

LIGHTS OUT IN THE COLD

Reforming Utility Shut-Off Policies as If Human Rights Matter



LIFE THREATENING CONSUMER TRADEOFFS

In a 2011 survey NEADA, lower-income households reported the following reactions to high energy bills:

- 24% went without food for at least one day
- 37% went without medical or dental care
- 34% did not fill a prescription or took less than the full dose
- 19% had someone become sick because their home was too cold
- 33 %used their kitchen stove or oven to provide heat





"Regardless of whether it's shut off or simply that bills are so high that people voluntarily limit usage, several things happen. People use space heaters, kerosene heaters, that increase risk of fire and carbon monoxide poisoning. And people limit use of electricity. They light the home with candles, which are often too close to something combustible."

-David Fox of the National Low-Income Energy Consortium (NLIEC)

Power shut off: candle triggers blaze: 10 killed

7 Children, 3 Adults Lost to the Penalty for Poverty

In Baltimore, a fire swept through a row house killing 10 people, including 7 children aged 7 months, 5, 7, 11 and 12 years, and two 3 year olds, as well as 3 adults, after the termination of the electricity caused residents to begin using candles and a kerosene lamp for electricity.

Todd Family

In Princess Anne (Southern Maryland) Rodney Todd, in dire straits after having his electricity disconnected, resorted to using a generator to power the home where he was raising his seven children.

Carbon monoxide released by the generator killed the entire family as they slept.





ConEd Cuts Power—3 Young Boys Killed

•In New York, three young boys, ages 4 months, 2 years, and 5 years died in a fire caused by a candle used for light after the utility company disconnected service for non-payment.

Fairfield Fire Claims Four Children Under the Age of 4

•In California, five children, 2-year olds Natalie Rogers and Neveah Nunn, 1-year-old Keviana Morgan, and 4-year-old Robert Charles Jr, lost their lives when their electricity had been disconnected and their mothers, who were sisters living together, used candlelight to light their home, resulting in a fire



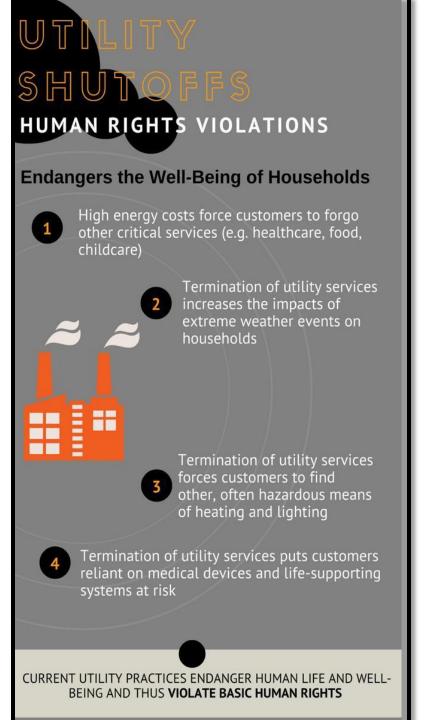
And the List Goes On

Too Many to Name

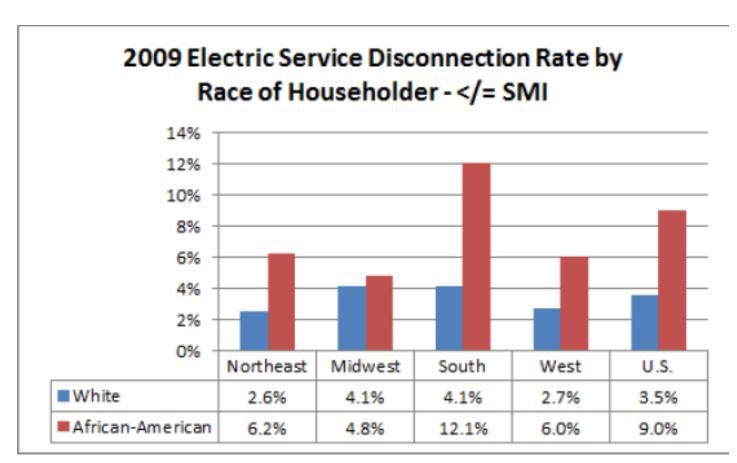
Our Relationship With Energy

"The cost benefit analysis of how the utility business model is structured around utility shut offs in the face of such wealth building focus means a choice of life and death for some and the choice between a Porsche and an Audi for others."

