

THE IMPLICATIONS OF SENATE BILL 111
ON THE WELFARE OF BLACK,
SINGLE, FEMALE HEADS OF HOUSEHOLDS

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ABSTRACT
SOCIAL WORK

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THE IMPLICATIONS OF SENATE BILL 111
ON THE WELFARE OF BLACK, SINGLE,
FEMALE-HEADED HOUSEHOLDS

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The implications of Senate 111 is to make it legal to transfer the cost for building power plants onto consumers. This will cause devastating effects for the black, single, female-headed householders because of their present state. Through evaluative design it is proven that the black, single, female-headed householder will not be able to pay their electric bill with an 80 percent increase.

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C H A P T E R I

INTRODUCTION

Statement of the Problem

There was a time when people thought that walking on the moon was impossible. Heart transplants were not expected to become available until about the year 2000; and, the idea of artificial hearts was ludicrous. However, the 1960s brought the first flight to the moon, along with the first moon walk and the first heart transplant. Additionally, the 1980s brought the first implantation of an artificial heart. Now, all of these things are commonplace. Changes that people would have gawked at in the past are now daily occurrence.

In addition to all of the technological changes in America, there have also been social changes. For instance, under the Carter Administration, a black woman held a Cabinet position for the first time in our nation's history. During the Reagan Administration, a woman was appointed to the Supreme Court for the first time. Throughout all of these changes, however, one thing has remained constant. It is still the right of the American people to elect government officials to represent them in this ever-changing world. Furthermore, when these officials are elected, they are expected to have the best interest of the American people in mind and to look out for the betterment of the community,

city, state, and/or country. In addition, when these officials make new laws and policies, the laws and policies should be in the best interest of the American population. The improvement of the majority of the population and not the minority should be the objective of these laws and policies.

The betterment of the State and not necessarily the betterment of the people who comprise the State must have been the thought that pervaded the minds' of the authors of Senate Bill 111. (These men were: Senator Scott of the 2nd, Senator Kidd of the 25th, and Senator Brown of the 47th.) The main idea behind Senate Bill 111 is to legalize the transferral of costs associated with the building of nuclear power plants, in the state of Georgia, to the consumers.

One constituency of consumer that will be adversely affected is the black, single, female-headed householder. According to the Director of Research for the National Urban League, black, single, female-headed householders have the lowest income of any family type.¹

The median income for black, single, female-headed householders for 1980 was \$7,425 while for white, single, female-headed householders it was \$11,903.² This research also showed that from 1970 to 1980, there was an increase

¹James McGhee, "A Profile of the Black Single Female Headed Household," edited by J. D. Williams (New York: National Urban League, Inc., 1985), p. 87.

²Ibid., p. 90.

from 31 percent to 42 percent of black, female-headed householders.

In the state of Georgia, 10.8 percent of the householder population is black and 43.1 percent of that population are females.³

In 1984, 30.9 percent of all black householders were below poverty level, and, in that same year, 38.2 percent of that same population was 125 percent below poverty level.⁴

When transferring 30.9 percent to real numbers, it becomes evident that there are 2.6 million black people that do not have what is needed to survive as seen through the eyes of the United States Government. In light of this, one has to ask: How are they surviving; and, how are they meeting their needs?

This paper will not attempt to explain the high poverty rate of the black population, nor will it explain ways of survival for this group. This study will, however, address the black, single, female-headed householder and the implications of Senate Bill 111 on this group. This will include looking at other poverty stricken populations and ways to alleviate some of the cost of electricity.

The problem that is faced by the poverty stricken

³United States Department of Commerce Bureau of the Census, Statistical Abstract of the United States, 106th ed. (Washington: Government Printing, 1986), p. 444.

⁴Ibid., p. 414.

population of Georgia that will be addressed in this study is how will they pay for their utility bill, if it is increased by 80 percent; and, they are finding it hard to make ends meet now.

