

# ECONOMIC OPPORTUNITY STUDIES

## Busting Two Myths About Energy Affordability in the Warm States

### 1. Consumer Impacts of 2006 Price Trends Vary Little by Region

- Consumers in Arkansas' region who are in Poverty will pay 15% less than New Englanders and a little more than Mid-westerners, incomes are also lower; warm state consumers in poverty will have bills averaging about a quarter of their annual income, just like Midwesterners in poverty;
- Low-income consumers in the Northeast will have the highest bills, and their energy burdens will, on average, exceed a third of their annual income

Forecast Energy Burden for All Residential Energy Bills		Household Poverty Status	
		Above FPG	At or below FPG
		Avg.	Avg.
Census Division	New England	6%	36%
	Middle Atlantic	6%	39%
	East North Central	5%	27%
	West North Central	5%	26%
	South Atlantic	5%	26%
	East South Central	5%	25%
	West South Central	5%	24%
	Mountain	5%	22%
	Pacific	3%	10%
Forecast Energy Bills for All Residential Energy		Household Poverty Status	
		Above FPG	At or below FPG
		Avg.	Avg.
Census Division	New England	\$ 2,589	\$ 1,910
	Middle Atlantic	\$ 2,399	\$ 1,738
	East North Central	\$ 2,089	\$ 1,596
	West North Central	\$ 1,996	\$ 1,566
	South Atlantic	\$ 1,965	\$ 1,461
	East South Central	\$ 1,772	\$ 1,388
	West South Central	\$ 2,026	\$ 1,634
	Mountain	\$ 1,635	\$ 1,327
	Pacific	\$ 1,329	\$ 825

### 2 . The Problem for Southern Consumers is Not Cooling