- Jacqueline Patterson, Director, NAACP Environmental and Climate Justice Program

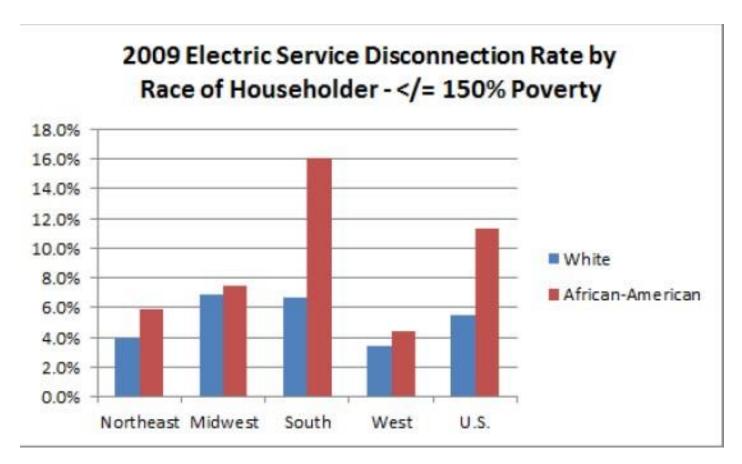


DISPARITIES IN DISCONNECTION RATES



Analysis of the National Consumer Law Center

DISPARITIES IN DISCONNECTION RATES



Analysis of the National Consumer Law Center

Most Impacted Communities/Populations

- In general, poor communities spend a significantly higher fraction of expenditures on energy purchases than the middle-class and the wealthy:
 - 13% of expenditures in the poorest decile as opposed to just 5% of expenditures in the top decile.

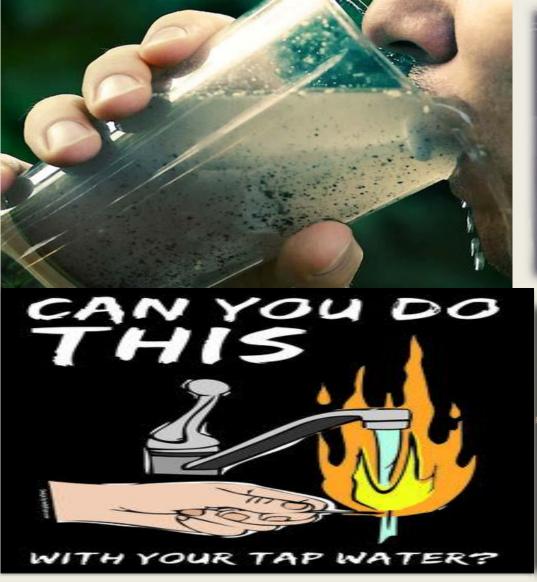
- Older consumers with the lowest incomes struggle the most to pay their utility bills.
- An estimated 35 percent of older households have incomes of less than \$20,000 and experience the greatest energy burden, or percentage of income spent on energy costs.

African American Communities and Energy

- African Americans spend a significantly higher fraction of total expenditures on energy use than non-African Americans in America for almost all income levels.
- □ African Americans comprise 12.7% of the overall population. Based on an eligibility model and self-reporting, African Americans are estimated to receive an estimated 23-25% of LIHEAP funds.