Definition of Terms

- POVERTY:** Families and unrelated individuals are classified as being above or below the poverty level based on the poverty index. This index originated at the Social Security Administration in 1964 and revised by the Federal Inter-agency Committees in 1969 and 1980. The Poverty Index is based solely on money income. For 1984, the poverty level for one person under the age of 65 was \$5,278, over 65 \$4,979, and for a family of four was \$10,609.
- MINORITY WOMEN:** In this study, the term minority women will be indicative of the black, single, female-headed householders.
- BLACK, SINGLE, FEMALE-HEADED HOUSEHOLDERS:** This term is defined in this study as black females who are head of the household with no male (husband, boyfriend) in the home.
- PUBLIC SERVICE COMMISSION:** This commission acts as surrogates for competition. Its role is to allow utilities to charge no more than they could if a free market for electricity existed.
- GROUPED POPULATION:** Black females, black males, white females, and/or white males.

C H A P T E R I I

REVIEW OF THE LITERATURE

This section will address three topical areas:

- 1) Black, single, female-headed householders, 2) Georgia Power, and 3) Senate Bill 111.

Black Single Female Headed Householders

An article entitled "Black Family," in Ebony Magazine during the month of August 1986, stated that during the last fifteen years, the number of Black families headed by women has increased 113 percent. The article also stated that 43 percent of all Black families are without fathers in the home. During this same time frame, the number of Black children living with both parents dropped from 58 percent to 41 percent. Additionally, the number of Black persons below the poverty level rose from 8.6 million in 1980 to 9.5 million in 1984.

If one were to look back into the history of blacks, one observes that female-headed householders are not new for the Black population. When slave masters sold black men who were married, that left the wife to take over the house. When slave masters decided they wanted to sleep with a black woman, they certainly did not take responsibility for their actions.

Twenty years ago, Dr. Martin L. King, Jr., after reading the Moynihan Report, spoke about the increasing rate of

black, female-headed householders. He said that, "Two-and-a-half times as many black families as white ones were headed by wome."⁵ Today it is almost three-and-a-half times as many--43 percent of black families compared with 13 percent of white families.⁶

Among black, single women, the birth rate has risen from 38 percent in 1970 to 57 percent in 1983. In the state of Georgia in 1976, there were 11,075 live births to unwed mothers and 8,932 of these births were to black females. In 1982, these statistics almost tripled with a total number of live births being 21,532. This figure includes 17,224 births to the black, unwed female. (See Table I).

T A B L E I

LIVE BIRTHS TO UNWED
MOTHERS BY RACE
1979-1982

YEAR	TOTAL	WHITE	BLACK
1979	12,878	2,636	10,235
1980	21,344	3,955	17,349
1981	21,154	4,139	16,977
1982	21,532	4,308	17,224

SOURCE: Akioka, Lorena M., ed.,
Georgia Statistical Abstract 1984-85,
p. 40.

⁵Eleanor Holmes Norton. "Restoring the Traditional Black Family." The New York Times Magazine, (June 2, 1985), p. 44.

⁶Ibid., p. 46.

There are a lot of critical dangers facing this population; one of these dangers is poverty. Seventy percent of all black children under the age of 18 that live in female-headed households are being brought up in poverty.

Hortense Canady, President of Delta Sigma Theta Sorority says that:

". . . . Having a child is probably the best thing that's ever going to happen to them in their whole lifetime and the only thing they can contribute. This is not true in most countries in the world; but, if you can belong to a class or a group of people who have no educational opportunities stretching out before them, no other goals, that's probably the single, best thing that's ever going to happen to you in your life. . . ."

When looking at other characteristics of this population, one can see that in 1984 this population had 50.2 percent of all the black children under the age of 18 and 22.5 percent of this figure were births to single mothers that had never married. (See Table II for the breakdown of the children's ages on page 9).

In summary, this population constitutes almost half of the black population in the United States and this population has the lowest income of all grouped populations. There are many reasons for their state of poverty. These reasons include sexism, racism, limited job skills, and a lack of education. It is for these

⁷R. Staples. "Changes in Black Family Structure." Journal of Marriage & the Family, (November 1985), p. 1005.

