

***Jerrold Oppenheim and Theo MacGregor***  
**ENERGY POVERTY IN DEVELOPED COUNTRIES:  
EUROPEAN LESSONS FOR US, US LESSONS FOR EUROPE?**

**Jerrold Oppenheim, J.D., Democracy And Regulation, 57 Middle St., Gloucester, Mass. 01930 USA,  
Phone: +1-978-283-0897, e-mail: [JerroldOpp@DemocrCyAndRegulation.com](mailto:JerroldOpp@DemocrCyAndRegulation.com)**  
**Theo MacGregor, Democracy And Regulation, Gloucester, Mass. USA, Phone: +1-978-283-0897,  
e-mail: [TheoMacGregor@GMail.com](mailto:TheoMacGregor@GMail.com)**

**Overview**

We describe the impact on the poor of rising energy prices in the US and the Massachusetts Model to combat fuel poverty. We compare the Massachusetts Model to similar efforts in other developed economies:

- Other US states,
- Western Europe, and
- Eastern Europe.

We discuss issues of federalism, central control, the role of past and current political consensus on underlying values, how income levels and income gaps affect what is practical to achieve, and collaboration as a means for developing appropriate programs in specific places.

**Methods**

The authors have been active in the development of the Massachusetts Model and will describe the Model and its context based on that experience. The authors have also worked in other US states and will compare Massachusetts with other states in the context of the US federal system.

We compare the experience in Western Europe based on literature and interviews with people involved with the development of fuel poverty programs in those countries. Similarly, we will compare the experience in Eastern Europe based on literature and interviews.

**Results**

We compare program elements across US states and European nations, including such elements as identification of low-income households, source and stability of funding, low-income pricing, cash assistance, limiting payments due, restrictions on termination of service, and provision of energy efficiency (including such issues as comprehensiveness).

**Conclusions**

Strategies to combat fuel poverty are very similar across the developed world, though the depth and breadth of programs varies considerably. We hypothesize that a decentralized Federal system allows for experimentation, as well as the development of programs that meet the specific needs and values of different places. A disadvantage of federalism is the lack of uniformity, a characteristic which central control provides. From the standpoint of low-income concerns, federalism allows for development of the most progressive and comprehensive approaches where the context so permits, as in Massachusetts, but central control permits greater breadth and consistency of assistance to low-income consumers. Hybrids of these approaches are most common.

The approach to fuel poverty varies considerably depending on past history and the current political consensus on underlying values. Much of Western Europe, like Massachusetts, supports its citizens out of a sense of solidarity. and shares this value so strongly that it provides a comprehensive social safety net. In other parts of Western Europe – like much of the middle of the US – there is comfort with larger differences in income and living conditions.

Approaches to fuel poverty in Eastern Europe are affected by a history of centrally directed but inefficient energy use, as well as a relative lack of income available to share in the amelioration of fuel poverty.

The levels of fuel poverty vary considerably across the developed world, as does the willingness to address it and the approaches considered appropriate. Our experience in Massachusetts and other US states demonstrates that

collaboration between utility service providers and representatives of victims of fuel poverty is a useful means for developing appropriate programs in specific places, and also that government intervention is important. Collaboration takes different forms in different places – private negotiations, formal councils, consultation – but is an essential element of the democratic development of programs to combat fuel poverty.

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