APRIL 2021 VOL. 1

THE ENERGY RIGHTS PROJECT

Quarterly Research Newsletter

Rising Water Rates in Philadelphia Despite Widespread Water Unaffordability

By Morgan Sarao

On February 16th, 2021, the Philadelphia Water Department (PWD) filed formal notice of its request for $141 million in rate increases. If approved, a typical residential customer's monthly bill will go up by more than 17.5%. Although the Philadelphia Water Department announced it will postpone residential shutoffs until April 2022, they simultaneously plan to raise rates by $141 million over the next two years. Households with degraded infrastructure in low-income neighborhoods that use more water due to leaks would likely receive bills that are much higher, leading to cumulative water debts that will debilitate residents long after the COVID-19 pandemic ends.

The Energy Rights Project, which studies utility insecurity in Philadelphia and barriers to affordable energy such as water, has been documenting this rate case as part of our larger effort to show the struggle between utility companies trying to stay afloat, and citizens who need access to affordable energy.

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The End of Pennsylvania's Utility Moratorium

By Briana Leone

What are utility moratoriums? Moratoriums are usually issued independently by utility providers or by State Utility Commissions to interrupt household utility disconnections. Each year in Pennsylvania there is a moratorium on gas and electricity shutoffs between November 1st and April 1st. This protects customers from disconnections during the coldest months of the year.

Given the unprecedented and devastating health and economic effects of the COVID-19 pandemic, PA extended its annual shutoff moratorium through summer 2020 and into the following winter season. However, in mid-March 2021, Pennsylvania's Public Utility Commission decided to resume shut-offs, effective April 1st (CBS Philly, 2021).

As shutoffs resume, new protections have been provided for customers in response to ongoing health and economic risks. These include:

- Customers within 300% of the Federal Poverty Line (i.e. $78,600 for a family of four) cannot have their utilities terminated.
- Utility companies are to extend the 10-days notice to 20 days.
- Small businesses should be placed on an 18-month payment period.
- Protected customers should have connection/reconnection and late payment fees waived.
- Income eligibility should come with flexible verification.

Not all moratoriums have ended, however. The Philadelphia Water Department, for example, has extended its moratorium to April 1, 2022 (PWD, 2021).

CBS3 Philly. (2021, March 11). "COVID in Pennsylvania: Commonwealth to lift last moratorium on utility shutoffs." https://philadelphia.cbslocal.com/2021/03/11/covid19-coronavirus-pennsylvania-lift-moratorium-utility-shutoffs/

Philadelphia Energy Authority. (2020, Nov 12). "Utility Shutoffs Allowed with Restrictions by Pennsylvania Public Utilities Commission." https://philaenergy.org/utility-shutoffs-allowed-with-restrictions-by-pennsylvania-public-utilities-commission/

Philadelphia Water Department. (2021). "COVID-19: Our latest updates as Philadelphia responds to COVID-19" Retrieved from https://water.phila.gov/covid-19/

RESEARCH DIRECTOR'S MESSAGE

In this first volume of the Energy Rights Project quarterly newsletter we are excited to share findings from our "Shifting Energy Demands During COVID-19" survey project. Between May and June 2020 we surveyed 86 people, and between December 2020 and February 2021 we surveyed 83 people. The surveys are conducted over the phone and feel like interviews because they are conversation-based. On average, it takes about an hour to complete the survey and participants receive a $25 gift card. You can access all our survey data and analysis at the project website, energyrights.info. For information about participating in the survey, skip to the last page.

