

Heat or Eat?

Although families across the country are finally seeing some relief at the gas station, home energy prices have continued their relentless march upward, with the price of electricity still [surpassing](#) the broader inflation rate. Yet, some state and federal policymakers persist on doubling down on misguided energy policies seeking to limit consumer’s options, restrict energy infrastructure, and force Americans to electrify everything regardless of the costs – both financially and in terms of quality of life.

The financial cost, however, is truly staggering. If such policies were fully enacted, it would have forced consumers to spend at least \$149.2 billion more on electricity and home heating this winter than a year ago, according to Consumer Energy Alliance’s winter fuels analysis, using the latest federal government data.

Despite a slight reprieve in interest rates, American families continue to feel the constant drain on their bank accounts from inflation – attempting to adjust to more than [21% higher](#) prices since 2021. Adding to this pain, Americans are forced to save even more money as some elected leaders in Washington and several states seek to eliminate consumers’ ability to choose how they heat their homes and fuel their lives.



FUEL SOURCE	COST	ELECTRIFY EVERYTHING COST	ADDITIONAL COST TO CONSUMERS
NATURAL GAS	\$47,585,786,026	\$171,578,369,996	\$123,992,583,970
HEATING OIL	\$25,643,194,731	\$43,333,000,495	\$17,689,805,764
PROPANE	\$9,963,410,791	\$17,502,401,509	\$7,538,990,718
TOTAL	\$83,192,391,548	\$232,413,772,000	\$149,221,380,452

What consumers need now, more than ever, are common-sense, inclusive energy policies that provide relief from elevated utility bills.

Recently, the U.S. Energy Information Administration (EIA) [released](#) its Winter Fuels Outlook, with the National Oceanic and Atmospheric Administration [forecasting](#) the U.S. will experience normal winter temperatures due to La Niña. Despite this potential weather upside, the EIA's base case estimates show that families will continue paying historically high prices for energy this winter heating season.

One bright spot: Families who use natural gas and propane will again benefit from more reasonable energy costs this winter, helped by having more natural gas and propane in storage than the five-year average.

However, trouble is on the horizon as some state and federal leaders attempt to force consumers of natural gas and propane to become all-electric households. This negative consumer impact can be quantified based on the Department of Energy's (DOE) average cost for [residential energy resources](#).

If the rush to electrify everything is successful, based on DOE representative average unit costs, American families that currently have the choice to rely on affordable, abundant natural gas would see their energy bills increase by \$124 billion this winter. Families using propane would see their energy bills increase by \$7.5 billion. And, families that rely on heating oil would see their energy bills increase by \$17.7 billion.

\$149.2 BILLION

How much more consumers would pay if they were forced to electrify everything.

Our ability to develop and deliver affordable energy is a major strategic advantage that the United States should continue to enjoy after becoming the world's [largest energy producer](#). However, this advantage can quickly be eroded by deliberately bad public policies.

For the past four years, policy decisions in Washington, D.C., and states like California and New York have discouraged investment in American energy development and infrastructure construction, arbitrarily increasing the cost to produce and deliver the energy we need now and in the future. This can be seen in enacting oil and gas development moratoriums, canceling or limiting future federal lease sales, blocking pipelines, and prematurely shuttering power plants that deliver the reliable baseload generation needed to stabilize prices.

Instead of encouraging American companies to develop the resources, innovative technology, and affordable supply of energy America and her allies need, current policies in Washington and across several states seek to:

- Prematurely close permanent power generating facilities, with PJM estimating that 40 GW of power generation capacity in their region will be taken offline by 2030 - over 60% a result of policy-driven retirements passed off as “stranded assets”;
- Flout both the intent of Congressionally-passed legislation and the letter of the law, by terminating oil and gas leases and failing to hold quarterly lease sales;
- Ignore the need for bipartisan permitting reform to streamline and accelerate the leasing and permitting process for energy, mineral, and infrastructure projects;
- Embark on a crusade to electrify everything by taxing the use of natural gas, causing it to triple in price, making natural gas prohibitive for restaurants, nonprofits, hospitals, homeowners and renters to access; and
- Neglect funding permitting agencies at the level necessary to ensure Class VI permits for capturing carbon, crippling the deployment of crucial technologies to remove emissions directly from the atmosphere.

The question of why some federal and state policymakers are purposefully endangering America’s energy security, needlessly keeping energy costs high and risking blackouts for negligible to non-existent environmental benefits remains unanswered. Recent innovations and technology have proven without any doubt that it is possible to produce the essential energy we need in an affordable, reliable manner while lowering our environmental impact.

Thankfully, most state leaders have rejected the push to restrict energy options. And, energy producing states are answering the call by providing regulatory certainty – increasing energy production on state and private land, further diversifying our energy mix and leading to positive environmental outcomes. Meanwhile, the federal government has continued to stymie investments according to surveys by the Federal Reserve Bank of Dallas – depriving consumers of more affordable energy now and in the future.

Regrettably, misguided policies that decrease our energy supply while increasing prices impact more than just what consumers pay – it affects lives. Researchers have determined that lower natural gas prices, driven by robust American energy development prior to 2021, cut heating costs and helped reduce winter mortality by 12,500 deaths a year in the U.S., largely in communities with high poverty rates.

The most vulnerable communities, such as seniors, have continued to be disproportionately burdened by policies that cause energy costs to rise. An unconscionably high 11.3% of our seniors – over 8 million older Americans are now in poverty – marking the third year in a row poverty rates have increased for this group.

Yet, unsustainable energy costs hit all of us. Our savings keep dwindling, with 77% of Americans feeling anxious about their financial situation and 42% reporting they regularly have less than \$50 in their bank account at least once a month.

Sadly, these historically high energy costs have been driven by misguided policies that ultimately burden families and do little to nothing for our environment. Sensible energy policies should rise above partisan politics. Having access to affordable, reliable and cleaner energy should not come at a steep cost for families across our country. It is time for policymakers to acknowledge their mistakes and embrace commonsense policies that ensure we have an affordable, reliable and environmentally sustainable energy supply – unlike in California, Germany and the United Kingdom.
