility bills in the near future. And a growing number are in debt to their utility and are energy insecure, leading them to forgo other household needs to pay their utility bill.

We're taking the next step with a petition to urge power utilities, regulators, and other industry partners to make it easier for vulnerable customers to access critical, available energy assistance and affordability services.

Are current utility offerings doing enough?

Many utilities and public assistance agencies have been tasked with helping these customers pay their bills or lower their energy use and costs. Billions of dollars have been pledged through the Inflation Reduction Act and accompanying Justice40 Initiative. But assistance programs remain widely undersubscribed.

Programs such as bill payment assistance, weatherization, energy efficiency, and others can help utility customers better afford or lower their energy bills (along with offering a variety of non-energy benefits such as health and safety and local economic development).

According to the Rocky Mountain Institute article A Severe Winter Means High Energy Bills, millions of eligible customers aren't receiving any assistance, and participation in the Low-Income Home Energy Assistance Program (LIHEAP) is less than 20% in most states. Demand-side management programs for LMI customers are reaching just a small fraction (5%) of households that need assistance, according to the American Council for an Energy-Efficient Economy report Meeting the Challenge: A Review of Energy Efficiency Program Offerings for Low-Income Households.

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Help where utility customers really need it

LMI customers are aware of utility programs and are highly interested in learning how to reduce their utility bills. Yet their actual participation in utility programs is much lower, lagging other income groups, according to E Source market research on thousands of utility customers nationwide. It's our job to make it much easier for vulnerable customers to prove eligibility and enroll in these programs. To do this, we must take the following actions.

Enable categorical eligibility. When a customer qualifies for one program, automatically trigger eligibility for other assistance programs.

Enter into data-sharing agreements. When one state agency gathers LMI customer information for its programs, they should share those files with other assistance providers so the customer doesn't have to reinvent the wheel every time they apply for assistance.

Simplify program enrollment and digitize documents. Reduce required paperwork and allow customers to submit a wider range of digitized, qualifying documentation.

Trigger automatic renewals of customers' eligibility and enrollment in programs. Autorenewals will prevent agencies from unnecessarily removing customers from the rolls, often without their knowledge.

Allow customers to self-attest. Customer should be able to report their income or eligibility for participation in assistance and affordability programs without too much red tape. Maintain integrity through audits.

These improvements can streamline access to assistance for millions of households today and in the future. We invite you to sign our petition and demand better support for LMI customers.

Case study: Using data-driven insights to design a meaningful payment assistance campaign for LMI customers

JEA was on a mission to better serve and support its most vulnerable customers. After attending the annual meeting of the E Source Low-Income Energy Issues Forum, where E Source shared eye-opening survey results, JEA was inspired to develop a more informed and empathetic strategy to spread

awareness of bill payment assistance options.

JEA’s compassion-driven email campaign reached more than 30,000 customers. Its emails received over 1,000 clicks in the first two weeks of the campaign, and content about payment extensions resonated with 25% of recipients.

The utility plans to use E Source data to inform future marketing campaigns and provide LMI customers with assistance that meets their needs.

Read the case study

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