

MICHIGAN STATE UNIVERSITY | INSTITUTE OF PUBLIC UTILITIES REGULATORY RESEARCH AND EDUCATION

#### IPU RESEARCH NOTE

## CONSUMER EXPENDITURES ON UTILITIES THROUGH 2014

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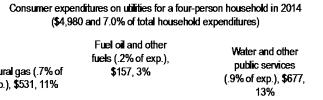
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The Bureau of Labor Statistics (BLS) of the U.S. Department of Labor publishes annual data on household expenditures. This research note summarizes 2014 and time series data on utility expenditures extracted from the BLS website (www.bls.gov). Expenditures are reported here in absolute terms and relative to total household expenditures. The data are also reported along several demographic dimensions. Utility expenditures are divided by total household expenditures instead of income because total household expenditures may exceed income before taxes for lower income households.

These data reflect broad aggregations and averages; the actual experience of particular regions, states, and households will vary significantly. The data are also affected by the survey method, where households not using or paying directly for a particular service (for example, natural gas, fuel oil, or water) are included at a value of zero, and thus understate expenditures for affected households. Nonetheless, the data provide insight into significant attributes and trends for consumer expenditures on utility services.

#### Sixteen exhibits are provided:

- Exhibit 1. Consumer expenditures on utilities for a four-person household in 2014.
- Exhibit 2. Consumer expenditures on utilities by household size in 2014.
- Exhibit 3. Trends in consumer expenditures on utilities for a four-person household.
- Exhibit 4. Trends in consumer expenditures on utilities as a percentage of total expenditures.
- Exhibit 5. Trends in consumer expenditures on utilities relative to total expenditures and income by quintile.
- Exhibit 6. Trends in income levels by income quintile.
- Exhibit 7. Trends in consumer expenditures on utilities by income quintile.
- Exhibit 8. Consumer expenditures on utilities by income quintile.
- Exhibit 9. Consumer expenditures on utilities by income quintile as a percentage of total expenditures.
- Exhibit 10. Change in percentage of consumer expenditures on utilities by income quintile from 2004 to 2014.
- Exhibit 11. Consumer expenditures on utilities by region (amount and percentage of total).
- Exhibit 12. Consumer expenditures on utilities by urban and rural area (amount and percentage of total).
- Exhibit 13. Consumer expenditures on utilities by housing (amount and percentage of total).
- Exhibit 14. Consumer expenditures on utilities by age (amount and percentage of total).
- Exhibit 15. Consumer expenditures on utilities by race (amount and percentage of total).
- Exhibit 16. Summary of expenditures on all utilities in 2014 for key demographics.



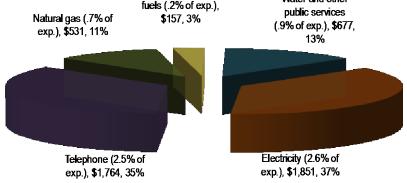


Exhibit 1. Consumer expenditures on utilities for a four-person household in 2014.

# Consumer expenditures on utilities by household size (2014)

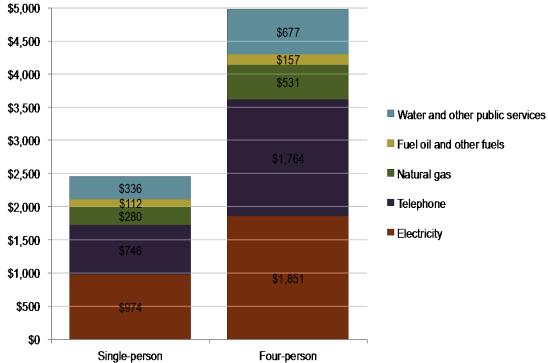


Exhibit 2. Consumer expenditures on utilities by household size in 2014.