2008 Snapshot of Energy Poverty

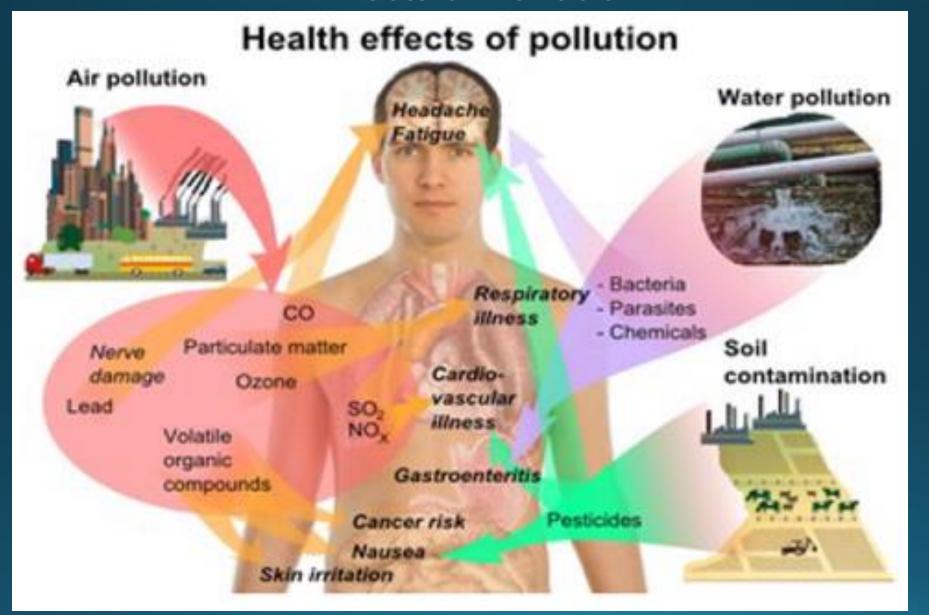
- □ By April, Pennsylvania Power and Light Electric Utilities disconnected 7,054 customers---up 168%.
- Duke Energy in North Carolina averaged about 11,000 shutoffs a month--10% of its 1.4 million residential customers.
- □ For Peoples Gas in Chicago, disconnects were up 27%.
- □ Disconnects were 14% for Southern California Edison
- Shutoffs were at 56% for Detroit Edison--In Michigan, where home foreclosures were soaring and the unemployment rate is the USA's highest, more than one in five Detroit Edison customers were behind in their electric bills by May.







Effects of Pollution











Current State of Utility Policies/Practices

Current Utility Cut-Off Policies/Practices

- 7 states offer no **payment plans** to cure delinquency;
- 8 states have no medical protection policies on affecting disconnection of services;
- 14 states have no <u>date-based protection policies</u>. Date based set specific dates of when customers cannot without due diligence be disconnected from a utility service;
- 28 states have no <u>temperature-based</u> policies: Meaning regardless of how cold it becomes, or how hot it becomes, utilities can be shut-off;
- 11 states have no disconnection limitation polices (ex. day and time of disconnection);
- 36 states have **reconnection fees**.
- Too many states require **deposits** in order for services to be re-established.