T A B L E I I

CHILDREN UNDER 18 YEARS OLD
LIVING WITH MOTHER ONLY
IN 1984

PARENTS	BLACK	WHITE
Children Under 18		
Mothers only	50.2%	15.1%
Single mothers Never married	22.5%	1.9%
Children Under 6		
Mothers only	55.0%	13.2%
Single mothers Never married	37.1%	3.7%
Children 6 to 17		
Mothers only	47.5%	16.1%
Single mothers Never married	14.3%	.9%

SOURCE: Akioka, Lorena M., ed., Georgia Statistical Abstract 1984-85, (Athens: University of Georgia 1985), p. 40.

reasons and many others that the single heads of households are placed in a situation of social and economic poverty. Consequently, neither luxuries nor necessities of life can be achieved. The basic point, however, is that the later entity is required for a basic standard of living such as food, shelter, clothing, heat, and water. With the onset of many social and technological developments, these too will be out of reach for many of these single mothers. One such development is the Plant Vogtle Nuclear Power Plant.

Georgia Power

Georgia Power Company is an investor-owned, tax-paying utility serving 57,000 of the state's 59,000 square miles.⁸ The company's 1.4 million customers are in all but six of the state's 159 counties. These customers are divided as follows:

- 1) There are 1,231,140 residential customers
- 2) There are 155,399 commercial customers
- 3) There are 12,309 industrial customers
- 4) There are 1,789 other customers

The average price that residential customers paid during 1985 was 6.55 cents per kilowatt-hour; and, the average annual use per residential customer was 9,923 kilowatt-hours.⁹

Plant Vogtle, under construction on the west bank

⁸Facts and Figures, (Georgia Power, [1986]), p. 1.

⁹Ibid., p. 5.

of the Savannah River and 35 miles south of Augusta, is a nuclear powered, electricity-generating plant that will be capable of producing 2,320 megawatts of electricity. This plant has received considerable media coverage because of its cost. Its builders, Georgia Power Company, Oglethorpe Power Corporation, the Municipal Electric Authority of Georgia, and the City of Dalton say that paying \$8.4 billion is worth what the plant will produce. Of this cost, \$5.4 billion is the actual cost and \$3 billion is the financing charges.

Georgia Power's share of the \$8.4 billion total is \$3.6 billion. This company is trying to devise a method that would be the best way to phase-in this cost onto their customers' utility bills. They are sure that the bills may increase by as much as 80 percent, if not more.

In an Augusta Herald newspaper article entitled "Vogtle, Other Georgia Power Costs To Hike Power Bills," staff writer Francine Wilson found out that the power company no longer wants to increase rates by 40 percent over a three-year phase-in period. Instead, what they propose to do is increase rates by 80.6 percent over the same time period; and, if a five-year phase-in plan is adopted, the rate increase will be 83 percent.

If these increases are translated into average retail cents per kilowatt-hour, the current average cost

of 5.5 cents per kilowatt-hours would increase to 10.1 cents by 1997 under the three-year phase-in proposal and 10.2 cents under the five-year phase-in proposal. This is what Georgia Power figures show. Georgia Power wants the increase to become effective before June 1987.

(Unit 1 of Vogtle is scheduled to go into operation in June, while Unit 2 is scheduled for 1988.)

Seventy-eight percent of the capacity planned for this facility has already been cancelled, which was planned to be built between 1972 and 1990; so says Robert W. Scherer, Chief Executive Officer of The Georgia Power Company.

In looking at the cost for electricity for the year 1984, Georgia Power stated that residential customers consumed an average of 1,000 kilowatt-hours per month. The average price per kilowatt-hour, based on research done by the U. S. Census Bureau, was 7.7 cents in 1985.

There are a number of other add-on charges that come into play, when the electric bill is computed. For example:

- 1) There is a base charge of \$4 per month
- 2) There is a fuel cost recovery charge that changes frequently
- 3) There is a 3 percent Georgia sales tax and applicable local sales tax
- 4) There is a set fee, depending upon what month of the year it is, that residential customers pay for the first 650 kilowatt-hours used each month. The months are separated as follows:
 - a. June-September--the customer pays 3.794 cents per kilowatt-hour
 - b. October-May--the customer pays 3.763 cents per kilowatt-hour

5) For each additional kilowatt-hour above 650 used each month, residential customers pay the following:

- a. June-September--the customer pays 6.583 cents for each additional kilowatt-hour above 650 that is used
- b. October-May--the customer pays 3.283 cents for each additional kilowatt-hour above 650 that is used

