

Rising Energy Costs & Affordable Housing: Making Conservation a Priority

South Carolina is ranked 18th in the nation for per capita energy consumption with an average of 381.5 million BTUs per year per person[†], and as the ‘capita’ part of this equation continues to rise[‡] so does energy consumption.

In South Carolina electricity remains the primary source of power for more than 58% of residential homes and, despite some of the lowest electricity rates in the nation, the average residential electricity bill is well above the national average; and the cost will continue to rise as the major electric companies continue to increase their base rates. For example, SCE&G, which serves the Charleston area, made a 6.75% increase in retail electric base rates and a 1.33% increase in natural gas this year.

Across the state the effect of rising energy costs has been further compounded by declining income levels. Between 1994 and 2005, energy costs in Charleston County rose by 23% while per capita income declined by 10%. According to a 2006 survey by the US Census Bureau, 18.1% of people living Charleston County live at or below the poverty line; and according to the U.S. Department of Energy, the percentage of income that a low-income family spends on energy greatly exceeds that spent by other families. Nationally, low-income households spend 14% of income on energy while most households spend 3.5%. In Charleston County, 39% of homeowners are spending 35% or more of their household income on monthly energy costs alone§.

Now, add to rising energy costs and declining income levels the prevalence of older housing stocks. In Charleston County, 49% of homes were built prior to 1980 (81,007 out of 165,151)^{**}. It is these homes which are most effected from rising energy costs as they are often severely leaky, poorly insulated and consequently expensive to heat and cool. Economically, energy costs are a significant and growing burden to many families and a growing number of people cannot afford to live comfortably in their homes. The point is, for many low-income residents the cost of energy is simply unaffordable and prevents them from making much needed upgrades aimed at decreasing energy use and consequently their bills.

So how can we address this combination of issues? Where is the best point of attack? How do we combat the increasing pressures caused by high energy cost, income decline, and an aging housing stock? Answer: Affordable Housing and Making Conservation a Priority. Start with the people who need it the most.

[†] SC Energy Office

[‡] South Carolina has experienced a higher average growth rate than the rest of the nation with a 7.7% increase between 2000 and 2006 according to US Census Bureau.

[§] According to the 2005 South Carolina Statistical Profile from the South Carolina Energy office and U.S. Department of Energy statistics

^{**} US Census Bureau, 2006 American Community Survey

Affordable housing programs are dedicated to providing relief for low-income families and are well positioned to endorse energy efficiency and conservation measures in the home. Many affordable housing programs are in place to subsidize the cost of repairs and maintenance to low-income housing. Here in the greater Charleston area, the HUD office and CDBG Repairs Programs serve as a shining example of an outlet to tackle this multidimensional problem.

Most homes can achieve significant increases in efficiency and energy conservation from minor maintenance and repairs – mainly air sealing and insulating. Older homes benefit the most from simple steps that can be taken to maintain the integrity of the building envelope and properly insulate between conditioned and unconditioned spaces. Air sealing and insulation improvements directly affect the efficiency and health of a home, and often results in lower energy bills.

Within the CDBG Repairs Programs there is opportunity to integrate energy saving and efficiency measures into regularly scheduled repairs. For example caulking all ceiling, wall and floor penetrations before painting (including where ceiling meets wall and wall meets floor), properly insulating attic and crawl space (recommended attic insulation should achieve an R-30 value and R-19 for a crawl space), making sure all plumbing penetrations are sealed using expanding spray foam, weather stripping doors, windows and the attic hatch, making sure duct work is sealed properly, and replace any water fixtures with low flow accessories or aerators. These types of repairs and upgrades can greatly improve the health and energy efficiency of a home and the ability of the home owner to maintain their home by reducing their cost of living.

To be sure, I have greatly simplified the connection between the plight of many of our local residents and a solution found within local affordable housing programs. However, the opportunity to employ an existing asset to help against these struggles should not be discounted. As our communities grow and change, our support systems must also change and be augmented to meet new challenges and new opportunities. I have highlight here the ground level issues – energy costs, declining income, old housing stocks – that are coalescing into a downward spiral of depression and poverty, but, also, all directly connect to an existing asset within our community that can provide a service with multifaceted benefits – improved quality of life, decreased energy consumption, and provide relief for families in need. This is not to say that the transition or implementation of such a solution is effortless and without complication, but given the intensifying circumstances, what we need now is solutions – let making conservation a priority among affordable housing programs be just one.

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