State	Procedural Protections	Seasonal Protections	Payment Assistance	Protections for Vulnerable Groups
Alabama	Provide customers with a written notice five days before scheduled disconnection Requires a reconnection charge	When the temperature is forecasted to be 32°F or below for that calendar day, the utility cannot be disconnected	The utility does not have a payment plan option	Special consideration based on age, disability, medical conditions or other circumstances is granted, but not required
Alaska	Customers receive an initial notice fifteen days before scheduled disconnection, and a second notice is provided in person, by telephone or by posting three days before a disconnection Disconnections can occur Monday- Thursday between 8:00am-5:00pm	Does not require seasonal protections	Deferred payment agreement with the utility to pay their outstanding balance in installments over a period not to exceed 12 months	A customer, who is elderly, ill, dependent on life support systems, or disabled, can have their disconnection postponed for fifteen days
Arkansas	Initial notice to be mailed eight days or delivered five days before the disconnection, Disconnections can only occur during normal business hours No reconnection charges	Disconnections are not permitted between November 1- March 31 Gas utilities may not disconnect for low-income customers When the temperature is 95°f or above, disconnections are not allowed for elderly or disabled customers	Offer payment plans for customers, who qualify as low- income, during winter protection period	Customers, who are elderly or have disabilities, must have two notice attempts at least 72 hours before shut off
Kansas	Written notice to be sent ten days before scheduled disconnection and the utility must call two times at least two days before disconnection	Disconnections are not permitted between November 1- March 31 If temperature drops below 35°F in the following 48-hour period, disconnections are not permitted	Customers must enter into negotiated payment plan, pay 1/12 of arrearage, 1/12 of current bill and disconnection, reconnection and deposit if applicable and apply for energy assistance funds to avoid disconnection	Customers with a medical certification must also provide proof of inability to pay the bill in full
Tennessee	Requires only a reasonable notice to be provided Does not specify a period for disconnections	Does not offer date based or temperature based protection	Offers payment plans for customers	A thirty day disconnect delay can be granted if physician, public health official or social service official certifies that a household member's health would be adversely affected

How Do We Stop the Bleeding?

Short Term Utility Reform

Maureen Taylor, State Chairperson--Michigan Welfare Rights Organization

"What kind of world do we live in where children can die a fiery death and there is no massive outcry?...

We call on everyone opposed to this constant inhumanity against poor people to join us...and demand an immediate moratorium on gas and light shutoffs,"



Principles of Reform

- Secure **ACCESS** to utility services for all households;
- **INCLUSION** of all customers in the development of utility policies and regulations;
- TRANSPARENCY of the actions of and information held by utility companies, regulating bodies; legislatures, and utility affiliated organizations;
- PROTECTION of the human and civil rights of all customers; and
- Advance programs that help **ELIMINATE POVERTY**, so that all customers can pay utility bills.



Practices of Reform

- Improved record keeping and data management practices
- Tighter legislation and regulation
- Improved protections-procedural, seasonal, social vulnerability, payment assistance, etc.



SEASONAL PROTECTIONS

- Protect customers from health risks associated with having a utility disconnected during periods of extreme weather
- Sets specific criteria for when customers cannot, without due diligence, be disconnected from a utility service
- Two variations:
 - · Date-Based
 - · Temperature-Based

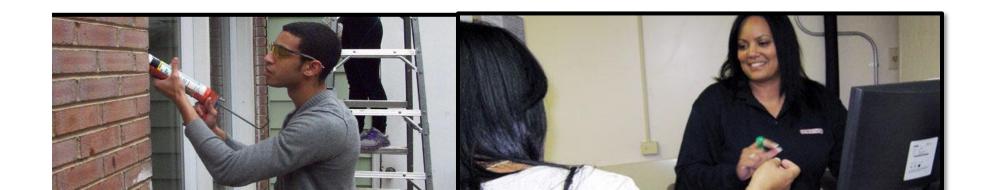
PROTECTIONS FOR SOCIALLY VULNERABLE GROUPS

- Most states offer protections for groups that may be considered especially vulnerable to the risks and hazards associated with disconnections:
 - The elderly
 - · Young children
 - Individuals with health conditions
 - Individuals with disabilities
 - Require utilities to offer protections to socially vulnerable customers who register with the utility

