



CITIZENS UTILITY BOARD

Empowering Minnesota Consumers

Energy Costs and Affordability

January 17, 2023

MN House Climate and Energy Finance and Policy Committee

Annie Levenson-Falk, Executive Director

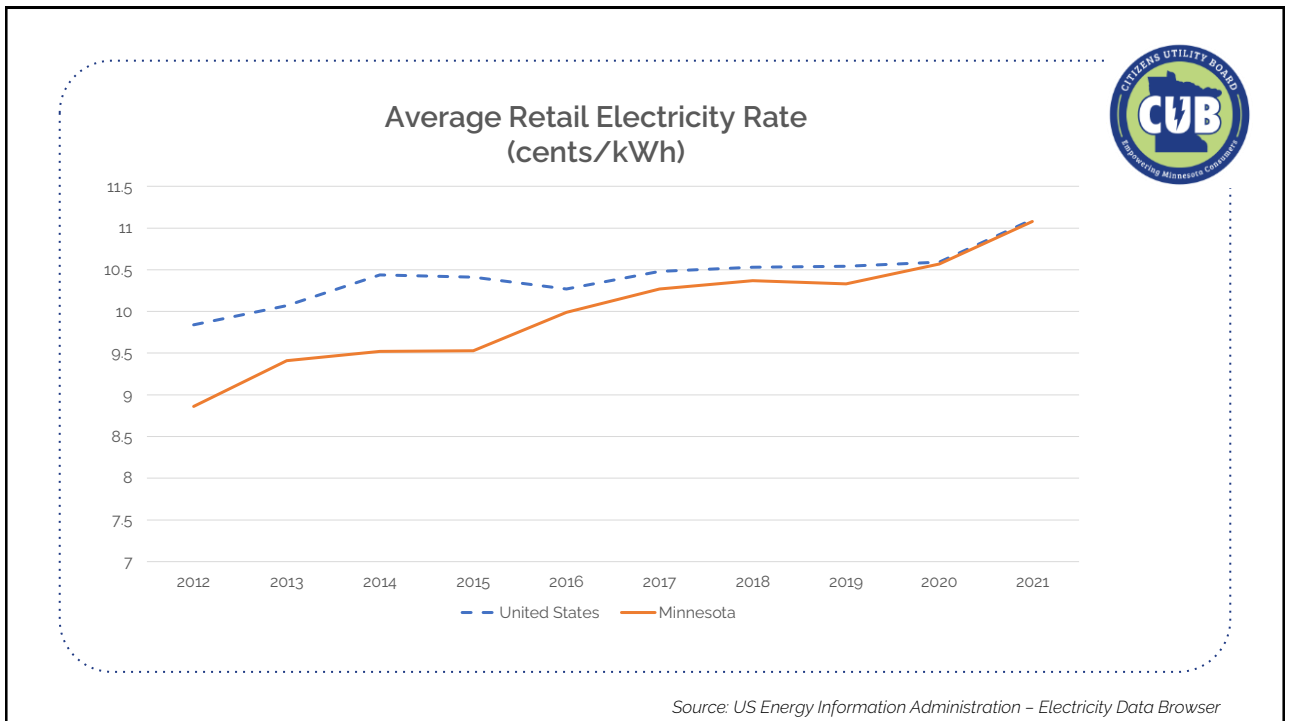


The Citizens Utility Board of Minnesota (CUB) is a nonprofit, independent consumer advocate.



What is “affordable?”

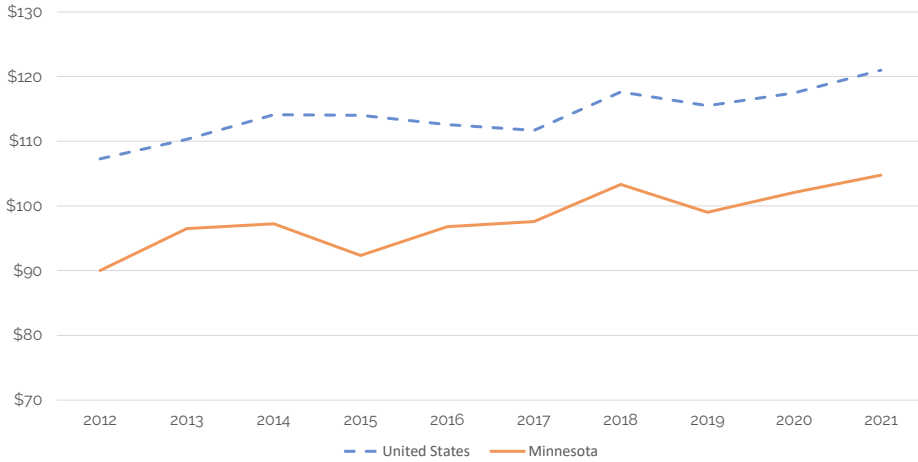
3



4



Average Residential Monthly Electricity Bill

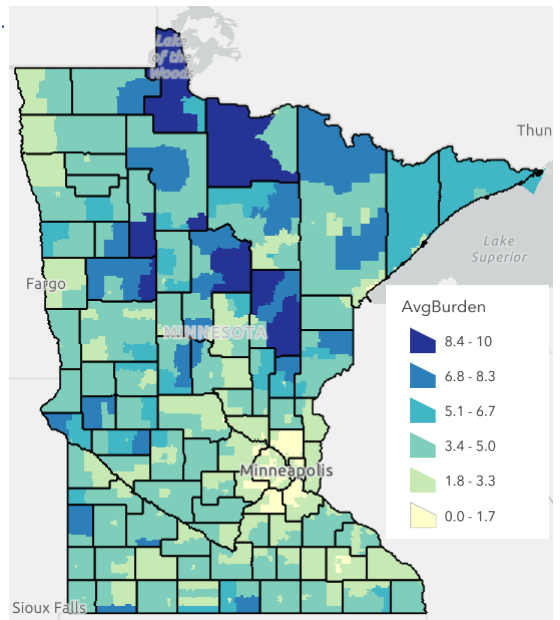


Source: US Energy Information Administration - Electricity Data Browser

5

Energy burden

- The percent of household income spent on home energy bills
- Energy burden of 5-6% is considered "affordable"
- High energy burden particularly correlates with low-income, rural, BIPOC households