An example of the effect the proposed increased would cause is as follows:

For the month of June, a customer consumes 1,000 kilowatt-hours. The bill would be computed as indicated below:

Base charge	\$4.00
First 650kwh x 3.794¢	24.661
Remaining 350kwh x 6.583¢	23.0405
1,000 kwh x 1.8253 (Fuel cost recovery charge)	18.253
Subtotal	69.9545
Sales tax of 4%	2.79818
TOTAL AMOUNT OF BILL	\$72.75

If the bill was taken and increased by 80.6 percent, the bill would come to \$131.38. This means that if a customer's bill was above average, say \$200 per month, the bill would increase to \$361.20 per month. Keep in mind that even though the customer's electric bill is increasing at an alarming rate, so too are all the other necessities of life, (i.e., water, food, clothing, shelter, insurance, and medical needs). Concurrently, the paycheck for the customer is only increasing by 5 percent, or possibly less.

The Federal Government does provide the state with funds through the Low Income Home Energy Assistance Program

(LIHEAP), better known as the Low Income Home Energy Assistance Block Grant, to help low income Georgians, particularly the elderly and disabled, offset the rising costs of their home heating bills.¹⁰ This program helps with the cost of heating utility bills. (This can be wood, electricity, coal, gas, or kerosene.)

The program makes a one-time assistance payment ranging from \$13 to \$399 per household. The average payment is \$160 per household. All payments are generally made through two-party checks. Eligibility requirements are shown on Table III.¹¹ (Table III is shown on page 15.)

The LIHEAP will receive approximately \$20 million for this block grant.

There are three programs that will be funded by the Low Income Home Energy Assistance Block Grant. One of these programs is The Energy Assistance Program. Under the program, there is \$13.5 million allocated to provide financial assistance on behalf of and to households meeting all requirements.

Another program funded by the Low Income Home Energy Assistance Block Grant is The Emergency Heating/Cooling and Crisis Intervention Assistance Program. This program will be provided with \$1.5 million to give immediate financial

¹⁰ Interview with Kathryn L. Hummel, Richmond County Department of Family and Children Services; Augusta, Georgia; 15 November 1986.

¹¹ Ibid.

T A B L E I I I

ENERGY ASSISTANCE QUALIFICATIONS

1. HAVE A TOTAL GROSS YEARLY HOUSEHOLD INCOME	
Not More Than	Number of People in Household
\$ 6,700	1
9,050	2
11,400	3
13,750	4
16,100	5 or more

2. RESPONSIBLE FOR THE COST OF HEATING IN HOME	
--	--

SOURCE: Preventing Fraud Abuse and Waste In Low Income Home Energy Assistance Program (LIHEAP), (Washington, DC: Government Printing Office, 1986) p. 57.

assistance to low-income households experiencing specific energy supply-related emergencies.

The final program funded by LIHEAP is Weatherization. Weatherization will utilize \$3 million for public information and education. The focus of this information and education is to make those individuals, who are at risk of illness or death due to weather-related conditions, aware of the signs and symptoms associated with life-threatening situations and to inform them of specific actions that they can take to protect themselves.

The final \$2 million will be used to cover the admin-

istrative costs and transferred to the Social Services Block Grant.¹²

Senate Bill 111

What was the direct results of efforts on the part of Senators Scott of the 2nd, Kidd of the 25th, and Brown of the 47th? What was the most significant piece of legislation introduced and passed in the Georgia Senate during 1985? The answer to both of these questions is Senate Bill 111.

Senate Bill 111 concerns itself with phasing-in the cost of nuclear generating plants, in the state of Georgia, to the consumers of Georgia. This bill, if passed by both the House of Representatives and the Senate, would invalidate any previous laws concerning nuclear costs and the transferral of costs.

The authors of Senate Bill 111 have two objectives in mind. One is to have the utility consumer pay for the plant; and, two, protect the consumers from being taken advantage of by the utility companies that are responsible for the plants.

Senate Bill 111 is targeted at all of Georgia's consumers. Consequently, it will affect their lives for the next five to ten years. Though this bill stresses limitations on the costs that can be passed on to the consumers; the

¹²Ibid.

rate increases, even with the limitations, will be quite high. The overall effect of this will be devastating to all. However, the group of Georgians affected most adversely will include those at and below the poverty level. Most specifically--the black female-headed householders.