Rising Water Rates (continued)

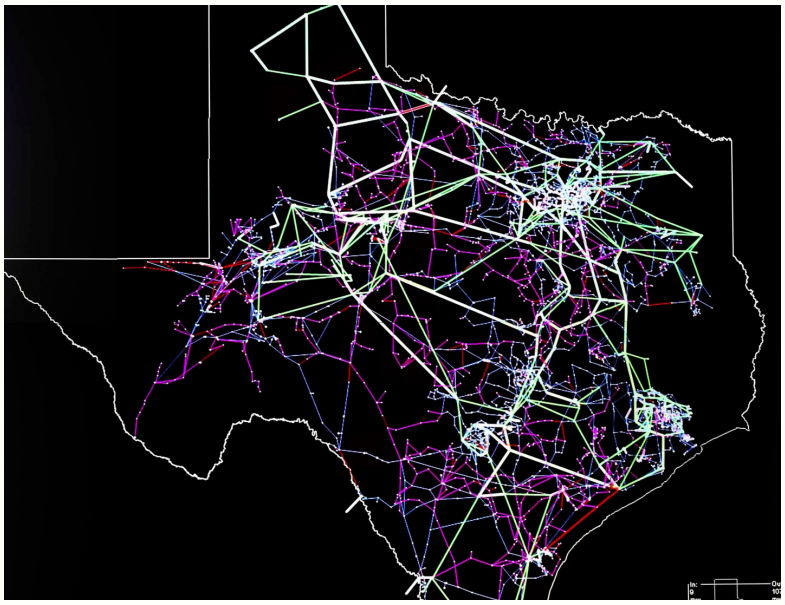
The water affordability crisis now coincides with the COVID-19 pandemic, where household energy insecurity -- which is defined as the inability to afford basic necessities such as clean water, electricity, and heat -- is exacerbated. This is a circumstance not only affecting households that are typically vulnerable to energy insecurity, but also households of working America that are newly energy vulnerable due to the conditions created by COVID-19. Even before the pandemic, research by the Guardian and Consumer Reports found that the combined price of water and sewage increased by an average of 80% between 2010 and 2018 in the United States, with more than two-fifths of residents in some cities living in neighborhoods with unaffordable bills.

The proposed water rate case won't be decided until this summer. In the meantime, the Energy Rights Project is collecting stories about local water insecurity. We also used data from our survey and interview projects to testify at a public hearing about the proposed rate increase. You can learn more at **https://energyrights.info/content/2021-philadelphia-water-rate-case/essay**

Survey Findings

In the "Shifting Energy Demands During COVID-19" survey, we asked people how the pandemic had impacted their energy use and their ability to pay their utility bills. Out of 169 individuals that we surveyed:

- 26% of respondents reported that their water bills have increased since COVID-19 began.
- 15% of respondents reported that they are struggling to pay their water bill.
- Nearly 20% of respondents reported that they had received a water shut-off notice in the past, before the pandemic.



Rights Over Profit: Questioning the Texas Energy Market

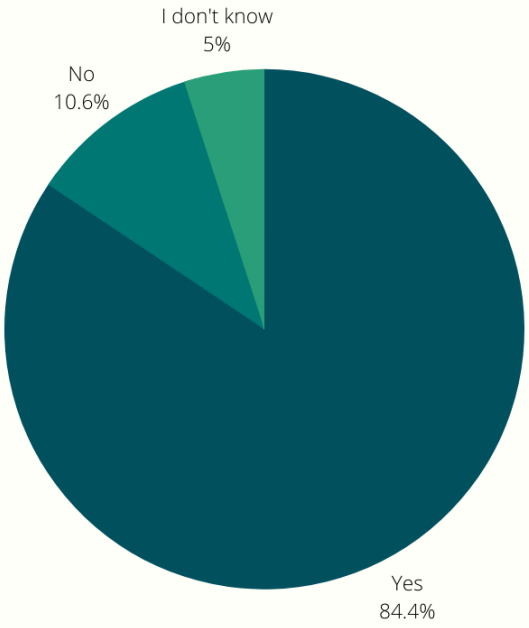
By James Adams

In February of 2021, a series of polar storms wreaked havoc across the state of Texas, freezing up significant portions of the state's energy infrastructure and leaving many without heat or power. At the peak, nearly 4.5 million Texans faced freezing temperatures without electricity, many for days on end. Property damages also reached a whopping $195 billion, fomenting appreciable political outrage at this failure to adequately weatherize the Texas grid.

Perhaps most egregious, however, was the state's failure to inform and support the populace and to protect utilities and citizens from exorbitant energy prices. In just five days, electricity debts soared to $50.6 billion, an amount that would take utilities (and their customers) 10 years to pay off.

