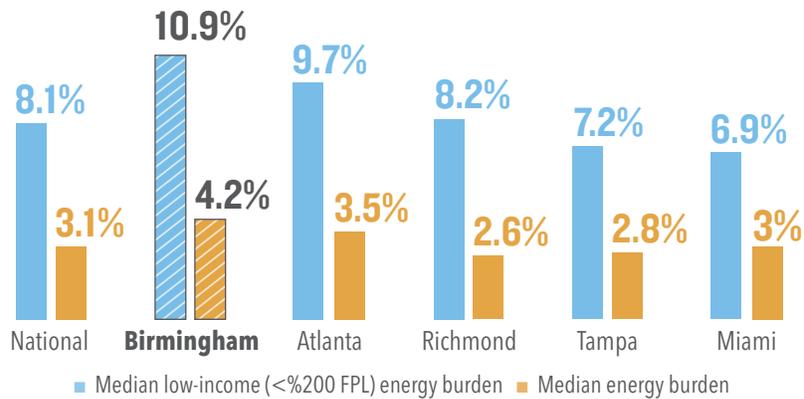


ENERGY BURDENS IN BIRMINGHAM

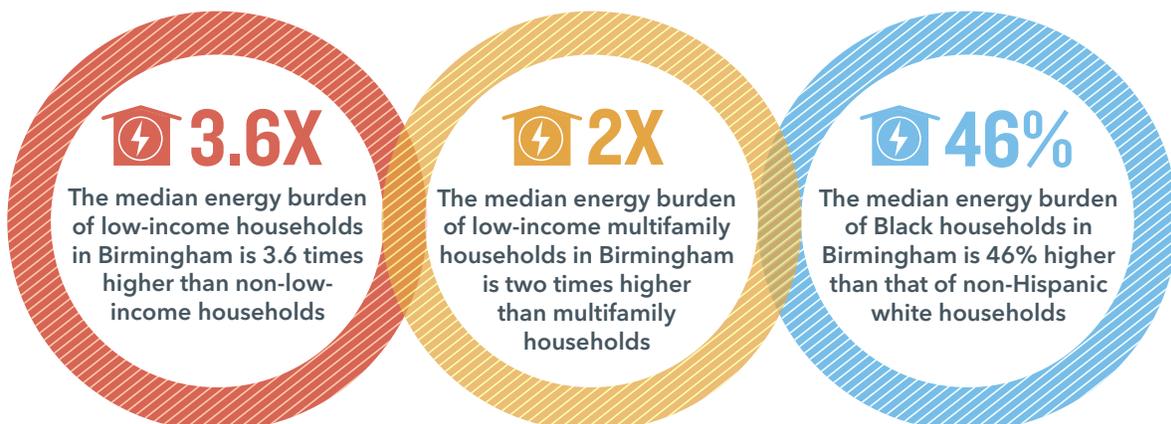
A household's energy burden is the percentage of income spent on home energy bills. A high energy burden is considered to be above 6% and a severe energy burden above 10%. ACEEE finds that certain groups have disproportionately higher energy burdens than the median household, such as Black, Hispanic, Native American, older adults (65+), renters, and low-income multifamily building residents. The graph below provides a comparison of Birmingham's median energy burden and median low-income energy burden compared to other select metropolitan areas in the region and nationally.



See ACEEE's 2020 report, *How High Are America's Residential Energy Burdens*, for a breakdown of median energy burdens for other groups nationally, regionally, and in 25 select metro areas: www.aceee.org/energy-burden.

ENERGY BURDENS IN BIRMINGHAM

- Median energy burden is 4.2%, and the median low-income energy burden is 10.9% in the Birmingham metropolitan area.
- A quarter of low-income households have an energy burden above 18% in the Birmingham metropolitan area, which is more than four times higher than the median energy burden.
- 34% of Birmingham households (153,330) have a high energy burden (above 6%).
- 18% of Birmingham households (80,995) have a severe energy burden (above 10%).
- 47% of Black households (64,390) and 40% of Hispanic households (5,760) in the Birmingham metropolitan area experience a high energy burden (above 6%).
- Based on the groups in the study, low-income (10.9%), low-income multifamily households (6.8%), and older adults (5.8%) experienced the highest median energy burdens in Birmingham.



LOCALLY LED STRATEGIES TO ADDRESS HIGH ENERGY BURDENS

Low-income weatherization and energy efficiency retrofits offer a long-term solution to addressing high household energy burdens. Key strategies for addressing energy insecurity include design energy efficiency and weatherization programs to meet the needs of highly burdened communities, increase overall funding, and improve program design to maximize benefits for low-income communities.

■ **Set energy burden goals and track progress**

Local and state policymakers and utilities can set energy affordability and energy burden goals as a first step to addressing energy insecurity in their communities. For example, the City of Saint Paul's [Climate Action and Resilience Plan](#) set a goal to reduce energy burden within 10 years, so that no household spends more than 4% on its income energy bills. The city has identified a series of initiatives to alleviate the energy burden among residential households to achieve this goal, such as establishing an energy burden working group to conduct outreach, developing policy options to incentivize low-income solar development, and offering higher renewable production incentives to low-income households. The city can continue to create strategies to achieve this goal and concrete steps to track progress toward this goal.

■ **Increase funding for low-income weatherization**

Local governments can devote funds to support weatherization and energy efficiency retrofit programs funded through the local utility or federal programs, partner with local implementers on a low-income energy efficiency program, or fund and run their own innovative pilot or energy efficiency program. In 2018, the City of Birmingham committed \$1 million to fund residential weatherization through the [Citywide Rehab Program](#). The program aimed to weatherize 100 homes in 100 days using funds from the City's Revitalization Fund. Birmingham, as well as other cities, can continue to dedicate additional funding to support local weatherization efforts.

■ **Improve program design, delivery, and evaluation through best practices and community-driven planning**

Program designers and implementers can conduct collaborative and effective community engagement to create programs that fit the needs of the community rather than fitting the community into an already designed program. They can also incorporate best practices on program design, delivery, and evaluation, such as leveraging diverse funding sources, prioritizing deep saving measures, including quality control, and supporting local workforce development. Program implementers can also learn from and emulate successful peer program models to maximize benefits in low-income communities.

■ **Integrate energy, health, and housing funding and resources**

High energy burdens, inadequate housing, and poor health are inextricably linked. Partnerships, the pooling of resources, and establishing referral networks across sectors can stretch program budgets and make programs more accessible and streamlined for residents. For example, the City of Fort Collins administers a [Healthy Homes Program](#) to reduce exposure to in-home pollutants that are likely to trigger respiratory ailments by recommending low-cost or free solutions. Home assessments document concerns related to energy, moisture, air sealing, combustion safety, and ventilation, among other hazards, and will refer residents to relevant resources/programs.

See the full 2020 report for additional energy burden data and policy recommendations: www.aceee.org/energy-burden.

For additional questions on energy burden data and/or policy solutions at the national, state, or local level, please contact Ariel Drehobl at adrehobl@aceee.org.