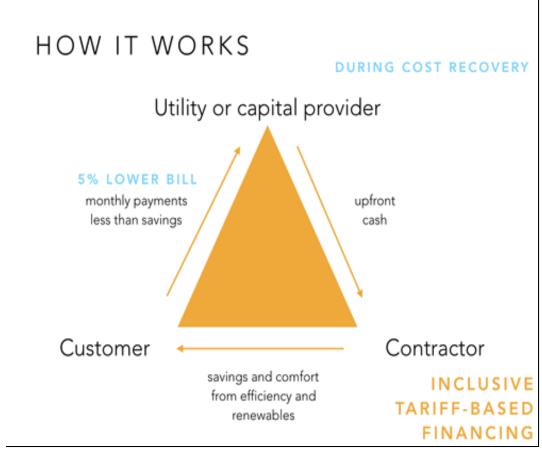


FINANCING TO REDUCE AND ELIMINATE DISCONNECTIONS

- 1. Bill Assistance Programs
 - Low Income Home Energy Assistance Program (LIHEAP)
 - Emergency Food and Shelter Program (EFSP)
 - Residential Assistance for Families in Transition (RAFT)
- 2. Weatherization and Energy Efficiency Programs
- 3. Inclusive Financing Models



INCLUSIVE FINANCING



Allows customers to opt into a tariff that authorizes the utility to:

- 1. Make site-specific investments in cost effective energy upgrades
- 2. Recover its costs with a charge on the bill that is significantly less than the estimated savings.

INSTITUTE FOR LOCAL SELF-RESILIENCE: Energy Democracy Initiative

Recommendations for Action

"For some customers, there is a permanent level of unaffordability built into the rates."

- William Yates, Senior Financial Analyst, Public Utility Law Project of New York

IMPROVED DATA COLLECTION, RESEARCH, & TRANSPARENCY

Utility Regulators

- Set strict record keeping standards of the disconnection process
- Conduct studies on the financial and human costs of utility disconnections
- Make records of disconnection publicly available

Government Agencies

- Maintain databases containing disconnection data
- · Obtain, analyze, and make transparent, aggregate national utility disconnection data
- · Hold PUC's, regulators, and utility companies accountable for providing complete data

Research Institutions

- Expand research on socially-oriented utility and energy models
- Partner with communities in and promote community participatory research models
- Use expanded data in accordance with the principles and rights outlined

UPHOLDING HUMAN RIGHTS

Utilities

- Operate according to the principles and practices of human rights
- Cease investments and lobbying practices that undermine the right to uninterrupted utility services

Regulators

- Enforce and adhere to the principles of a human-rights based utility model
- Hold public hearings to investigate disconnections in services areas
- Support the implementation of energy efficiency, clean energy, and distributed generation programs
- Ensure that regulatory processes, meetings, and proceedings are accessible to all customers



- Amend legal definitions of "public interest" to incorporate additional aspects of human rights
- Establish policies mandating the principles and practices of the right to uninterrupted utility service
- Pass legislation that enables the advancement of energy efficiency and clean energy programs
- Pass legislation that enables the advancement of energy independence

RECOMMENDATIONS FOR UTILITY CUSTOMER AND CONSUMER ADVOCATES

- 1. Engage state and local legislatures
- 2. Petition utilities and public utility commissions to adopt these principles
- 3. Document and build the evidence base of human and civil rights violations
- 4. Partner with research institutions to conduct community participatory research
- 5. Demand improved access to PUC and regulatory meetings and proceedings
- 6. Demand increased transparency of the operations of utility companies and their affiliates
- 7. Enforce the demand for policies and practices that protect human life through grassroots advocacy



BUILDING ON A LEGACY OF CHANGE

TURN: The Utility Reform Network [CA]

George Wiley Center [RI]

<u>Utility Reform Project [OR]</u>

New York Utility Project [NY]

Committee Against Utility Shutoffs (CAUS) [MI]

National Consumer Law Center

The Consumer Federation of America

Advancing Transformation To Energy Sovereignty for Our Communities

Pillars of Our Energy Democracy Agenda

- Energy Efficiency Resource Standards
- ■Renewable Portfolio Standards
- Distributed Generation/Net Metering
- Community Ownership and Asset Development
- **□**Economic Justice
- □Political Power Building