What is more, at least 200 people died during the outages due to hypothermia, carbon monoxide poisoning, or due to the failure of their electronic medical devices. These losses were not equally distributed. One recent study showed that minority communities were 4x as likely to experience outages than predominantly white communities.

Taken together, these numbers serve as tragic evidence of the social injustices and technical inadequacies of contemporary energy markets. Such an unequal, unprecedented, and yet utterly preventable loss of life, property, and public confidence might throw the very idea of free-market energy planning into question. Recent interviews conducted by Energy Rights Project researchers also show that some Texans interpret this crisis as an infringement of their energy rights. What would it look like to structure energy systems around the security of energy rights over energy profits?



When asked if they have a right to energy, most people believe energy is a right.

Findings From Our Survey

By Ali Kenner

In this section, we report on findings and trends from the "Shifting Energy Demand During COVID-19" survey. The survey project began in May 2020 and we continue to survey people every week, more than 200 people and counting.

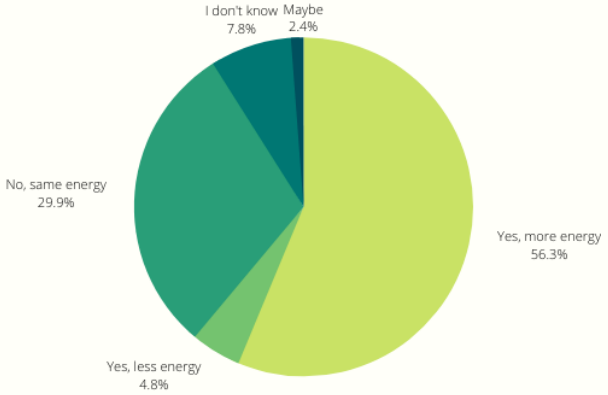
Below we present findings from the spring and winter 2020 survey clusters, which includes responses from 169 participants. We highlight how people's employment and work conditions have been impacted by the pandemic; how people respond when they experience an energy service disruption -- power outages, water shutoffs, broken heaters, for example; and finally, we provide an assessment of utility assistance literacy, or what people know about getting help with their utility bills.

Want to learn more about the survey findings?

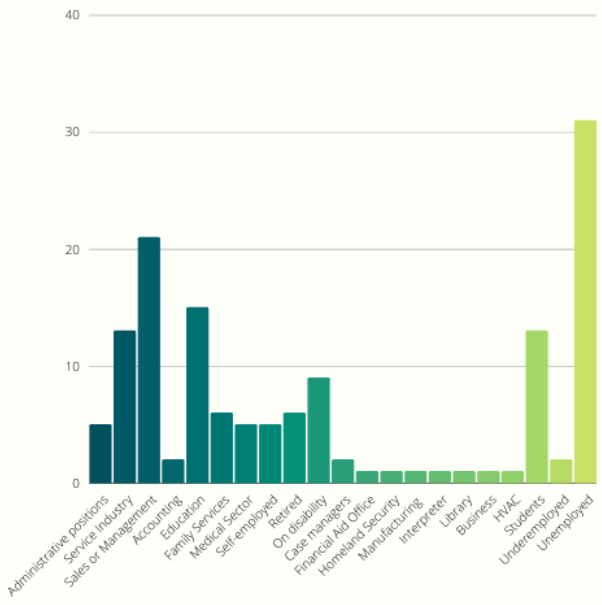
The Energy Rights Project is committed to making our data and findings publicly available and accessible.

One way we make our work accessible is by posting "data write-ups" for each survey question on our project website, **https://energyrights.info**. These data write-ups provide tallies of how many people answered each question. Some of our questions are multiple choice, others are check-all-that-apply and other questions are open-ended. We explain in each data write-up how we arrived at our numbers. We also provide charts like the ones on this page.

We are also happy to provide "raw data" in the form of spreadsheets as well.



When we asked survey respondents if they had noticed any changes in household energy consumption during the pandemic, out of 168 respondents, 94 people reported they were using more energy.



The chart to the left represents the reported occupations of 163 respondents between May 2020 and February 2021.