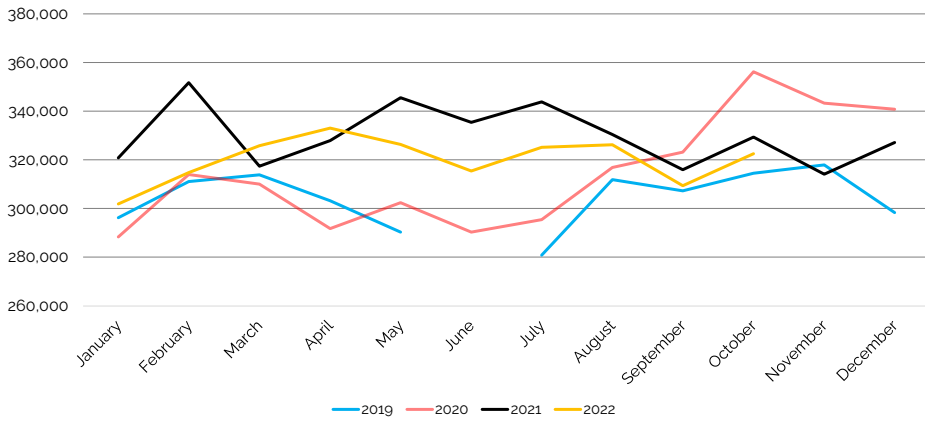


Source: <https://cubminnesota.org/mapping-energy-burden-in-minnesota>

6



Number of Households in Arrears, Minnesota Regulated Electric and Gas Utilities

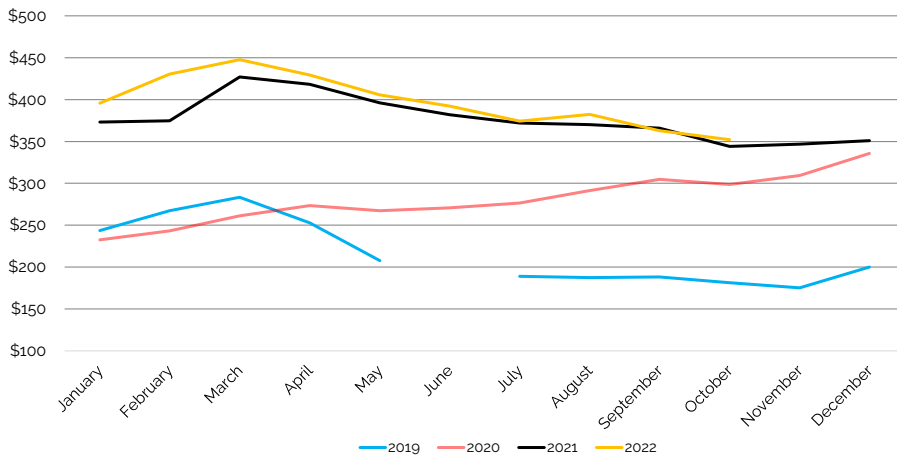


Source: Utility reports filed with the MN Public Utilities Commission

7



Average Due Per Past-Due Household, Minnesota Regulated Electric and Gas Utilities



Source: Utility reports filed with the MN Public Utilities Commission

8



Energy cost drivers

9



Fuel prices

Henry Hub Natural Gas Spot Price
(Dollars per Million Btu)

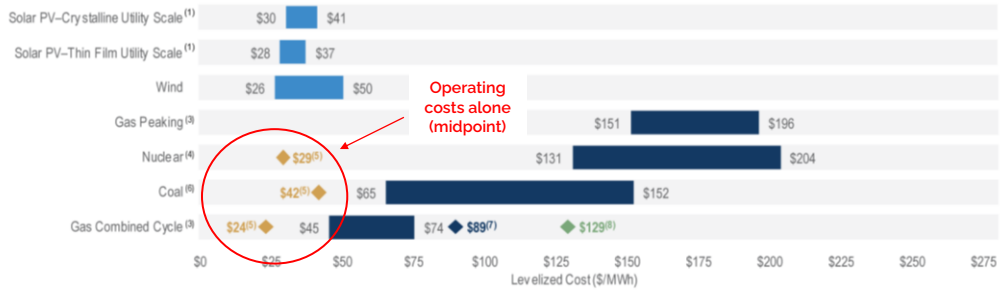


10

Electricity generation sources



Levelized Cost of Energy Comparison—Unsubsidized Analysis



Source: Lazard Levelized Cost of Energy Analysis (LCOE 15.0)

11

Many other factors impact utility costs



- Weather
- Home energy efficiency
- Company profits
- And much more

13



Thank you

Annie Levenson-Falk
Executive Director

annielf@cubminnesota.org

651-300-4701, ext. 1

www.cubminnesota.org