RESOLUTION DATE AND NAME	SUMMARY
1977—Energy Resolution	Addresses "the serious world shortage in traditional energy sources," and aims to ensure "the development of adequate energy sources."
2007 Climate Change and Discriminatory Practices Resolution	Commits to advocating for socially just solutions for the environment and global warming that will reduce racial and ethnic economic disparities.
2008 NAACP Support for Present and Future Green Jobs Appropriations and Policies	Advocates for the Green Job Act funding and inclusion of African Americans in emerging green energy sector.
2010 NAACP in Opposition to Expanded Offshore Drilling Without Adequate Safety Technology and Clean Energy	Supports the exploration of clean energy alternatives, including wind, solar, hydro, and geothermal solutions, in addition to energy conservation and reduction strategies.
2011 Clean Air Act-Greenhouse Gases- Coal Fired Power Plants	Advocates health and sustainable alternatives to the current overreliance on coal for energy.
2012Renewable Energy Resolution	Supports transition to clean energy by setting minimum standard of 25% of our energy portfolio to come from clean sources (wind, solar, geothermal) by 2025.
2015 Clean Energy Resolution	Promotes access to distributed generation as a key tool for energy democracy through shared ownership in advancing a clean energy economy.









INDIANA VICTORY

Defeating House Bill 1320









GULFPORT VICTORY

Gulfport NAACP
Instrumental in
Jack Watson
Coal Plant
Cessation of
Coal Burning







SECOND REGULAR SESSION

HOUSE BILL NO. 2197

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MCNEIL.

5645L.01I

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 393, RSMo, by adding thereto seven new sections relating to the Missouri energy efficiency performance standard.



OHIO

MINNESOTA





WISCONSIN

UTAH











REPOWERING APPALACHIA

WITH HOMETOWN ENERGY



Soulardarity Streetlight Campaign

Just Energy Entrepreneurship

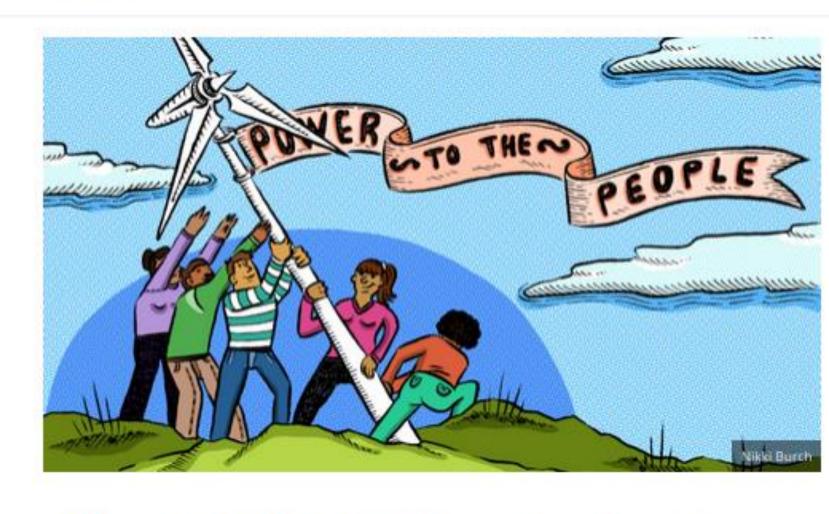






Economic Opportunity





Want to support clean energy? **Fight for voting rights**



Amy's Story

•How an NAACP
ECJ Chair from
Arizona Went from
Being in the Dark
to Energy
Independence!

Brought To You By.....

Design, Research, Analysis, Strategy, Writing, and Outreach/ Promotion TEAM

Core Team

- Mike Alksnis
- Marcus Franklin
- Caroline Kurz, Georgetown University School of Law
- Jacqui Patterson
- Malik Russell
- Lorah Steichen
- Chiquita Younger

Partner Contributors:

Bartees Cox, Climate Nexus

John Howatt, National Consumer Law Center

Holmes Hummel, Clean Energy Works

Dave Pomerantz, Energy and Policy Institute

Maureen Taylor, Michigan Welfare Rights Organization

Thank You

Jacqueline Patterson

jpatterson@naacpnet.org

@jacquipatt