NEADA

NATIONAL ENERGY ASSISTANCE DIRECTORS ASSOCIATION

Press Release

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States Call for Utilities to Suspend Shut-Offs During Government Shutdown Until LIHEAP Funds Are Released

Electric Rates Surge, Putting Millions of Families at Greater Risk of Falling Behind on Utility Bills

Washington, D.C. October 21, 2025: As the federal government shutdown continues, the National Energy Assistance Directors Association (NEADA), representing state directors of the Low-Income Home Energy Assistance Program (LIHEAP), is urging electric and gas utilities across the nation to immediately suspend service disconnections for nonpayment.

NEADA is calling on utilities to maintain continuous service for all customers until federal LIHEAP funds are released and households regain access to vital financial assistance. The shutdown has delayed the release of this critical energy aid, leaving some of the nation's poorest families without the support they rely on to heat their homes as colder weather approaches. At the same time, electricity and natural gas prices have risen sharply, placing additional strain on already stretched household budgets.

"No family should be forced to choose between heat and food because of a federal funding delay," said Mark Wolfe, Executive Director of NEADA. "Utilities must act in the public interest and pause shutoffs until federal aid is available again."

Rising Rates and Growing Risk: Soaring energy bills and shrinking assistance funds are forcing millions of Americans to make impossible choices between rent, food, and heat. Energy insecurity has become an emerging public health threat. For many families, the home heating and cooling bill is no longer just another bill it has become a matter of survival.

The need for LIHEAP assistance is greater than ever. According to NEADA, the average cost of home energy is projected to increase nearly eight percent this winter, with electricity prices leading the surge up about 10 percent since January 2025. This follows the highest summer electricity price increases in at least 12 years. Prices for home heating this winter are expected to rise by an average of 7.6 percent, increasing from $907 last winter to an estimated $976 this year, driven by higher electricity and natural gas costs.

Electric bills are rising more than 15 percent in 10 states plus the District of Columbia (see following table**)**. Without the prompt release of LIHEAP funds, utility arrearages and service shutoffs are expected to rise rapidly, potentially leaving millions without power or heat as the coldest months approach.

About NEADA: The National Energy Assistance Directors Association (NEADA) represents the state directors of the federal Low-Income Home Energy Assistance Program (LIHEAP).

Electric Prices are Rising Faster than Inflation Putting Millions of Low Income Families at Risk of Shutoff As they Wait for the Release of LIHEAP Funds

- **Electric prices increased by 9.5 percent from 15.95 to 17.47 cents per kilowatt hour** between January 2025 and July 2025.

- **NEADA projects that the average cost of home energy will increase about 7.6 percent this winter, with electric cost leading the way with an increase of about 10 percent from $1,093 to $1,205.** This comes on top of summer price increases for electricity that were the highest in at least 12 years.

- Electricity prices are rising rapidly due to utility investment in transmission and distribution systems, the rising cost of natural gas, a primary fuel for power generation and rapid growth in large data centers that are increasing demand for electricity.

- **The average electric bill increased by 5.7 percent from $192.52 to $203.53 July 2024 to July 2025.** Many states increased faster than the national average placing a significant burden on low income families.

- **The result is staggering household utility debt**. The impact of high electric prices can be seen in rising arrearages. Since December 31, 2023, household energy arrearages have risen by about 31%, from approximately $17.5 billion to $23.0 billion by June 30, 2025.

- **The increase in household utility debt reflects rising home-heating costs and greater summer air-conditioning use.** The average summer household electricity bill reached an estimated $776 in 2025 the highest in at least 12 years compounding household strain.

- **Ten states plus DC saw increases in average electric bills greater than 15 percent with five of those states increasing by more than 20 percent**: These states are seeing monthly increases of between $25 and $41 per month.

- **About 21 million households - one in six - are behind on their energy bills.** Shut offs are climbing too: 3.0 million in 2023, 3.5 million in 2024, and potentially 4.0 million in 2025 according to NEADA's analysis of utility-reported shutoff data.

- NEADA also projects higher natural gas costs, with the average household gas bill increasing from $639 to $693, driven by higher wholesale gas prices and strong LNG export demand.

The following two tables show average electric bill by state between July 2024 and July 2025 and the average winter heating bill by type of fuel between the winter of 2024-2025 and 2025-2026.

