High energy costs take a big toll on state's poor

By Mary Ellen Vanni

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This month, the Public Service Commission reported to the legislature that the 1999 deregulation of the electric utility industry in Maryland has not produced competition for the state's residents. The report concluded that deregulation failed to bring costs down while it assured the lawmakers that electricity prices would continue to increase in the foreseeable future.

If these charges produce a safe, clean and reliable flow of energy, most Marylanders will probably consider the payment well worth the investment. Most Marylanders will absorb the extra costs into their budgets and will make some efforts to conserve on interior lighting, home heating temperatures and trips in the car.

There are, however, at least 300,000 families in Maryland who live in or near poverty and who will not easily absorb these extra costs; rather, they will trade food for electricity, prescription drugs for warmth.

These families fit the description of the population in a recent report by the Children's Sentinel Nutrition Assessment Project. In September 2007, this national research center of pediatricians and public health experts linked rising fuel prices to the health and well-being of poor children. It concluded that "babies and toddlers who live in energy insecure households are most likely to suffer poor health, require hospitalization, manifest developmental problems and lack adequate food, which contributes its own chain of negative health and developmental effects."

It goes on to say, "When families do not have access to sufficient energy, they generally have to resort to unsafe heating methods and do not have the proper means to refrigerate or prepare food for their children. This hurts children in the long run, increasing the risk of injuries and leading to both health and developmental problems."

Maryland is now one of the highest-priced states for electricity. Federal funding remains flat. If there is no choice but expensive energy, there must be a strong safety net to catch those who cannot afford home energy and the most vulnerable of them, children, who will suffer the most for the longest time.

In July, Governor O'Malley hosted an energy summit to plan for an ambitious energy program in Maryland. He wants to create a public benefits fund and to use tax credits for energy efficiency investments in all sectors. In light of the PSC's report, the price for energy will be a high one.
Will a public benefits fund help families at great risk because of the inability to pay the high price for energy? Will energy efficiency programs reduce use and thereby reduce bills for low-income families? If so, there is hope. If not, will our vulnerable neighbors be frozen out of their homes by expensive energy?

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