Some of the intentional effects of Senate Bill 111 are:

- 1) The passing of fuel cost savings on to the consumers
- 2) The selection of independent auditors and/or consultants by the Attorney General
- 3) The consumers will not be responsible for any increase in the price of the plants. (I.e., if the original cost is \$8 billion and an additional \$2 billion is needed, the consumers are not responsible for the additional \$2 billion.)

Of course, along with the intentional effects, there are some unintentional effects. Some of these are:

- 1) The inability of consumers to pay for electrical services; thus, increasing the amount of cut-off notices
- 2) Disconnection of electric service
- 3) An increase in the amount of people who will suffer in other areas due to an insufficiency of funds to maintain electric services.

John Grant, of the Public Service Commission (PSC), stated that the people of Georgia are against transferring the cost of Plant Vogtle. He states that the public is also concerned about its safety. The Commission's main concern at present is the proposed rate increase.

Richard Bower of Dartmouth College feels that it is the responsibility of the consumers to pay for the plant. He said, in effect, that there are two reasons why the consumers of electric service in Georgia should pay for

Plant Vogtle. The first reason is that it is only fair that the consumers pay for the plant; and, the second reason is that it would encourage misuse, if they did not. Mr. Bower seems to feel that it is unfair to ask investors in Georgia Power or the Southern Company to swallow the loss of a bad project, when they are denied the gain of a good one.

Alan J. Noguee, an energy analyst in Brookline, Massachusetts; agrees with Mr. Bower in one respect: Plant Vogtle was a bad project. Mr. Noguee says that everyone makes mistakes now and then; and, they end up paying for them, except when it comes to power companies. (Mr. Noguee's comments come from an article entitled "Who Should Pay For Plant Vogtle?")

Mr. Noguee feels that some businesses are likely to move to areas where the electricity costs are lower. Others may have to layoff workers or close their doors. Another alternative for businesses is to start generating power for themselves.

He feels that all investments are a gamble. When gamblers win, they keep their winnings; and, when they lose, they lose. Does Mr. Noguee agree with the proposed rate increases? The answer is an emphatic no.

In summary, Senate Bill 111 is concerned with transferring the cost of nuclear power plants to consumers. This Bill is stated so that there would be limits placed upon the

power plants as well as the consumers. The authors of the Bill believe that both the plant owners and consumers will benefit from the passing of this piece of legislation.

CHAPTER III

THEORETICAL FRAMEWORK

Research has shown a number of reasons, elitism, racism, sexism, and limited education; that well over the majority of the black, female-headed householders' population are living in poverty. Poverty includes the elderly as well as mothers receiving Aid to Families with Dependent Children. The data collected during this research informed the public that these populations are having a difficult time meeting their everyday needs. [Additionally, it showed that there is just enough assistance from the government to keep these populations in their present state: poor.]

It is not believed that the elite population is in the public office; but, they do, however, have a lot of power over the elected officials. The elite are able to get the best lawyers to argue the positive side of Plant Vogtle. It is easy for them to get the elected officials to vote in their favor, because of the power they have. For example, if the officials do not vote in the elitists' favor, the elitists can take away their monetary support. The elite are the ones that will reap the benefits from Plant Vogtle.

A good example of the elitists at work can be seen with the issue of socialized medicine. When Congress wanted to install standard rates for medical services, the doctors began calling their Congressmen; telling them not to support

this effort. If they did indeed support this effort, the doctors vowed not to give them monetary support for their political careers. If this is the kind of actions that it takes to have power, minority women do not have a chance.

Minority women, through research, have proven to be the hardest hit of the poverty population. They are in double jeopardy: They are black and they are female. (They are poor consumers and know little about budgeting.) They have these problems because of lack of education in the financial arena. It is safe to assume that their mothers were poor consumers as well.

As stated earlier, black, single, female-headed householders are having more children than any other group of females in the United States. It is also evident that these females are having children at younger ages. With the increasing number of young mothers, there is also an increase in the school drop-out rate. This leaves uneducated teenagers to tackle the responsibility of parenthood.