Average Residential Electric Prices and Bills

	Price (per kilowatt hour)		Average Bill			
State	July 2024	July 2025	July 2024	July 2025	Difference	% Difference
Illinois	$0.15	$0.17	$144.4	$185.3	$40.9	28.3%
Indiana	$0.15	$0.16	$170.4	$213.0	$42.6	25.0%
Ohio	$0.16	$0.17	$173.3	$213.9	$40.6	23.4%
D.C.	$0.17	$0.23	$160.0	$196.7	$36.8	23.0%
New Jersey	$0.21	$0.25	$237.8	$286.9	$49.1	20.6%
Massachusetts	$0.29	$0.30	$202.5	$240.6	$38.1	18.8%
Iowa	$0.15	$0.15	$147.9	$173.7	$25.8	17.4%
Missouri	$0.15	$0.15	$193.3	$226.5	$33.2	17.2%
Michigan	$0.20	$0.21	$159.7	$185.1	$25.4	15.9%
Virginia	$0.14	$0.16	$188.1	$217.0	$28.9	15.4%
Maine	$0.23	$0.28	$124.7	$143.4	$18.7	15.0%
Kentucky	$0.13	$0.13	$176.7	$198.7	$22.0	12.5%
Nebraska	$0.12	$0.13	$148.0	$165.6	$17.6	11.9%
Wisconsin	$0.17	$0.18	$139.6	$155.9	$16.3	11.7%
Pennsylvania	$0.17	$0.20	$189.9	$211.6	$21.7	11.5%
Minnesota	$0.16	$0.17	$140.6	$156.4	$15.8	11.3%
South Dakota	$0.14	$0.15	$141.9	$157.6	$15.7	11.1%
Louisiana	$0.12	$0.13	$193.3	$214.6	$21.3	11.0%
Alaska	$0.26	$0.27	$123.1	$135.4	$12.2	9.9%
Tennessee	$0.12	$0.13	$190.3	$208.3	$17.9	9.4%
South Carolina	$0.14	$0.15	$202.1	$220.2	$18.1	9.0%
Washington	$0.12	$0.13	$108.2	$117.7	$9.5	8.8%
Maryland	$0.17	$0.19	$218.8	$237.2	$18.4	8.4%
Alabama	$0.15	$0.16	$223.9	$242.2	$18.2	8.1%
West Virginia	$0.15	$0.15	$183.8	$198.7	$14.9	8.1%
Arkansas	$0.12	$0.13	$172.7	$185.7	$13.0	7.5%
New York	$0.25	$0.26	$203.6	$218.8	$15.2	7.5%
Colorado	$0.15	$0.16	$138.4	$147.7	$9.3	6.7%
Montana	$0.13	$0.14	$111.0	$118.2	$7.2	6.5%
Utah	$0.12	$0.13	$140.7	$149.8	$9.1	6.5%
Delaware	$0.15	$0.17	$195.4	$207.5	$12.0	6.2%
Vermont	$0.21	$0.22	$143.0	$151.7	$8.7	6.1%
Georgia	$0.15	$0.16	$216.8	$229.9	$13.2	6.1%
Florida	$0.14	$0.15	$201.7	$213.9	$12.3	6.1%
U.S. Total	$0.17	$0.17	$192.5	$203.5	$11.0	5.7%
Mississippi	$0.13	$0.13	$200.2	$210.5	$10.4	5.2%
Wyoming	$0.13	$0.15	$114.8	$120.8	$5.9	5.2%
Oklahoma	$0.13	$0.14	$195.3	$205.0	$9.7	5.0%
Connecticut	$0.28	$0.28	$272.3	$282.2	$10.0	3.7%
Texas	$0.15	$0.15	$223.7	$230.5	$6.8	3.1%
Kansas	$0.15	$0.14	$182.7	$187.6	$4.9	2.7%
Oregon	$0.15	$0.16	$138.8	$141.8	$3.0	2.2%
New Mexico	$0.15	$0.16	$139.3	$142.0	$2.7	2.0%
New Hampshire	$0.22	$0.23	$184.3	$186.9	$2.6	1.4%
North Carolina	$0.14	$0.13	$181.8	$183.7	$1.9	1.0%
North Dakota	$0.13	$0.13	$125.9	$125.1	-$0.8	-0.6%
Rhode Island	$0.26	$0.26	$215.7	$212.5	-$3.2	-1.5%
Idaho	$0.12	$0.12	$133.8	$129.7	-$4.1	-3.1%
Hawaii	$0.43	$0.39	$219.6	$211.8	-$7.8	-3.5%
Arizona	$0.15	$0.15	$278.3	$255.7	-$22.6	-8.1%
California	$0.33	$0.33	$227.4	$186.4	-$41.0	-18.0%
Nevada	$0.14	$0.12	$233.2	$175.9	-$57.3	-24.6%

Table 1: Est Winter Heating Prices Winter 2024-2025 vs Winter 2025-2026

Expenditure	Natural Gas	Electricity	Heating Oil	Propane	All Fuels
2025 -2026	$693	$1205	$1455	$1250	$976
2024-2025	$639	$1093	$1515	$1316	$907
$ Difference	$54	$112	−$60	−$66	$69
% Difference	8.4%	10.2%	−4.0%	−5.0%	7.6%

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