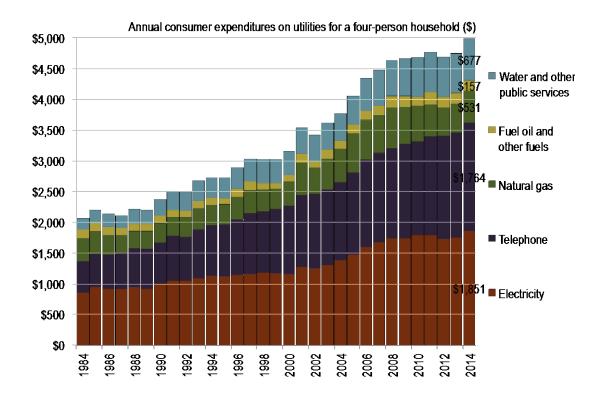


Exhibit 3. Trends in consumer expenditures on utilities for a four-person household.

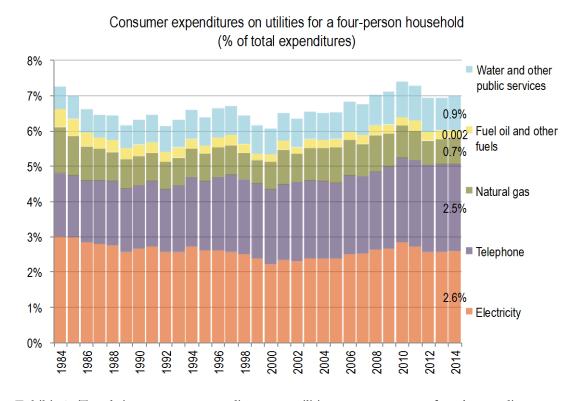


Exhibit 4. Trends in consumer expenditures on utilities as a percentage of total expenditures.

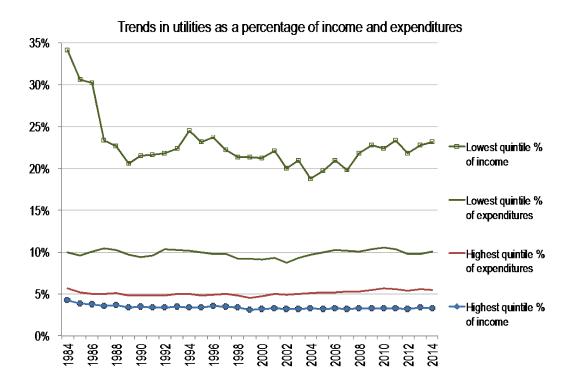


Exhibit 5. Trends in consumer expenditures on utilities relative to total expenditures and income by quintile.

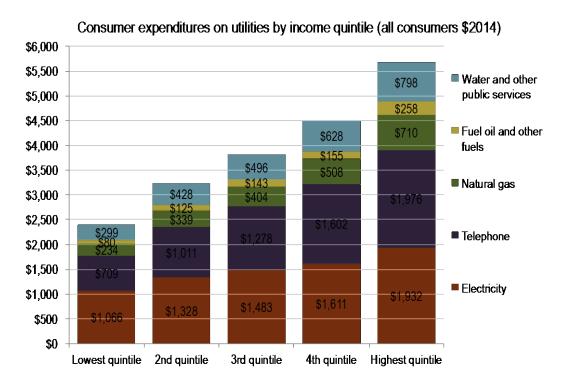


Exhibit 6. Consumer expenditures on utilities by income quintile.

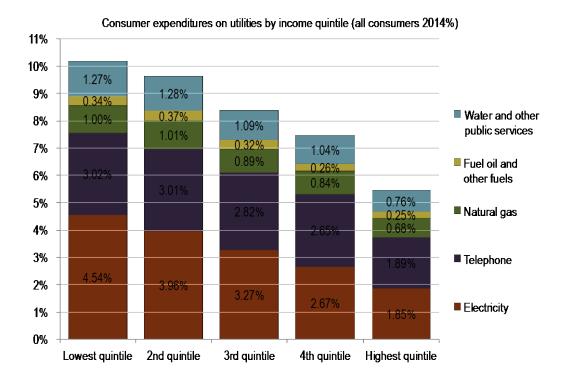


Exhibit 7. Consumer expenditures on utilities by income quintile as a percentage of total expenditures.

