



NATIONAL ENERGY ASSISTANCE DIRECTORS' ASSOCIATION

Arrearage and Moratorium Update, 1/20/22
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Low income families struggle to pay their home energy bills each and every year. The winter heating season of 2021-22 is of even greater concern with the cost of home heating projected by the US Energy Information Administration to increase by 30 percent over the comparable level of 2020-21.

The pandemic-related utility shut-off moratoriums have now ended, and many families are now protected by winter shut-off moratoriums. As these begin to end in March and April of this year, millions of families will be facing unfordable utility bills and will have to either enter into repayment plans or face the possibility of shut-off of utility services. While the Low Income Home Energy Assistance Program (LIHEAP) has received record funding this year it will not be sufficient to address all outstanding arrearages as well as the need for additional help due to higher energy prices.

This memorandum provides preliminary analysis of 2021 utility arrearage data collected by NEADA. A more detailed report is being prepared and will be made available in February 2022.

Utility Arrearages: As shown in the following table total arrearages increased from \$20.2 billion in 2020 to about \$22.3 billion in 2021 with the number of households in arrears decreasing from about 23 million to about 21 million. In many states it was not surprising that arrearages increased during this period in light of continuing high unemployment as well as extended repayment moratoriums that were in place in many states during the fall of 2021.

Table with 5 columns: Selected State, Total Customers in Arrears 12/30/21, Arrears Balance 12/31/21, Total Customers in Arrears 12/30/20, Arrears Balance 12/31/20. Rows include California, Colorado, DC, Georgia, Illinois, Iowa, Maryland, Massachusetts, Michigan, New Jersey, New York, Pennsylvania, Rhode Island, and National Projections.

On a state-by-state basis the numbers are striking with New York and California reporting more than \$1 billion in arrears, followed by Massachusetts with \$630 million and New Jersey with \$620 million. Not all states are showing increasing numbers. For example, Georgia showed a decline of \$15 million, Massachusetts 193 million and Michigan \$73 million.

Selected State	Arrears Balance 12/31/21	Arrears Balance 12/31/20	Difference 2021 - 20
California	\$1,899,770,434	\$1,269,959,106	\$629,811,328
Colorado	\$103,920,830	\$87,087,366	\$16,833,464
DC	\$33,140,710	\$27,706,081	\$5,434,629
Georgia	\$78,670,803	\$94,195,565	-\$15,524,763
Illinois	\$87,209,480	\$87,209,480	\$0
Iowa	\$22,127,479	\$30,768,936	-\$8,641,458
Maryland	\$122,166,457	\$178,384,432	-\$56,217,974
Massachusetts	\$630,013,046	\$823,457,289	-\$193,444,243
Michigan	\$265,559,389	\$339,305,305	-\$73,745,916
New Jersey	\$620,924,292	\$620,924,292	\$0
New York	\$1,290,562,555	\$925,942,298	\$364,620,256
Pennsylvania	\$313,813,042	\$490,014,788	-\$176,201,746
Rhode Island	\$104,146,157	\$73,945,852	\$30,200,305
National Projection	\$22,288,098,692	\$20,195,603,163	\$2,092,495,529

Average arrearages increased from \$879 to \$1,060 reflecting the continuing pressure on families from the pandemic and the way moratoriums and arrearages were managed.

Selected State	Average Arrears 2021	Average Arrears 2020	Difference 2021 – 2020
California	\$677	\$543	\$134
Colorado	\$322	\$308	\$14
DC	\$481	\$394	\$87
Georgia	\$123	\$101	\$22
Illinois	\$122	n/a	n/a
Iowa	\$171	\$246	-\$75
Maryland	\$390	\$533	-\$143
Massachusetts	\$1,081	\$903	\$178
Michigan	\$296	\$203	\$93
New Jersey	\$709	n/a	n/a
New York	\$1,379	\$1,025	\$354
Pennsylvania	\$603	\$695	-\$92
Rhode Island	\$908	\$737	\$171
National Projection	\$1,060	\$879	\$181