Residential Electricity Sales: The Early COVID-19 Stay-at-Home Period

Part 1 of 2 on consumer protections needed during and after COVID-19.

By John Howat, Senior Energy Analyst, National Consumer Law Center

July 8, 2020

The U.S. Energy Information Administration's most recent Electric Power Monthly, released on June 24, provides sales, price and revenue data by end-use sector and Census Division for April, 2020. Data from this report shows that in each of the 10 Census Divisions, April residential sector electricity sales increased over the 4-year average April sales from 2016 – 2019 (see table).

Census Division	April Residential Sales (kWh x 1,000,000)					Ratio of April 2020 Residential Sales to 2016 – 2019 (4-year Average)
	2020	2019	2018	2017	2016	
New England	3,509	3,197	3,418	3,417	3,327	1.05
Middle Atlantic	9,551	8,658	9,548	8,776	8,717	1.07
East North Central	12,867	11,833	13,194	11,591	12,022	1.06
West North Central	7,202	6,610	7,510	6,535	6,389	1.07
South Atlantic	25,210	23,231	24,001	23,247	22,139	1.09
East South Central	7,562	7,360	7,702	7,377	7,014	1.03
West South Central	14,256	12,866	13,208	13,287	12,534	1.10
Mountain	6,899	6,395	6,602	6,311	6,034	1.09
Pacific Contiguous	10,009	9,369	9,897	9,821	9,713	1.03
Pacific Noncontiguous	375	344	375	364	356	1.04

The table shows that April 2020 sales increased by a range of 3% to 10% in Census Divisions across the U.S. It is important to note that these monthly sales totals have not been weather-normalized, and are therefore not attributable solely to stay-at-home orders and increased unemployment. However, they do provide a clear indication that economic and societal responses to Covid-19 have led to moderate increases in residential electricity usage and sales. (See charts illustrating April sales from 2016 – 2020 for each U.S. Census Division.) It is also important to note that April is considered a "shoulder" month when electricity usage, particularly in the residential sector, is lower than in mid-summer and mid-winter when more extreme temperatures drive higher usage and sales. Month-to-month comparisons may show greater COVID-19-related increases during the summer, particularly if unemployment and public health stay-at-home orders or recommendations persist.

Ramifications of Higher Residential Electricity Usage and Sales and the Need for Protective Programs and Policies

Higher usage and sales lead to higher bills and expenditures. Higher bills also lead to increased past due accounts, particularly in households that were already struggling financially prior to the onset of the coronavirus, but also in households more recently affected by unemployment, illness, or

medical debt. As temporary Covid-19 utility disconnection moratoriums expire in many states, past due accounts pose the threat of loss of vital home electricity service just as the need for indoor cooling, warm water for sanitation, and reliable telecommunication services becomes greater than ever.

Here's what states, utilities, and utility commissions can do now to keep the power on for struggling families who will be saddled with debt:

- Restore access to service for any utility customer whose service has been cut off without requiring a hefty down payment on overdue bills.
- Develop strong disconnection protections for vulnerable customers going forward.
- Waive punitive late payment fees and security deposits.
- Provide deferred payment plan options that are affordable based on a household's actual income and expenses.
- For households with low incomes, implement debt forgiveness programs that avoid adding to current monthly bills.
- Expand bill payment programs that reduce monthly bills to an affordable level. These programs already exist in many states but need to serve the full scope of need. A common effective approach is to reduce total bills by a set percentage, or to cap total bills at a percentage of household income.
- Expand access to comprehensive whole-house energy efficiency and retrofit opportunities.
- Require more comprehensive utility tracking and reporting of data on residential customer overdue bills, disconnections, and repayment efforts.