

A Step Forward for Low Income Customers

CUB Applauds Move to Analyze Energy Burden for Wisconsin Utility Customers

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More Information:
Tom Content 414-550-4712

The Citizens Utility Board on Monday welcomed the state Public Service Commission's move to have utilities measure the energy burden faced by their customers across the state.

Starting this June, utilities will provide energy burden data to the PSC each year. The PSC also announced it is requiring utilities to file data regarding the diversity of both their workforce and supplier base.

The announcement comes as the COVID-19 pandemic has put a spotlight on utility customers who are struggling to make ends meet.

"This is a tangible step forward, but it's really the first step on a long path that Wisconsin utilities and the PSC will need to traverse to help identify who's struggling the most and to develop policies and pilot programs to assist them," Content said.

"For too long the state has looked at affordability of energy at a statewide level, and utilities have only evaluated energy burden across their entire service territories, some of which span wide regions and areas with varying levels of economic inequality," he added. "It's good to see the commission push for more granular information."

"Utilities and regulators can't manage what they don't measure, so filling this data gap is essential," Content said.

As part of its advocacy for those struggling the most across the state, CUB has been publicly urging the filing of energy burden data by the state's utilities.

Under rate settlements that CUB negotiated with We Energies of Milwaukee and Wisconsin Public Service of Green Bay in 2019, We Energies and WPS are already analyzing the energy burden for their customers.

In addition, Madison Gas and Electric will be conducting an energy burden analysis pursuant to a rate settlement that CUB reached with MG&E last year. The PSC approved that settlement in December.

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“We know from studies already done that in some neighborhoods of Milwaukee the energy burden is disproportionately high — approaching 20% of income in some census tracts,” said Content. “Having more data about the magnitude of the problem across the state will be critical to help utilities gain insights on areas that need a closer focus.”

The PSC effort to analyze affordability of utility bills comes at a time when the electric rates paid by Wisconsin electric utilities’ residential customers rank second highest in the Midwest and 13th highest in the country, according to averages published by the U.S. Energy Information Administration.

As CUB noted in comments to the PSC last summer, this “presents an incomplete picture of electric utility rate affordability in the state of Wisconsin.

“Even when taking into account statewide averages for different income levels, the actual energy insecurity picture of Wisconsin’s most disadvantaged communities can be lost,” CUB wrote. “Economic conditions vary from one utility service territory to another, and indeed can also vary greatly within a single utility service territory — particularly when a single utility covers a large and diverse swath of the state. Additionally, industry research suggests that electricity consumption, and therefore bills, can differ for low-income customers as compared to the average.”

For more information:

See [PSC Announcement](#)

See [CUB’s Strategic Energy Assessment Comments](#)

See [Rate Settlement with MG&E](#)

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The Citizens Utility Board is a member-supported, nonprofit organization that advocates for efficient and reliable utility service at the lowest rates possible consistent with sound business principles. CUB represents the interests of Wisconsin’s residential, farm, and small business customers of electric and natural gas utilities before the Legislature, state and federal regulatory agencies, and the courts.