

Press Release: National Energy Assistance Directors Association

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**Winter Heating Price Outlook (12/18/24)
Home Heating Expenditures Projected to Increase by 8.7%
Utility Debt Reaches Record Levels
Utility Bills this Winter Will Cost More than Christmas Presents**

Home heating costs this winter will remain unaffordable for millions of lower income families. The National Energy Assistance Directors Association (NEADA), representing the state directors of the Low Income Home Energy Assistance Program (LIHEAP), today released its end of the year projections of home heating costs for the winter heating season. Prices for home heating this winter on average are estimated to increase by about 8.7% to \$941. from last year's winter heating season average of \$866 due to expected colder winter weather in the Northeast and Midwest states. Winter heating costs are expected to outpace the [\\$902](#) average household spending on Christmas presents as forecasted by the National Retail Federation.

The largest change is for families using electricity to heat their homes increasing by 14.2% from \$1,040 to \$1,189. Electric prices are increasing due to continued high cost of maintaining and upgrading the grid and colder weather leading to increased consumption. In fact, electricity as reported by the November 2024 Consumer Price Index is [rising faster](#) than the overall rate of inflation. In addition, NEADA predicts higher prices for natural gas, one of the main fuels used in electricity production, primarily due to increased exports of liquified natural gas with the average cost increasing from \$615 to \$634.

For those using heating oil, prices are expenditures are estimated to decrease by 2.7% from \$1,560 to \$1,518. Households heating with propane can expect a 4.4 % increase in expenditures, from \$1,179 last winter to \$1,231 this year due to colder temperatures forecasted in the Midwest and Northeast.

Utility Arrearages Reach Record Highs due to High Summer Cooling Bills: Arrearages for electric and natural gas customers reached \$21.0 billion (\$5.6 natural gas and \$15.4 billion for electric) as of 9/30/24 up by almost 44% from \$14.6 billion (\$4.2 billion for natural gas and \$10.4 billion for electric) as of 12/31/21, the first year of the pandemic.

Since 12/31/23 arrearages have increased by about 30% from about \$16.1 billion (\$5.2 billion for natural gas and \$10.9 billion for electricity) to \$21 billion (\$5.7 billion for natural gas and \$15.4 billion electricity) by 9/30/24. The increase was primarily the result of rising electric costs due to record high summer temperatures requiring families to use more electricity to pay for air conditioning. In addition, states had less money to help families pay high cooling as a result of funding for LIHEAP being reduced from \$6.1 billion to \$4.1 billion.

About one out of six households are behind on their utility bills. In addition, [37.4%](#) of families earning less than \$50,000 a year reported in a recent Census survey, that they were unable to pay an energy bill at least once in the past 12 months. In order to help families pay their increasingly high home energy bills NEADA has asked Congress to [increase funding](#) for LIHEAP from \$4.1 billion to \$6.1 billion, the same level of funding that was provided in FY23.

Congress needs to increase funding for the Low Income Home Energy Assistance Program by at least \$2 billion to help struggling families pay their home heating and cooling bills said Mark Wolfe, Executive Director of NEADA. The cost of home heating this winter is more than the cost of Christmas. Long-term, it is critical that federal and state officials fund weatherization and retrofits for low-income households, so that low-income families are protected from—both from winter weather conditions and increasingly extreme summer temperatures and from the global energy market's price fluctuations.

Winter Heating Cost/Arrearage Tables

- Table 1 summarizes the winter heating costs for an average household by heating fuel.
- Tables 2A through 2D summarize winter heating costs for an average household by heating fuel and by region.
- Tables 3A and 3B summarize utility arrears data for both electric and natural gas utilities.
- Table 4 summarizes electric and natural gas arrears from 12/31/21 to 9/30/24.

Table 1: Average Winter Heating Cost Est. 2023-24 to 2024-25

Expenditures	Natural Gas	Electricity	Heating Oil	Propane	Average All Sources
2023-2024	\$615	\$1040	\$1560	\$1179	\$866
2024-2025	\$634	\$1189	\$1518	\$1231	\$941
Difference	\$19	\$148	-\$42	\$52	\$75
% Difference	3.1%	14.2%	-2.7%	4.4%	8.7%

Average Expenditure is a weighted average of all home heating sources, using the number of households by energy type.

