

# Federal Reserve survey shows family net worth grew over quarter-century as income stagnated

By SAM PIZZIGATI

WASHINGTON (PAI) — The “average” U.S. family is doing just fine in net worth, the Federal Reserve says in its latest triennial portrait of household wealth. But typical Americans are struggling something awful. Analysis of the report shows both statements are true.

The agency’s Survey of Consumer Finances covers just how well the nation’s families are doing economically. The Fed takes this surveying seriously.

But the survey involves much more than standard public opinion polling of

1,000 or so individuals by random phone calls. Federal Reserve researchers conducted over 6,000 interviews, each running usually for an hour and a half. Most get conducted in person. And interviewers delve into every aspect of modern economic existence, from monthly car payments to mutual funds.

The latest consumer finances report, released Sept. 4, covers 1989-2013. The report’s new numbers essentially offer up the most detailed economic portrait yet of American family finances over the last quarter-century.

Some economists argue that the picture the new Fed numbers paint doesn’t look all that bad. They cite family net worth, which has increased.

In 1989, after adjusting for inflation, the average American family had \$336,100 more in assets than liabilities. Last year, American family net worth averaged \$534,600, up 59 percent.

Conservatives use the data to contend the economy must be working. But a closer look at the family net worth numbers paints a different picture.

Analysis of the Fed’s report shows the economy is working, but only for the affluent. The growing wealth of these affluent, the new Fed data show, is driving up America’s average family net worth. But straight averages can mislead — and even deceive, other economists note. If nine people each have zero net worth and a tenth person holds a fortune worth \$10 million, the average person in that 10-person group will be a millionaire.

Medians, by contrast, tell more about how everyday families fare. At the median point, half the people in any distribution have more, half less. In 1989, the new Fed survey says, the median U.S. family held \$84,800 in net worth, after adjusting for inflation.

In 2013, America’s most typical families held \$81,200, 4 percent less than in 1989.

That data shows the typical U.S. family is moving economically in reverse, losing wealth. And in specific income brackets, the losses in family net worth become even more pronounced.

Families in the statistical middle class — the nation’s middle 20 percent of income earners — held a median net worth of \$75,300 in 1989. Their median net worth in 2013: \$61,700, down 18 percent.

Up at the nation’s income summit, a different story: America’s top 10 percent of income earners — families that pulled in over \$154,600 in 2013 — saw their median household net worth rise 61 percent, to \$1,130,700, in the quarter-century that ended last year.

How much did top 1 percent wealth rise during that span? The Fed’s report doesn’t break down a top 1 percent figure. But it supplies some numbers for the top 3 percent.

This lofty cohort, the new Fed report notes, owned 44.8 percent of the nation’s wealth in 1989, 51.8 percent in 2007, and 54.4 percent in 2013.

Actually, the top 3 percent had a higher share of America’s net worth than the Fed numbers indicate. The reason: The Fed’s wealth totals do not reflect any of the wealth of America’s 400 richest individuals. Fed researchers, for “confidentiality” reasons, purposefully do not take these top 400 fortunes into account.

“Persons listed by Forbes magazine as being among the wealthiest 400 people in the United States are excluded from sampling,” the survey acknowledges. Forbes will release its list at the end of September. Last September, it reported those 400 held a combined fortune worth \$2.02 trillion.

The combined fortune of 400 typical American families last year? A bit over \$32 million. The data show we would have to assemble just over 62,000 groups of 400 typical American families to equal the \$2.02 trillion of the Forbes 400, or 24.8 million families (62,000 X 400 each) overall.

*(Editor’s Note: Sam Pizzigati is editor of Too Much, a project of the Institute for Policy Studies Program on Inequality and the Common Good.)*

## IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

In re:  
ENERGY FUTURE HOLDINGS CORP., et al.,<sup>1</sup>  
Debtors.

