
A Digital Electric Grid: Low-Income Consumer Opportunities and Concerns

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Digital Grid: Low-Income Opportunities

- The clean energy imperative
 - Reduced carbon intensity of generation – climate change mitigation
 - 2-way power flows
 - Enhanced communication/information
- Consumer-Environmental Collaboration
 - Fixed Charge Defense Network

Digital Grid: Low-Income Concerns

- Allocation of first costs and the gap between realization of costs and benefits
 - Unequal home energy burdens
 - Home energy security
 - Household cash flow

Utility bill payment is the #1 reason for accessing high-interest, short term financing like payday loans.

Levy, et al., Center for Financial Services Innovation

Frequency of reducing or forgoing basic necessities due to home energy bill * Annual gross household income for the last year

	<i>Annual gross household income for the last year</i>								
<i>Frequency of reducing or forgoing basic necessities due to home energy bill</i>	<i>< \$20,000</i>	<i>\$20,000 - \$39,999</i>	<i>\$40,000 - \$59,999</i>	<i>\$60,000 - \$79,999</i>	<i>\$80,000 - \$99,999</i>	<i>\$100,000 - \$119,999</i>	<i>\$120,000 - \$139,999</i>	<i>>= \$140,000</i>	<i>Total</i>
Never	60.4%	71.0%	76.9%	84.9%	91.6%	93.6%	93.1%	97.6%	78.5%
Almost Every	15.7%	8.1%	4.6%	3.5%	1.3%	.7%	1.1%	.9%	6.3%
Some Months	14.7%	13.3%	11.8%	6.6%	3.1%	3.1%	3.1%	1.0%	9.3%
1 or 2 Months	9.2%	7.7%	6.7%	5.0%	4.0%	2.6%	2.7%	.5%	5.9%

U.S. Energy Information Administration, 2015 Residential Energy Consumption Survey

Digital Grid: Low-Income Concerns

- Advanced metering
 - System costs
 - Remote disconnection of service
 - Prepaid service and low-income consumers
 - Penalties from time-varying rates

Advanced metering – A ‘Just Transition’ for Low-Income

- System costs
 - Effective Low-income affordability programs
 - Bill payment assistance
 - Energy efficiency
- Remote disconnection of service
 - Consumer protection enhancement to outpace new tech deployment
 - Prepaid service and low-income consumers

Advanced metering – A ‘Just Transition’ for Low-Income

- Penalties from time-varying rates
 - Hold harmless
 - Opt-in
 - Shadow billing
- Planning and regulatory process