A Snapshot of 2009 Utility Expenditures by Older Consumers

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Demographic analysis of the 2009 Consumer Expenditure Survey to identify trends in consumer spending on utilities shows variation by age, income, geographic region, and household size.

Utility Expenditures Comprise a Higher Percentage of Average Annual Expenditures for Consumers Aged 50+

Overall, expenditures on utilities comprised a larger percentage of overall expenditures for consumers aged 50+. Utility expenditures were highest for the 65+ age group and lowest for the under 50 age group.
Expenditures on electric utilities accounted for over a third of all utility expenditures by consumers aged 50+ in 2009. Telephone utilities represented the second highest category of utility expenditures for this age group.

As income level declined, expenditures on electric utilities became a larger portion of overall utility expenditures for consumers aged 50+. Expenditures on electric utilities accounted for 43 percent of utility expenditures for consumers aged 50+ below the poverty line, compared to 36 percent for those with incomes over 300+ percent of poverty.
The southern region of the United States had the highest overall utility expenditures as a percentage of annual expenditures for all age groups, while the West had the lowest utility expenditures.
Expenditures on electric utilities comprised 46 percent of all utility expenditures for consumers aged 50+ living in the South, while expenditures on electric utilities were 31 percent of all utility expenditures for this same age group living in the Northeast.
Overall, expenditures on utilities comprised a larger percentage of overall expenditures for consumers aged 50+ living alone. Utility expenditures as a percentage of overall expenditures were highest for those aged 65+ living alone.

**Consumer Expenditure Data**

This report is based on an analysis of 2009 Consumer Expenditure Survey data reported by the Bureau of Labor Statistics. These data allow the analysis of utility expenditures as a portion of overall annual household expenditures; as well examine expenditures by type of utility service (electric, water, natural gas, etc.). The data permit demographic factors such as household income, household size, age of head of household, and geographic location to be analyzed. Although expenditures on utilities vary substantially among individual households, these data reveal general trends among expenditures on utilities for consumers aged 50+.

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1 Detailed information on the Consumer Expenditure Survey can be found at www.bls.gov.