



## Using data and science to brighten the future for families in need

### Challenge

Many low-income families struggle to pay their electric and gas bills, risking financial crisis for their families and generating higher energy rates for all. By implementing a simple, costless change like moving bills for low-income households to the beginning of their benefit month, we could **avoid 64% of utility shut-offs, reduce late payment rates by 42%**, and **reduce overdue payment amounts for low income families by 38%** every year.

### How can we help families pay their bills on time?

Small financial shocks can send low-income families on a downward poverty spiral.<sup>1</sup> When families are dependent on government programs, such as the Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, and other monthly benefit programs, budgeting can be hard.<sup>2,3,4</sup> Even small changes can make big differences, both positive and negative, for these vulnerable households.

RIPL is partnering with major electricity providers to find ways to help families keep the lights on and maintain financial stability from month to month. Figure 1 shows that small changes can make a big difference — families living in high poverty neighborhoods are more likely to pay their bill when they receive it on the first few days of the SNAP-benefit month. **If all low-income families received bills at the beginning of the month, we could:**

1. Avoid **64%** of utility shut-offs.
2. Reduce the late payment rate by **42%**.
3. Reduce total overdue payment amounts for low income families by about **38%** per year.

### Brightening the future for families in need

Electricity providers can lead the way in opportunity and continuous improvement for their communities. We are partnering data and science with energy providers to deliver a simple, no-cost pilot that offers two solutions to help vulnerable families out of the poverty trap and lower costs for all ratepayers. The first is **a simple bill-reminder program to support on-time payments for low-income households**. The second is to **change the bill timing for low-income families to the beginning of their benefit month**, to help customers manage budgeting and expenditure pain points.

Energy is a critical need for families. It sustains them and supports them as they pursue education, careers, family growth and opportunity. Together, we are meaningfully improving lives by helping low-income families avoid poverty traps and lowering rates for all families through reduced write-off costs for missed payments. This program will make partner states leaders in delivering easy, innovative, public-private partnerships which improve lives, public policy, and business.