Impacts on Employment

By Briana Leone

Survey data collected by the Energy Rights Project indicates that many people in Philadelphia experienced changes to their employment status and work conditions. This of course has been widely reported by the media over the last year, but in our survey we were concerned with how these changes impacted household energy use and how people pay their utility bills.

Many of the survey respondents who were employed at the time of the survey had moved to a remote work set up: 50 out of 163 survey respondents had to transition to a remote set-up to continue working.

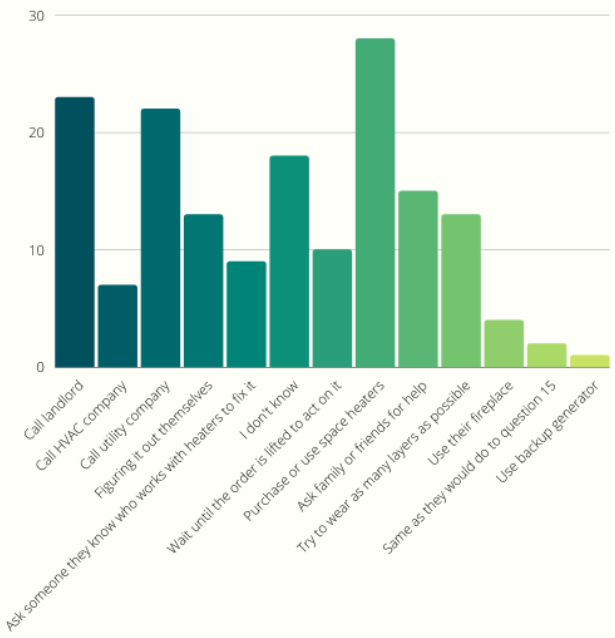
Our survey also showed that work hours have been restructured. Some people began working either more or less than they had prior to COVID-19, depending on the nature of their work. Of the 88 respondents who were working at the time of the survey, 13 people reported that their hours had increased, 9 people indicated that their hours had decreased, and 5 respondents noted it was an evolving situation. In other words, approximately 30% of respondents had their work hours change due to the pandemic.

Not everyone was able to transition their work arrangements, of course. Even when survey participants were able to move to remote set-ups, the people they lived with were unable to do so (this was the case for 57 respondents out of 146 respondents).

Some household members had been laid off or furloughed and other respondents reported that their households were witnessing mixed situations (i.e. transitioning to remote work, essential work, or being laid off).

Perhaps the most significant characteristic of the survey data, however, is that 66 out of 163 respondents (41%) were not working at the time they were surveyed. This number includes people who were on disability, were retired, and were unemployed prior to the pandemic as well as people who were laid off or furloughed.

This is significant because residential utility bills have largely increased over the last year because most people are spending more time at home, even if they are not working or going to school.



The chart to the left documents what people would do if they lost heat during a stay-at-home order during the pandemic.

