



POWERLESS IN THE UNITED STATES

EXECUTIVE SUMMARY

How Utilities Drive Shutoffs and Energy Injustice

An ongoing project tracking utility service disconnections and corporate profiteering

Center for Biological Diversity | Selah Goodson Bell and Jean Su
Energy and Policy Institute | Matt Kasper and Shelby Green
BailoutWatch | Christopher Kuveke

EXECUTIVE SUMMARY

- 👁️ **UTILITIES CUT OFF POWER TO HOUSEHOLDS MORE THAN 1.5 MILLION TIMES** from January through October 2022 in the 30 states and Washington, D.C., where data was available. Extrapolating the rate of customers disconnected across all 50 states, we estimate **4.2 MILLION HOUSEHOLD DISCONNECTIONS OCCURRED ACROSS THE COUNTRY** in the first 10 months of 2022.
- 👁️ **THE SHUTOFFS CRISIS IS GROWING.** We found a **29% INCREASE IN POWER DISCONNECTIONS AND A 76% INCREASE IN GAS DISCONNECTIONS** in the first 10 months of 2022 compared to the same period in 2021, among power utilities and a subset of gas utilities providing data.
- 👁️ **A DOZEN COMPANIES PERPETRATED 86% OF THE SHUTOFFS** documented from 2020 through October 2022. **JUST 1% OF THEIR SPENDING ON DIVIDENDS FOR SHAREHOLDERS COULD HAVE PREVENTED ALL THEIR DOCUMENTED POWER SHUTOFFS** over that period. Those same companies spent \$2.8 billion paying about 70 top executives in the three years beginning in 2019 — about \$5.9 million per executive per year.
- 👁️ **BY CONTINUING TO INVEST IN FOSSIL GAS AND INFRASTRUCTURE, IGNORING PRICE VOLATILITY, UTILITIES ARE DRIVING ENERGY INSECURITY AND SHUTOFFS, PARTICULARLY FOR HOUSEHOLDS OF COLOR.** Electricity prices are up about 12% since 2021, driven by the Russian war in Ukraine, utilities' reliance on fossil gas for power generation, and their ability to pass rising fuel costs directly on to customers. This economic hit particularly hurts people of color; 1 in 3 families couldn't afford at least one energy bill last year.
- 👁️ **THE SCALE OF THE SHUTOFFS PROBLEM IS MASKED BY A WIDESPREAD FAILURE OF TRANSPARENCY, WITH STATE REGULATORS IN NEARLY 40% OF STATES FAILING TO REQUIRE ANY DISCLOSURES.** Most notably, Florida stopped providing data in late 2021, leading to an apparent (but misleading) decrease in the number of shutoffs documented in 2022. Florida Power & Light imposed the most shutoffs — nearly 1 million — from 2020 through 2021.
- 👁️ **THERE ARE MANY STEPS FEDERAL AND STATE LAWMAKERS AND REGULATORS CAN TAKE TO TACKLE THE CHRONIC DISCONNECTIONS PROBLEM.** We provide the most comprehensive policy blueprint to date of what they can do — from banning utility shutoffs to transforming the unaccountable, dirty utility system. (See Annex 1.)

INTRODUCTION

The epidemic of utilities shutting off people's electric and gas service for nonpayment has continued unabated in the months since our earlier *Powerless in the Pandemic* publications, which tracked utility disconnections and corporate profits since COVID-19 began.¹ Utilities shut off power to households an estimated 4.2 million times in the first 10 months of 2022.* The harm is real and self-evident, as are the solutions. Yet utility companies are still depriving U.S. households of power and heat millions of times a year while returning billions to their shareholders and executives.

The seriousness of the problem was made plain by the late December superstorm that battered the United States. Frozen gas lines and downed power infrastructure led to at least 60 fatalities and left millions of people unsafe, without power and heat – a situation that distributed renewable power generation and storage, along with a grid that moves clean electricity more efficiently, could have alleviated.

Access to electricity is a basic human right. Without it, people struggle to maintain employment and stay alive.