Source: EIA, NOAA, and Market Data • Created with Datawrapper

**Table 2A: Average Winter Heating Cost Est. 2023-24 to 2024-25
Northeast Region**

Expenditures	Natural Gas	Electricity	Heating Oil	Propane	Average All Sources
2023-2024	\$850	\$1429	\$1560	\$1696	\$1155
2024-2025	\$902	\$1590	\$1518	\$1874	\$1213
Difference	\$52	\$161	-\$42	\$177	\$59
% Difference	6.1%	11.3%	-2.7%	10.4%	5.1%

Source: EIA, NOAA, and market Data • Created with Datawrapper

Table 2B: Average Winter Heating Cost Est. 2023-24 to 2024-25 Midwest Region

Expenditures	Natural Gas	Electricity	Propane	Average All Sources
2023-2024	\$562	\$1209	\$1213	\$778
2024-2025	\$653	\$1385	\$1324	\$892
Difference	\$91	\$176	\$111	\$114
% Difference	16.2%	14.5%	9.2%	14.6%

Source: EIA, NOAA, and market Data • Created with Datawrapper

Table 2C: Average Winter Heating Cost Est. 2023-24 to 2024-25 South Region

Expenditures	Natural Gas	Electricity	Propane	Average All Sources
2023-2024	\$554	\$1048	\$1233	\$914
2024-2025	\$561	\$1065	\$1252	\$928
Difference	\$8	\$17	\$19	\$14
% Difference	1.4%	1.6%	1.6%	1.6%

Source: EIA, NOAA, and market Data • Created with Datawrapper

Table 2D: Average Winter Heating Cost Est. 2023-24 to 2024-25 West Region

Expenditures	Natural Gas	Electricity	Average All Sources
2023-2024	\$676	\$1137	\$865
2024-2025	\$650	\$1242	\$893
Difference	-\$26	\$105	\$28
% Difference	-3.9%	9.3%	3.2%

Source: EIA, NOAA, and market Data • Created with Datawrapper

Table 3A: Electricity - Est. Residential National Arrearages

	Percent Households in Arrears	Total Households in Arrears	Average Amount Owed	Total Utility Debt
24-Sept	16.3%	21.4M	\$719	\$15.4B
23-Dec	13.1%	17.2M	\$634	\$10.9B
Difference	3.2%	4.2M	\$85	\$4.5B
% Difference	24.6%	24.6%	13.4%	41.3%

Source: Utility Arrearge Reports • Created with Datawrapper

Table 3B: Natural Gas - Est. Residential National Arrearages

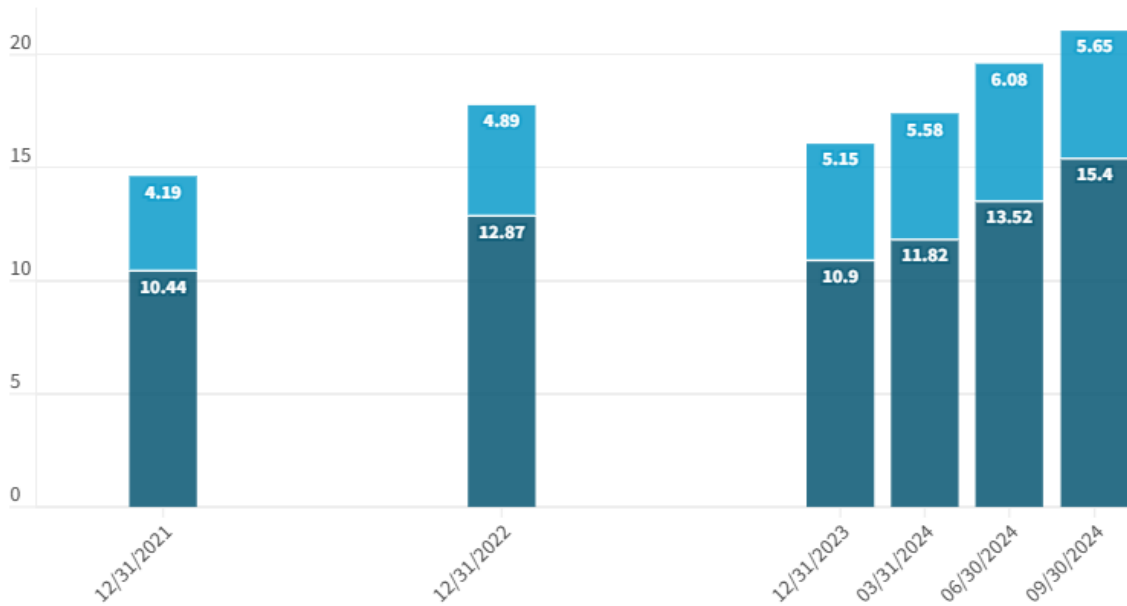
	Percent Households in Arrears	Total Households in Arrears	Average Amount Owed	Total Utility Debt
24- Sept	19.0%	15.2M	\$373	\$5.6B
23-Dec	14.4%	11.5M	\$447	\$5.2B
Difference	4.6%	3.6M	-\$75	\$497.2M
% Difference	31.9%	31.7%	-16.7%	9.7%

Source: Utility Arrearge Reports • Created with Datawrapper

Table 4: Residential Utility Arrears Estimates 1/2022 to 9/2024

Electric Arrears Gas Arrears

Arrears in Billions of Dollars



Source: Utility Arrearage Reports

[The National Energy Assistance Directors Association](#) (NEADA) represents the state directors of the Low Income Home Energy Assistance Program (LIHEAP) and serves as the program’s representative to the Federal government as well as providing training and educational programs.