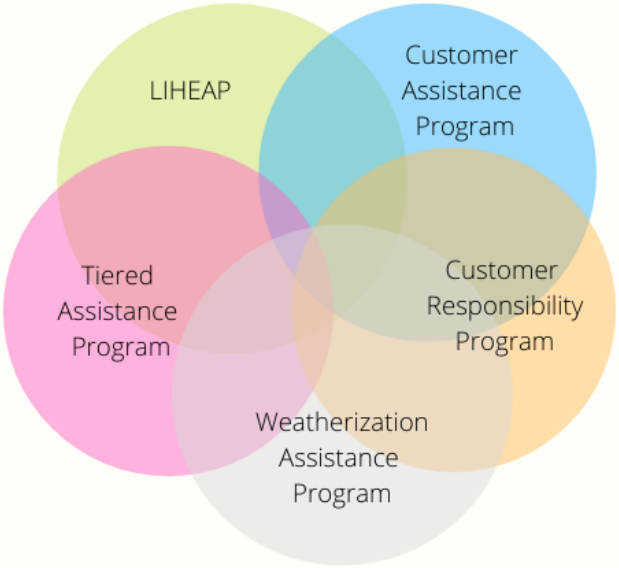
Learning About Emergency Preparedness

By Briana Leone

Energy disruptions are a kind of emergency that many people are unprepared for despite the fact that they are relatively common. For example, our survey found that 69 out of 166 participants (41.5%) experienced energy disruptions with their home heating systems related to weather, equipment outages (such as broken wires, heaters, water tanks, etc.), non-payment, and issues with the utility providers' infrastructure (power lines were cut-off, burned, broke, etc.). When discussing energy disruptions with respondents, survey administrators reported that a significant portion of our participants did not immediately know what they might do when faced with a loss of heat or electricity, for example. Among responses, 39 out of 74 people (52%) would call their utility company, their landlord, or HVAC contractors if they lost heat, while 19 out of 74 people (25%) would wait-it-out or wear more clothing. A minority of respondents (6 out of 74 or 8%) would try to adapt their home environment, such as sealing cracks or opening the oven.

Similarly, if respondents were to lose power (i.e. electricity), 28 people out of 161 (17%) would wait for the power to be restored, but the majority of respondents would address the power outage more proactively. Forty-five out of 161 respondents (28%) would go to a friend's house who had power, 42 out of 161 respondents (26%) would air out the house as much as possible, 17 respondents (11%) would employ diverse strategies to keep cool, like using damp clothing, ice, battery-powered fans, and 14 respondents (9%) would even reduce the amount of sunlight that enters their home. It's important to note that 10% of survey respondents admitted that they weren't sure what to do if they lost power.

Why is this significant? Our conversations with survey respondents tell us that residential energy users in Philadelphia are unprepared to face emergency situations related to their home heating and cooling systems. These findings confirm insights from other studies, which have also shown that most households are not ready for energy service disruptions that may be long lasting (days long). For more information about emergency preparedness, visit https://ready.gov to learn about kits and different emergency scenarios.



Awareness of Utility Assistance Programs

By Andrew Rosenthal

Assistance literacy, compared to the other kinds of energy literacy evaluated through the survey, showed the biggest differences between the spring and winter survey groups.

Cumulatively, 31.5% of respondents had enrolled in an energy assistance program to help with utility bill payment. However, in the spring survey that number was 2.4% and in the winter survey it was 61%. This disparity continues in the follow up question which asks respondents if they are familiar with any energy assistance programs that could help with utility bill payments during COVID-19. Cumulatively 48.4% are aware of energy assistance programs that could help with utility bill payments during COVID-19. 25.5% of respondents in the spring survey were aware of such programs whereas 74.3% of respondents in the spring survey were aware. Of those who are aware of energy assistance programs, 34.6% responded that they “did not know” what this assistance looks like. The disparity in responses is still present between survey versions; albeit not as large (46.7% in the winter version and 31.5% in the spring version).

What are utility assistance programs?

Philadelphia organizations have a long history of providing assistance to households to help with home heating costs. The Grandom Institution, for example, has been providing assistance since the mid-1800s. One-hundred and fifty years ago this assistance came in the form of reduced prices on firewood and coal; today, Grandom provides assistance in the form of grants.

The most well-known form of utility or energy assistance today comes from LIHEAP, the Low Income Home Energy Assistance Program. During LIHEAP season, households can receive cash grants to pay utility bills or, if the household is in crisis, grants are available for heater repair, to purchase fuel, and to get utilities turned back on.

Utility companies also offer assistance programs. Philadelphia Gas Works has a customer responsibility program, PECO has a customer assistance program, and the Philadelphia Water Department has a tiered-assistance program, along with other programs for seniors. You can apply for these programs through the utility companies themselves or at Neighborhood Energy Centers (NECs). You can learn more about NECs at https://www.ecasavesenergy.org/community-programs

Awareness of utility assistance programs (continued)

Program	% familiar in Spring	% familiar in Winter	Cumulative
LIHEAP	14.8%	92.7%	54.3%
CAP	7.4%	68.7%	38.4%
WAP	7.4%	67.4%	37.8%
Earned Income Tax Credit	37%	60.2%	48.9%
Supplemental Security Income	24.1%	56.6%	40.3%
All of the above	1.2%	34.9%	18.3%
None of the above	50.6%	1.2%	25.6%