Chapter 11  
Case No. 14-10979  
(CSS)  
Jointly Administered

### NOTICE OF DEADLINES FOR THE FILING OF NON-CUSTOMER PROOFS OF CLAIM, INCLUDING REQUESTS FOR PAYMENTS UNDER SECTION 503(b)(9) OF THE BANKRUPTCY CODE

THE GENERAL BAR DATE IS OCTOBER 27, 2014

PLEASE TAKE NOTICE OF THE FOLLOWING:

**Deadlines for Filing Proofs of Claim.** On August 18, 2014, the United States Bankruptcy Court for the District of Delaware (the “Court”) entered an order [D.I. 1866] (the “Bar Date Order”) establishing certain deadlines for the filing of proofs of claim, including requests for payment under section 503(b)(9) of the Bankruptcy Code, in the chapter 11 cases of the following debtors and debtors in possession (collectively, the “Debtors”):

#### Debtor and Case Number

Energy Future Holdings Corp. 14-10979 (CSS) 4Change Energy Company 14-10980 (CSS) 4Change Energy Holdings LLC 14-10981 (CSS) Big Brown 3 Power Company LLC 14-10983 (CSS) Big Brown Lignite Company LLC 14-10986 (CSS) Big Brown Power Company LLC 14-10988 (CSS) Brighten Energy LLC 14-10991 (CSS) Brighten Holdings LLC 14-10995 (CSS) Collin Power Company LLC 14-10998 (CSS) Dallas Power & Light Company, Inc. 14-11000 (CSS) DeCordova II Power Company LLC 14-11003 (CSS) DeCordova Power Company LLC 14-10982 (CSS) Eagle Mountain Power Company LLC 14-10984 (CSS) EBASCO SERVICES OF CANADA LIMITED 14-10987 (CSS) EEC Holdings, Inc. 14-10990 (CSS) EECL, Inc. 14-10992 (CSS) EFH Australia (No. 2) Holdings Company 14-10994 (CSS) EFH CG Holdings Company LP 14-11047 (CSS) EFH CG Management Company LLC 14-11048 (CSS) EFH Corporate Services Company 14-10996 (CSS) EFH Finance (No. 2) Holdings Company 14-10999 (CSS) EFH FS Holdings Company 14-11004 (CSS) EFH Renewables Company LLC 14-11006 (CSS) EFH FINANCE INC. 14-11001 (CSS) Energy Future Competitive Holdings Company LLC 14-11005 (CSS) Energy Future Intermediate Holding Company LLC 14-11008 (CSS) Generation Development Company LLC 14-11017 (CSS) Generation MT Company LLC 14-11021 (CSS) Generation SVC Company 14-11025 (CSS) Lake Creek 3 Power Company LLC 14-11029 (CSS) Lone Star Energy Company, Inc. 14-11031 (CSS) Lone Star Pipeline Company, Inc. 14-11036 (CSS) LSGT Gas Company LLC 14-11039 (CSS) LSGT SACROC, Inc. 14-11012 (CSS) Luminant Big Brown Mining Company LLC 14-11018 (CSS) Luminant Energy Company LLC 14-11023 (CSS) Luminant Energy Trading California Company 14-11026 (CSS) Luminant ET Services Company 14-11030 (CSS) Luminant Generation Company LLC 14-11032 (CSS) Luminant Holding Company LLC 14-11037 (CSS) Luminant Mineral Development Company LLC 14-11040 (CSS) Luminant Mining Company LLC 14-11042 (CSS) Luminant Renewables Company LLC 14-11044 (CSS) Martin Lake 4 Power Company LLC 14-11010 (CSS) Monticello 4 Power Company LLC 14-11011 (CSS) Morgan Creek 7 Power Company LLC 14-11014 (CSS) NCA Development Company LLC 14-11016 (CSS) NCA Resources Development Company LLC 14-11019 (CSS) Oak Grove Management Company LLC 14-11022 (CSS) Oak Grove Mining Company LLC 14-11024 (CSS) Oak Grove Power Company LLC 14-11027 (CSS) Sandow Power Company LLC 14-11033 (CSS) Southwestern Electric Service Company, Inc. 14-11035 (CSS) TCEH Finance, Inc. 14-11028 (CSS) Texas Competitive Electric Holdings Company LLC 14-10978 (CSS) Texas Electric Service Company, Inc. 14-11034 (CSS) Texas Energy Industries Company, Inc. 14-11038 (CSS) Texas Power & Light Company, Inc. 14-11041 (CSS) Texas Utilities Company, Inc. 14-11043 (CSS) Texas Utilities Electric Company, Inc. 14-11045 (CSS) Tradinghouse 3 & 4 Power Company LLC 14-11046 (CSS) Tradinghouse Power Company LLC 14-10985 (CSS) TXU Electric Company, Inc. 14-10989 (CSS) TXU Energy Receivables Company LLC 14-10993 (CSS) TXU Energy Retail Company LLC 14-10997 (CSS)