Access to electricity is a basic human right. People rely on electricity for water, physical safety, food security, medical care and telecommunications. When these essentials are taken away, the harm spreads like ripples across a pond. Disconnections foster instability: Without power, people struggle to maintain employment, keep their kids in school, and even stay alive. This is doubly true for the largely poor communities of color that are most vulnerable to inadequate housing and climate-driven weather extremes.

The preventable practice of disconnections keeps millions of Americans in poverty and narrows their avenues of escape. By giving utility companies the power to penalize poverty, we license them to perpetuate it.

* As of the date of this report, most states requiring utilities to disclose monthly information on power shutoffs provide data as late as October 2022. See Methodology (Annex 3).

Shutoffs allow corporate utilities to punish customers' economic precarity while guaranteeing record profits and massive payouts for themselves and their investors. As this report shows, the companies most responsible for utility disconnections tend to be less profitable than their peers but spend more of their cash on executive pay — about \$5.9 million per executive per year — and Wall Street dividends. It shows how a broken utility industry causes energy insecurity and hurts American people, and it outlines what federal and state lawmakers and regulators can do to fix that.

For the first time, we provide data on fossil fuel-price volatility and gas-utility disconnections, in addition to electricity shutoffs. What emerges is a vicious cycle in which shortsighted overinvestment in fossil infrastructure by utilities helps drive that price volatility and fuels the shutoff crisis. Excessive profit-taking also is a key driver of skyrocketing inflation that adds to people's economic woes.

Our work is limited by lack of data transparency. Only 60% of states require utilities to report the egregious practice of shutting off power for nonpayment. As long as utilities can hide behind industry-friendly regulators and politicians, refusing to provide clear data on their anti-consumer policies, we will never know the true scope of damage caused when companies sever service.

FINDINGS

Electricity Disconnections Are Increasing

Utility shutoffs are spiraling out of control. Electric companies cut off power to households more than 1.5 million times from January through October of 2022 in the 30 states and Washington, D.C. where data were available. The seven worst offending utilities' disconnections equaled about 3% of their total customers. If this rate prevailed across the United States, it would suggest a total of 4.2 million household disconnections in the first 10 months of 2022.²

Ten states accounted for nearly 84% of the shutoffs we documented. (See Table 1.) Utilities in Illinois, Pennsylvania, Georgia, Michigan, Ohio and Missouri committed more than two-thirds of the 2022 shutoffs. Had Florida continued reporting data past October 2021 it likely would have remained at or near the top of the list.

Combining this new dataset with findings from our earlier reports, we can document a staggering 5.7 million electricity shutoffs against U.S. households from January 2020 through October 2022.

TABLE 1
STATE
DISCONNECT
DATA
Top 10 states

State (latest month of reporting in 2022)*	Disconnects in 2021*	Disconnects in 2022*	Change in Disconnects from 2021 to 2022	% Change in Disconnects from 2021 to 2022
Illinois (October)	225,504	284,720	59,216	26
Pennsylvania (October)	180,219	198,627	18,408	10
Georgia (October)	189,649	198,463	8,814	5
Michigan (June)	142,904	166,284	23,380	16
Ohio (May)	106,378	107,271	893	1
Missouri (September)	68,534	84,754	16,220	24
Maryland (October)	41,416	74,345	32,929	80
Connecticut (October)	153	58,945	58,792	38,426
Kentucky (June)	16,029	52,609	36,580	228
New York (October)	0	41,235	41,235	N/A
Total	970,786	1,267,253	296,467	31

**The data cover states' disconnections up until their latest month of reporting in 2022. See the Year-Over-Year Comparison section in Methodology (Annex 3) for a full explanation.*

In areas served by utilities that provided data in 2021 and 2022, the country saw a 29% increase in disconnections in the first 10 months of 2022, year-over-year. Among the 10 states with the most disconnections, the percentage increase from 2021 to 2022 was 31%.³ (See Table 1.)

Many states with notable increases in disconnections also saw average utility bills increase sharply;⁴ Missouri (shutoffs up 24%, electric bills up 24%); Kentucky (shutoffs up 228%, electric bills up 17%); and Arizona (shutoffs up 20%, electric bills up 6%).