In 1980, there were approximately 868,818 people in Georgia living below the poverty level, so states Census figures. Of the state's total population in 1980, this figure represents 16.4 percent. In the state of Georgia, the elderly represented 13.8 percent of the poor population in 1980; and, the children constituted 39.6 percent. Census figures also show that in 1981, 45 of the state's 159 counties had per capita incomes that were less than 60 percent

of the national average. Given the limited resources of some of Georgia's families, how will they meet the ever-increasing energy demands?

Georgia Power's records show that in the years 1982 through 1985, an average of at least 65,217 residential customers had electrical service disconnected for nonpayment of bills. The above figure depicts households. If household size were included, the figure would double. It has been stated that all of the assistance programs in Georgia combined reach only one-third of the eligible households.

It is evident that these populations will not be able to meet the demand of the 80 percent increase in their electric bills.

It is believed that the use of electricity is a necessity that is used for the protection of human life: not a luxury. There should be some ways to alleviate some of the cost for the use of electricity. Perhaps a minimum level of utility services available to all. The availability of services would include all those who are not able to pay the market price.

C H A P T E R I V

METHODOLOGY

It has been proven through the literature that the poverty stricken population will not be able to meet the demands that will be placed on them by Georgia Power. This is due to their limited resources. The resources that this population has has already been allocated for other necessities such as food, shelter, gas, water, clothing, and insurance. There will be competing between what is more important: heat or food, heat or water.

The evaluative research design was used in this study. The aim with this design was to assess all of the data collected from the sample to come up with accurate and non-biased effects of Senate Bill 11 on black, single, female-headed householders. The purpose of the study was to state the present state of black, single, female-headed householders and the effect that Senate Bill 111 will have on them, if they do not receive additional resources. This study also included ways that the government may help alleviate the problems that will be faced by this population. These ways were based on the data collected.

The sample used in collecting this data included newspapers, utility reports, commission reports, minutes, miscellaneous books and pamphlets. The data collection process started in May of 1986 and concluded in April of 1987. Reports

and newspaper articles included the years from 1983 to 1987. Because this topic is very prevalent today, data was being collected up to April 1987. It took an estimated 11 months to collect the sample used in this study.

Resources for this research project were identified through the use of libraries, visiting utility companies, and using public service departments. The libraries provided background as well as statistical information on black, single, female-headed householders. They, the libraries, also provided some information on the current status and opinions of Senate Bill 111. With the use of utility companies, there was a complete understanding of Plant Vogtle and why it is believed that this project is an asset. In using the public service departments, interviews were conducted and information gathered for the purpose of seeing the effects that rate increases will have on black, single, female-headed householders.

Qualitative analysis was used in analyzing the data collected. The use of the median and mean tests were used to acquire an accurate income level for this population and other populations in contrast. Percentages and proportions were used in transferring the size of the population to give a more understandable number.

This study is limited to black, single, female-headed householders in Georgia. It is questionable whether or not

one can generalize these findings with other states or other grouped populations. This is a study of all black, female-headed householders in Georgia. However, no special attention was given to teenage householders or householders of certain income brackets.

C H A P T E R V

FINDINGS

Senate Bill 111 will have some devastating effects for all of the residents of Georgia, especially the black, single, female-headed householder. It is evident this population, the black, single, female-headed householder, is already in a state of distress. They have the lowest income of all grouped populations. This group of females are having more children at a younger age that sometimes leads to limited education that, in turn, can lead to poor monetary management; and, this, of course, can lead to being a poor consumer. It should also be noted that this population is in a state of double jeopardy because they are female; and, because they are black.

Consumers of Georgia who use electricity will receive an increase in their utility bill. The increase will be the same for every customer regardless of income, race, sex, or the ability to pay the increase. (One should note that 65,217 residential customers had electrical service disconnected for nonpayment of bills.) This 80 percent increase is supposed to be a gradual process that will be instituted over the next five years, so states Senate Bill 111. The proposed increase is said to be beneficial to both the consumer and the plant owner.