What is interesting here is that awareness of earned income tax credit and supplemental security income is significantly higher compared to the other programs in the spring group, but falls slightly in the winter group. The disparities in answers can be explained when we consider recruitment methods. The spring survey group was recruited through student networks at Drexel University. In this group, 42% of respondents were between 18 and 24 (and nearly 80% of spring survey respondents were under age 45). By comparison, 53% of winter survey respondents were over age 45. Winter survey respondents were also recruited through PGW workshops, meaning those who participated in the winter survey had received prior energy literacy training, at most, a few weeks before being surveyed. This indicates that awareness of energy assistance, or assistance literacy, is much greater among respondents who have attended PGW workshops and have used Neighborhood Energy Centers.

Interested in participating in the survey project?

The Energy Rights Project is still recruiting folks to participate in our survey! The survey is an anonymous and confidential. It's done over the phone and takes about an hour to complete with one of our research assistants. Everyone who takes the survey receives a $25 gift card as well. If you're interested, contact Morgan Sarao at 609-444-6253 or momosarao8@gmail.com to schedule.

The Energy Rights Project

The Energy Rights Project is a social science study that investigates 1) how people understand energy systems, 2) how people access and use energy in their homes, 3) how organizations shape understanding of energy systems and everyday access to energy, and 4) how policy shapes relationships between energy users, energy providers, and energy assistance organizations.

The Energy Rights Project has three main objectives:

1. To collect data and provide analysis that is useful for energy service organizations (ESOs) and policymakers.
2. To provide an archive of material that can lend insight into household energy use, the struggle to secure access, and what can be done to address common problems related to energy affordability and security.
3. To help educate people about energy - through our research activities and also by working with other organizations.

To learn more about the project visit our website at **https://energyrights.info**.

Image Citations

The below image citations correspond to the page number and image number. All pie charts, graphs, and tables were created by research team members using data from our 2020 survey.

Page 1: "Michigan Infrastructure Valve." Circle of Blue. Accessed February 21, 2021. https://www.circleofblue.org/2016/water-management/pricing/infographic-average-u-s-household-water-use-bills-2015-16/

Page 2: "Va should expand utility shutoff ban during Covid-19 crisis." Appalachian Voices. Accessed March 5, 2021. https://appvoices.org/2020/06/05/va-should-expand-utility-shutoff-ban-during-covid-19-crisis/

Page 3.1: "9/366 - Clean Running Tap Water" by p_a_h is licensed under CC BY 2.0. Accessed April 3, 2021. https://www.flickr.com/photos/64654599@N00/6872786713

Page 3.2: Philadelphia Water Department. "Water meter." WITF. Accessed March 9, 2021. https://www.witf.org/2019/10/04/while-updating-water-meters-philadelphia-will-develop-database-of-citys-lead-pipes/

Page 4.1: Culturestrike. “A Tale of Two Cities” Instagram, Originally posted by Terri Gruca, February 16, 2021. Accessed February 16, 2021. https://www.instagram.com/p/CLXf7DdH8hN/.

Page 4.2: Hui, Kin Man, A view of the state’s grid of transmission lines. 2018. Digital photo. 2400×2230 px., Houston Chronicle accessed February 23, 2021. https://www.houstonchronicle.com/business/columnists/tomlinson/article/Texas-electric-grid-is-easy-to-fix-if-lawmakers-15961368.php#photo-15325937

Contributors

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STAY TUNED FOR OUR SUMMER WORKSHOPS

Beginning in June, the Energy Coordinating Agency and the Energy Rights Project will be offering conservation workshops for Philadelphians. The workshops will provide information on utility assistance programs, water conservation, cooling and ventilation, and do-it-yourself tips for making your living place energy efficient.

Anyone can attend the workshops, which will be hosted by community organizations around the city from June through September. All workshops will be held outside. We ask that everyone practice social distancing and wear your mask. Everyone who attends the workshop will receive an energy conservation kit to take home and can sign up to take the Energy Rights Project survey.