Many pandemic-induced bans on shutoffs expired in 2021, which helped drive up disconnections. At the start of the pandemic in March 2020, 32 states and Washington, D.C., imposed a patchwork of moratoriums that barred utilities from shutting off power to people struggling with COVID-related economic disruptions. Most of the moratoriums ended in 2021, resulting in tens of thousands more disconnections in 2022 in states including Connecticut, New York and Massachusetts.

New York's COVID-related shutoffs moratorium, among the country's most ambitious, ended in December 2021.⁵ In the first 10 months of 2022 New York utilities disconnected households more than 41,000 times.

Seven Utilities Perpetrated Most Shutoffs

Seven utility parent companies, operating in nine states and D.C., perpetrated nearly 70% of the shutoffs documented in 2022. They increased disconnections collectively by more than 22% over the same period in 2021: Exelon Corp. (31% increase), Southern Company (5% increase), DTE Energy (16% increase), Ameren Corp (10% increase), First Energy Corp. (20% increase), PPL Corp. (139% increase), and American Electric Power Co Inc (7% increase). (See Table 2.)

TABLE 2
UTILITIES WITH
MORE THAN
70,000
SHUTOFFS

January-October 2022

Parent Company (states of operation) ⁶	Disconnects 2021*	Disconnects 2022*	Change in Disconnects from 2021 to 2022	% Change in Disconnects 2021 to 2022
Exelon Corp ⁷ (IL, MD, PA, DC)	280,303	368,579	88,276	31
The Southern Co. ⁸ (GA)	189,649	198,463	8,814	5
DTE Energy (MI)	102,206	118,699	16,493	16
Ameren Corp (IL, MO)	100,539	110,688	10,149	10
FirstEnergy Corp ⁹ (MD, PA, OH)	81,744	98,467	16,723	20
PPL Corp ¹⁰ (PA, KY)	33,904	81,058	47,154	139
American Electric Power Co Inc ¹¹ (OH, KY, MI, IN)	67,900	72,881	4,981	7
Total	856,245	1,048,835	192,590	22

*The data cover each state's disconnections up until their latest month of reporting in 2022. See the Year-Over-Year Comparison section in the Methodology ([Annex 3](#)) for a full explanation.

TABLE 5
HALL OF SHAME
UTILITIES

Parent Company (state)	Total Cumulative Disconnects (2020 through October 2022)	Cost to Prevent Disconnects	Dividends (2020 through Q3 2022)	Dividends/ Cost to Prevent Disconnections
Exelon Corp ¹² (IL, MD, PA, DC)	743,040	\$78,762,240	\$3,988,000,000	51x
The Southern Co. ¹³ (GA)	538,841	\$57,117,146	\$7,628,000,000	134x
DTE Energy (MI)	377,492	\$40,014,152	\$2,065,000,000	52x
Ameren Corp (IL, MO)	293,719	\$31,134,214	\$3,401,400,000	109x
FirstEnergy Corp ¹⁴ (MD, PA, OH)	239,527	\$25,389,862	\$2,361,000,000	93x
PPL Corp ¹⁵ (PA, KY)	195,555	\$20,728,830	\$3,174,000,000	153x
American Electric Power Co Inc ¹⁶ (OH, KY, MI, IN)	373,065	\$39,544,890	\$4,156,900,000	105x
Duke Energy Corp (FL, IN, KY, NC, SC, OH)	602,068	\$63,819,208	\$8,315,000,000	130x
NextEra Energy Inc ¹⁷ (FL)	1,180,212	\$125,102,472	\$8,274,000,000	66x
AES Corp ¹⁸ (IN, OH)	152,756	\$16,192,136	\$1,098,000,000	68x
CMS Energy Corp ¹⁹ (MI)	148,708	\$15,763,048	\$1,386,000,000	88x
Emera Inc ²⁰ (FL)	85,163	\$9,027,278	\$1,346,000,000	149x
TOTAL	4,930,146	\$522,595,476	\$47,193,300,000	Average 90x