TXU Energy Solutions Company LLC 14-11002 (CSS) TXU Receivables Company 14-11007 (CSS) TXU Retail Services Company 14-11009 (CSS) TXU SEM Company 14-11013 (CSS) Valley NG Power Company LLC 14-11015 (CSS) Valley Power Company LLC 14-11020 (CSS)

**The General Bar Date.** Pursuant to the Bar Date Order, all entities, including governmental units, individuals, partnerships, estates, and trusts who have a claim or potential claim against the Debtors that arose prior to April 29, 2014, no matter how remote or contingent such right to payment or equitable remedy may be, including requests for payment under section 503(b)(9) of the Bankruptcy Code, MUST FILE A PROOF OF CLAIM on or before **October 27, 2014 at 5:00 p.m., prevailing Eastern Time** (the “General Bar Date”).

**ANY PERSON OR ENTITY WHO FAILS TO FILE A PROOF OF CLAIM, INCLUDING ANY REQUEST FOR PAYMENT UNDER SECTION 503(b)(9) OF THE BANKRUPTCY CODE ON OR BEFORE THE GENERAL BAR DATE, SHALL NOT BE TREATED AS A CREDITOR WITH RESPECT TO SUCH CLAIM FOR THE PURPOSES OF VOTING AND DISTRIBUTION ON ANY CHAPTER 11 PLAN.**

**Filing a Proof of Claim.** Each proof of claim must be filed, including supporting documentation, by U.S. Mail or other hand delivery system, so as to be **actually received** by the Debtors’ notice and claims agent, Epiq Bankruptcy Solutions, LLC (“Epiq”) on or before the General Bar Date (or, where applicable, on or before any other bar date as set forth in the Bar Date Order) at one of the following addresses:

If by First-Class Mail:

Energy Future Holdings Corp. Claims Processing Center  
c/o Epiq Bankruptcy Solutions, LLC  
Grand Central Station, P.O. Box 4613  
New York, NY 10163-4613

If by Hand Delivery or Overnight Mail:

Energy Future Holdings Corp. Claims Processing Center  
c/o Epiq Bankruptcy Solutions, LLC  
757 Third Avenue, 3rd Floor  
New York, NY 10017

**Contents of Proofs of Claim.** Each proof of claim must (i) be written in English; (ii) include a claim amount denominated in United States dollars; (iii) clearly identify the Debtor against which the claim is asserted; (iv) conform substantially with the Proof of Claim Form provided by the Debtors or Official Form 10; (v) be signed by the claimant or by an authorized agent or legal representative of the claimant; and (vi) include as attachments any and all supporting documentation on which the claim is based. **Please note** that each proof of claim must state a claim against only one Debtor and clearly indicate the specific Debtor against which the claim is asserted. To the extent more than one Debtor is listed on the proof of claim, a proof of claim is treated as if filed only against the first-listed Debtor, or if a proof of claim is otherwise filed without identifying a specific Debtor, the proof of claim may be deemed as filed only against Energy Future Holdings Corp.

**Section 503(b)(9) Requests for Payment.** Any proof of claim and/or priority asserting a claim arising under section 503(b)(9) of the Bankruptcy Code must also (i) include the value of the goods delivered to and received by the Debtors in the 20 days prior to the Petition Date; (ii) attach any documentation identifying the particular invoices for which such 503(b)(9) claim is being asserted; and (iii) attach documentation of any reclamation demand made to the Debtors under section 546(c) of the Bankruptcy Code (if applicable).

**Additional Information.** If you require additional information regarding the filing of a proof of claim, you may contact the Debtors’ claims agent, Epiq, directly by writing to: Energy Future Holdings Corp. Claims Processing Center, c/o Epiq Bankruptcy Solutions, LLC, Grand Central Station, P.O. Box 4613, New York, NY 10163-4613 or contact the Debtors’ restructuring hotline at: (877) 276-7311. **Please note** that Epiq **cannot** offer legal advice or advise whether you should file a proof of claim.

<sup>1</sup> The last four digits of Energy Future Holdings Corp.’s tax identification number are 8810. The location of the debtors’ service address is 1601 Bryan Street, Dallas, Texas 75201. Due to the large number of debtors in these chapter 11 cases, for which joint administration has been granted, a complete list of the debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the debtors’ claims and noticing agent at <http://www.efhcaseinfo.com>.

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Wealth  
Is Now  
the Most  
Concentrated  
at the  
Top  
Since  
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