

Low-income residents cope with rate hike

by Andrew Cannarsa

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BALTIMORE -

Violet Johnson received a turnoff notice from Baltimore Gas & Electric Co. at the end of August. The Madison-Eastside resident, who is single, has struggled to pay her bills, which she says have spiked between \$60 and \$70 in the past few months.

Johnson, 44, who operates a child-care service, was forced to make budget sacrifices after BGE rates increased by 50 percent in June.

"It's little things here and there, like my food budget," said Johnson, who lives in a two-bedroom apartment on North Linwood Street in East Baltimore. "Sometimes, you just can't do any more."

More and more of Baltimore's lower-income residents, like Johnson, are feeling the brunt of energy rate increases, according to the Fuel Fund of Maryland, a Baltimore-based nonprofit that assists people in the city and surrounding counties with their energy needs. Energy companies, like BGE, support the Fuel Fund.

The Fuel Fund estimates that low-income families spend 25 percent of their annual income on energy. For middle-class families, the rate is 4 percent.

A reason? Housing in low-income neighborhoods is generally older and less likely to be well-insulated and energy efficient. Thus, families in older buildings tend to pay more.

Johnson, for the first time, has sought help from the Fuel Fund.

"I'm hoping I don't have to go through this again," Johnson said. "As long as I keep working, it'll be all right."

In the fiscal year that ended June 30, the Fuel Fund assisted more than 7,000 families, or about 21,000 people, with their energy needs, said Mary Ellen Vanni, the Fuel Fund's executive director.

"These are people who have never needed help before," Vanni said. "They're working full time, and they are people who have been able to make ends meet with limited income."

The Fuel Fund in recent months has seen an increase in calls for assistance from Baltimore city and Anne Arundel and Harford counties, Vanni said.

"We're seeing folks who don't have enough money to pay the bills," Vanni said. "Their budget is completely changed."

According to a recent report from Baltimore's Job Opportunities Task Force (JOTF), a nonprofit advocacy group, in 2001, households with an income between \$20,000 and \$29,000 spent 85 cents per square foot on energy, while households with incomes more than \$100,000 spent 66 cents per square foot.

JOTF has urged local energy companies to support local assistance programs, and it has asked city and state officials to push for additional funding for programs that bring down energy costs.

"All of us are facing rising energy costs," said Jason Perkins-Cohen, JOTF's executive director. "If we don't take action, the situation is almost certain to get worse."

Energy costs

» A low-income consumer pays about \$992.80 per year for energy; a high-income consumer pays about \$770.88.

» Over the course of the year, the low-income consumer pays an additional \$221.92.

Source: Job Opportunities Task Force

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