ENDNOTES

- 1 Su, Jean & Christopher Kuveke, *Powerless in the Pandemic 2.0*, Center for Biological Diversity, BailoutWatch & Tiger Moth LLC (April 2022), https://bailout.cdn.prismic.io/bailout/ddebd6e2-b136-4dc8-a1da-f6d4583b4c24_Powerless_Report2022_final.pdf; Su, Jean & Christopher Kuveke, *Powerless in the Pandemic*, Center for Biological Diversity & BailoutWatch (September 2021), https://bailout.cdn.prismic.io/bailout/973caeea-9a3f-4b46-bc1c-68eb8cf63b33_Powerless_Report_v5.pdf; Ryan, Greer, *Power Crisis*, Center for Biological Diversity (June 2021), <https://www.biologicaldiversity.org/programs/energy-justice/pdfs/Power-Crisis-Report-June-2021.pdf>
- 2 U.S. EIA, *Annual Electric Power Industry Report* (2022), https://www.eia.gov/survey/form/eia_861/form.xlsx.
- 3 About 76% of the states where we could obtain data saw an increase in disconnections, totaling a collective uptick in disconnections of about 35% over the same period a year earlier. Due to inconsistent reporting, it is difficult to provide an apples-to-apples comparison for each state.
- 4 Save On Energy Team, *Electricity Bill Report: Who paid the most, least?*, (Dec. 15, 2022). <https://www.saveonenergy.com/resources/electricity-bills-by-state/>. See also EIA, *2021 Average Monthly Bill-Residential*, https://www.eia.gov/electricity/sales_revenue_price/pdf/table5_a.pdf (Oct. 2022).
- 5 New York Department of Public Service, *COVID-19 Moratorium on Utility and Municipal Shutoffs* (last updated Dec. 29, 2021), <https://www3.dps.ny.gov/W/AskPSC.nsf/All/D3BB77AFE92D6FFF852585EE0051A13E#:~:text=The%20moratorium%20on%20utility%20service,and%20pay%20down%20their%20arrears>
- 6 Subsidiaries in footnotes below
- 7 Exelon Corp.'s subsidiaries: Commonwealth Edison (IL), Baltimore Gas and Electric Company (MD), Delmarva Power (MD), and Pepco Holdings Inc. (MD), Pennsylvania [PECO Energy Co. (PA), Potomac Electric Power Company (DC)]
- 8 The Southern Co.'s subsidiaries: Georgia Power (GA)
- 9 FirstEnergy Corp's subsidiaries: Potomac Edison (MD), Pennsylvania Metropolitan Edison Company (PA), Pennsylvania Electric Company (PA), Pennsylvania Power Company (PA), and West Penn Power Company (PA), The Cleveland Electric Illuminating Company (OH), Ohio Edison Company (OH), and The Toledo Edison Company (OH)
- 10 PPL Corp's subsidiaries: LG&E (KY) and KU Energy LLC (KY)
- 11 American Electric Power's subsidiaries: Ohio Power Company (OH), Kentucky Power Company (KY), Indiana Michigan Power Company (MI) (IN)
- 12 Exelon Corp.'s subsidiaries: Commonwealth Edison (IL), Baltimore Gas and Electric Company (MD), Delmarva Power (MD), and Pepco Holdings Inc. (MD), Pennsylvania [PECO Energy Co. (PA), Potomac Electric Power Company (DC)]
- 13 The Southern Co.'s subsidiary: Georgia Power (GA)
- 14 FirstEnergy Corp's subsidiaries: Potomac Edison (MD), Pennsylvania Metropolitan Edison Company (PA), Pennsylvania Electric Company (PA), Pennsylvania Power Company (PA), and West Penn Power Company (PA), The Cleveland Electric Illuminating Company (OH), Ohio Edison Company (OH), and The Toledo Edison Company (OH)

- 15 PPL Corp's subsidiaries: LG&E (KY) and KU Energy LLC (KY)
- 16 American Electric Power's subsidiaries: Ohio Power Company (OH), Kentucky Power Company (KY), Indiana Michigan Power Company (MI) (IN)
- 17 NextEra Energy's subsidiaries: Gulf Power (FL) and Florida Power & Light Company (FL)
- 18 AES' subsidiaries: Dayton Power and Light Company (OH) and Indianapolis Power & Light Company (IN)
- 19 CMS' subsidiary: Consumers Energy (MI)
- 20 Emera Inc's subsidiary: Tampa Electric Company (FL)

Photo credit: Reverend Michael Malcom