### Income before taxes by income quintile

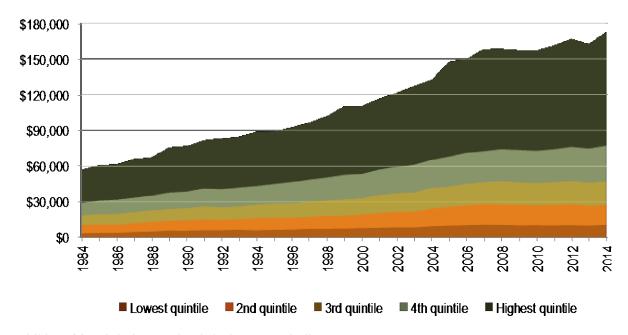


Exhibit 8. Trends in income levels by income quintile.

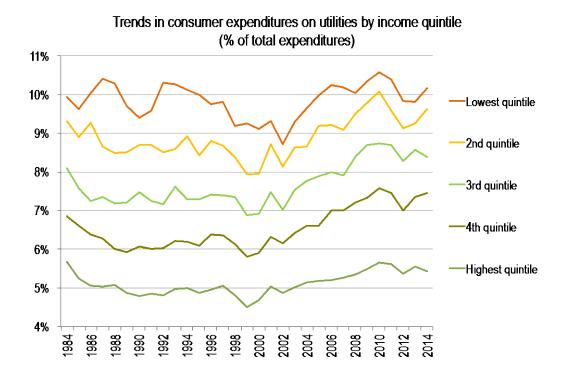


Exhibit 9. Trends in consumer expenditures on utilities by income quintile.

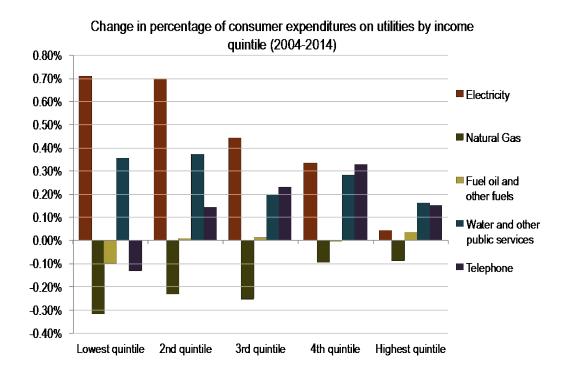


Exhibit 10. Change in percentage of consumer expenditures on utilities by income quintile from 2004 to 2014.

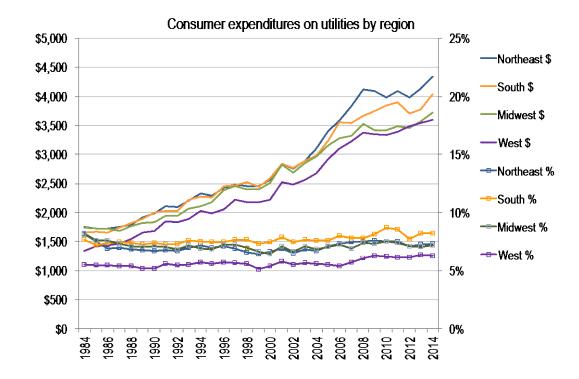


Exhibit 11. Consumer expenditures on utilities by region (amount and percentage of total).

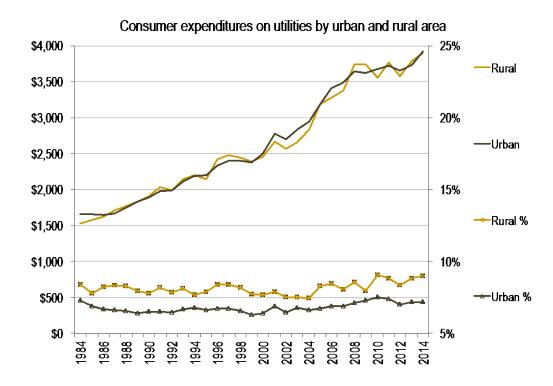


Exhibit 12. Consumer expenditures on utilities by urban and rural area (amount and percentage of total).