Literature has shown that an overwhelming amount of

of Georgia's population is currently living below the poverty level; this is approximately 868,818 people. Unless something is done to help alleviate spiralling electrical costs, this population will either live without electricity or, to accommodate this necessity, they will live without some other necessity. When one looks at the statistical income information for Georgia, one has to really think about what, and who, is going to help this population when Senate Bill 111 is made operational.

Some experts believe that this is going to run big business away, because they will not be able to pay the electric bill due to the increase of approximately 80 percent as well. Others feel that this is the best thing to come along in quite some time. Research has shown that this is not going to be an easy time for anyone, including big business. Looking at this problem realistically, this Bill will be increasing these monthly bills by almost 100 percent. Even though electric will be rising by 80 percent, consumers' incomes are not guaranteed to increase by any substantial amount.

During this research, it became evident that the government of Georgia needed to look into five basic areas that may help alleviate the effects of Senate Bill 111.

First, the consumers of Georgia have little knowledge about low-cost conservation and weatherization. There is a

need for some type of education for the consumers with special attention being given to those who have high illiteracy rates and very limited resources.

Second, the weatherization assistance programs need to be expanded beyond homeowners. Residents who are living in dilapidated housing out of necessity are being doubly burdened by high energy bills, despite their conservation efforts. There could be a program in conjunction with the public housing authority and their maintenance programs.

Third, Georgia Power should discontinue the base rate charge on all monthly electric bills for eligible populations. The \$4 collected for the base rate expense could be used to meet other needs of the household.

Fourth, the state of Georgia needs to establish an Energy Relief Fund for the residents of Georgia. These funds can come from sales taxes. Under this program, the state government can also contribute to the LIHEAP.

Fifth, the government needs to establish a plan that will insure a minimum level of electrical service. This will insure the customers that are not able to pay for electricity a minimum amount of service. This can be formulated so that payments may be made based on their income. This may serve persons who are in temporary crisis or those who are in chronic poverty.

The consumers should be made fully aware of what is going on with their bills and what they can do to help them-

selves. Some of these measures include:

- ° Furnance replacement--for the purpose of reducing energy demand
- ° Clean and tuned furnances
- ° Temporary heating service, when the furnance is unsafe
- ° Portable heaters
- ° Weatherstripping
- ° Attic insulation
- ° Storm doors
- ° Caulk the doors
- ° Plastic storm windows

There are a lot of uninformed people in Georgia when it comes to Plant Vogtle, PSC, and Senate Bill 111. This bill is going to have an effect on everyone who pays an electric bill.

C H A P T E R V I

RECOMMENDATIONS AND IMPLICATIONS TO SOCIAL WORK

It is recommended that some type of task force be organized to inform the residents of Georgia as to what is ahead of them, to help them prepare for the next couple of years. It is not going to be easy for the poverty stricken population. If someone does not take a serious concern for this population, a lot of people will be left out in the cold, or dead. The elected officials must be made aware of what is going on.

The Social Worker can start, right now, lobbying for this population. They can form groups to inform sections of the city of the problem they will soon be facing and, also, give them some advice as to some measure that will lower their electric bill. Social workers can write people with power to let them know how important this is and to let them know the need that is at hand: the education of the consumer.

If enough letters are written and enough lobbying is done, it is believed that someone will see the seriousness of Senate Bill 111, and its accompanying implications. Furthermore, consistent lobbying will also bring attention to the group most adversely effected by Senate Bill 111: The black, single, female-headed householder.

Every great invention begins with proper planning. The most sophisticated pieces of equipment were first mapped out on paper. The dramatic changes that have occurred in America's social history began with one person. Consequently, the first step to correcting or alleviating the effects of Senate Bill 111 is for an assemblage of people to form advocacy groups on behalf of the populace most affected by this bill. The group that should tackle this responsibility is the social workers of Georgia.