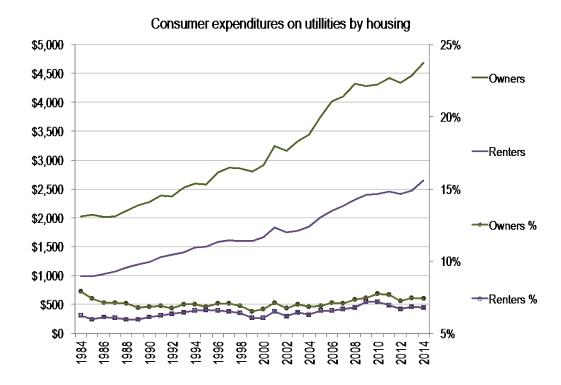


Exhibit 13. Consumer expenditures on utilities by housing (amount and percentage of total).

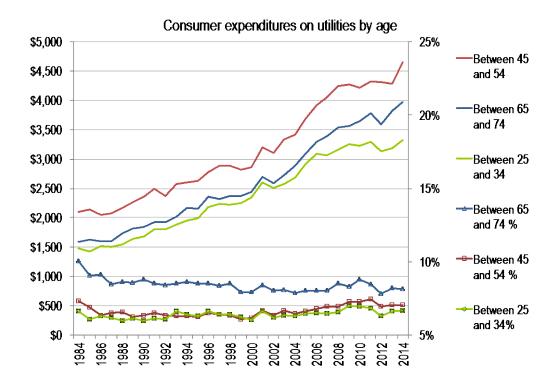


Exhibit 14. Consumer expenditures on utilities by age (amount and percentage of total).

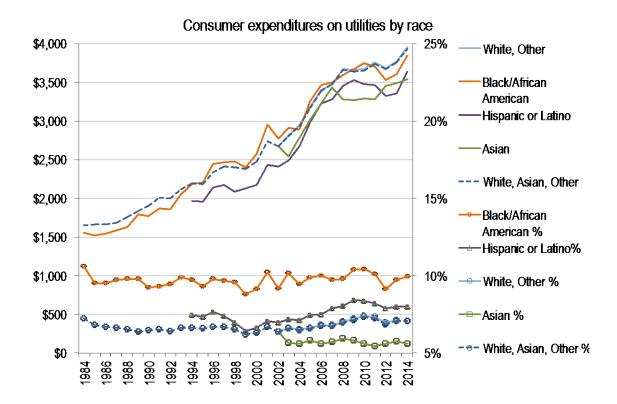


Exhibit 15. Consumer expenditures on utilities by race (amount and percentage of total).

Exhibit 16. Summary table

	Expenditures on utilities	Expenditures	% of Expenditures
Size of consumer unit			
Four persons	\$4,980	\$71,481	7.0%
Quintiles of income before taxes			
Lowest 20 percent	\$2,387	\$23,713	10.1%
Second 20 percent	\$3,230	\$33,546	9.6%
Third 20 percent	\$3,805	\$45,395	8.4%
Fourth 20 percent	\$4,505	\$60,417	7.5%
Highest 20 percent	\$5,674	\$104,363	5.4%
Type of area			
Urban	\$3,923	\$54,436	7.2%
Rural	\$3,895	\$43,212	9.0%
Region of residence			
Northeast	\$4,126	\$59,301	7.0%
Midwest	\$3,564	\$51,961	6.9%
South	\$3,772	\$49,372	7.6%
West	\$3,535	\$57,181	6.2%
Housing			
Homeowner	\$4,679	\$62,226	7.5%
Renter	\$2,646	\$38,749	6.8%
Age			
25-34 years	\$3,319	\$49,546	6.7%
45-54 years	\$4,644	\$65,651	7.1%
65-74 years	\$3,966	\$48,885	8.1%
Race			
White, Asian, and all other	\$3,932	\$55,691	7.1%
White and all other	\$3,953	\$55,308	7.1%
African American	\$3,843	\$38,543	10.0%
Hispanic or Latino	\$3,639	\$45,561	8.0%
Asian	\$3,535	\$62,784	5.6%