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APPENDIX

SENATE BILL 111

By: Senators Scott of the 2nd, Kidd of the 25th and Brown
of the 47th

A BILL TO BE ENTITLED

AN ACT

To amend Chapter 2 of Title 46 of the Official Code of Georgia Annotated, relating to the Public Service Commission, so as to require the commission to phase in the costs of certain nuclear generating plants into the rate base of certain utility owners of such plants under certain circumstances; to provide for definitions; to provide limitations upon the inclusion of costs of such plants within the rate base or rates of certain utilities; to provide for commission orders and adjustments prescribing rate-making consequences under certain conditions; to provide for filings, hearings, proceedings, intervention, orders, and judicial review; to require that certain cost savings be passed on to a utility's customer; to provide for independent auditors and consultants; to provide for additional authority for the commission; to provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

Section 1. Chapter 2 of Title 46 of the Official Code of Georgia Annotated, relating to the Public Service Commission,

is amended by adding after Code Section 46-2-26.3 a new Code section to read as follows:

"46-2-26.4. (a) As used in this Code section, the term:

(1) 'Commission' means the Georgia Public Service Commission..

(2) 'Facility' means a nuclear electric power generating plant in this state which is under construction on January 1, 1985.

(3) 'Nuclear purchased power expense' means costs paid by a utility for the purchase of nuclear capacity or energy from another entity.

(4) 'Utility' means any electric utility whose rates are regulated by the commission and which owns part or all of a facility.

(b) A utility's costs for a facility shall be phased into the rate base of that utility by the commission in equal annual installments over a period of not less than three nor more than six years to begin upon the date of commercial operation of each unit of the facility, but such costs in excess of the utility's share of the following amounts shall not be made a part of that rate base or otherwise included in the utility's rates approved by the commission:

(1) Each facility unit's share of \$7.2 billion;

(2) Any costs directly attributable to new requirements adopted or imposed by the Nuclear Regulatory Commission after July 1, 1984;

(3) Any costs due to unforeseeable and unavoidable labor stoppages;

(4) Any costs due to delay in facility operation caused by judicial or regulatory action which halts or delays facility licensing, operation, or both unless that judicial or regulatory action was found against the utility for failure properly **com**ply with regulations which govern it;

(5) Any carrying costs (Allowance for Funds Used During Construction) attributable to the deferral of cost recovery as a result of the phase-in pursuant to subsection (b) of this Code section; and

(6) Any other costs actually incurred, the inclusion of which is necessary to avoid the utility's rates being confiscatory as a result of this Code section.

(c) No sooner than 210 days prior to the scheduled date of commercial operation of a facility unit and no later than 180 days prior to such date, any utility may file with the commission an application to determine the appropriate rates and charges to be allowed the utility for recovery of its facility costs under subsection (b) of this Code section. After receipt of such filing, the commission shall hold at least one public hearing to determine such appropriate rates and charges. At any hearing or any proceeding under this Code section formal intervention by customers of the utility shall be permitted. The commission order issued pursuant to

this subsection shall be rendered within 180 days from the date of such filing of any such application. Should the commission fail or refuse to issue such order by the one hundred eightieth day after the utility's filing, the phase-in rates proposed by the utility shall be deemed adopted by the commission to become effective upon the actual date of a unit's commercial operation. All orders by the commission, unless waived by all parties, shall contain the commission's findings of fact and conclusions of law upon which the commission's action is based. A commission order under this subsection shall be deemed final order subject to judicial review under Chapter 13 of Title 50, known as the Georgia Administrative Procedure Act.'

(d) The commission is authorized to adjust appropriately the rate base of a utility because of the utility's share of ownership of a facility or because of changes in the utility's share of ownership.

(e) Fuel cost savings associated with the operation of a nuclear generating plant and nuclear purchase power expenses shall be immediately passed onto a utility's customers pursuant to the procedure set forth in section 46-2-25, but the commission by order may equalize the nuclear purchased power expensed over the period of such expenses are not to be incurred, giving appropriate effects to the carrying cost associated with the deferral of cost recovery caused by such

equalization.

(f) In order to assist the commission in making any determination of prudence the general assembly may appropriate funds to the commission for the specific purpose of retaining one or more independent auditors or consultants, nationally recognized as being competent to make the investigations required for those prudence determinations; those auditors or consultants shall be selected by the attorney general, after consultation with the commission and the utility and the findings of such auditors or consultants shall be reported to the commission for use in such determination of prudence.

(g) The authority provided by this code section shall be in addition to any other authority of the commission or hereafter provided by law."

Section 2. This act shall be effective upon its approval by the governor or upon its becoming a law without his approval.

Section 3. All laws and parts of laws in conflict with this act are repealed.