

NEADA PRESS Release

Summer Cooling Costs Projected to Hit Record Highs as Household Electric Bills Rise 10.5%

Average U.S. household expected to spend nearly \$800 on electricity this summer as rising temperatures and higher power prices deepen energy affordability crisis

WASHINGTON, D.C., June 8, 2026 American households are projected to spend significantly more to cool their homes this summer, with average residential electricity expenditures expected to increase 10.5%, rising from \$717 in 2025 to approximately \$792 in 2026, according to a new report released today by the National Energy Assistance Directors Association (NEADA) and the Center for Energy Poverty and Climate.

The report finds that summer cooling costs have increased nearly 40 percent since 2020, driven by a combination of rising electricity prices and hotter summers that require households to run air conditioning systems longer and more frequently.

"Families are getting hit from both sides," said Mark Wolfe, Executive Director of NEADA. "Electricity prices continue to rise, and hotter summers mean households need to use more electricity simply to stay safe. The result is that Americans are paying substantially more to cool their homes than they were just a few years ago."

Climate forecasters are projecting above-average temperatures across much of the country this summer. If those forecasts prove accurate, 2026 could rank among the hottest summers on record.

The report also highlights growing affordability challenges facing low- and moderate-income households:

- One in six U.S. households is behind on its utility bills.
- Utilities disconnected electric service approximately 13.5 million times in 2024.
- Nearly 40 percent of households earning less than \$50,000 report difficulty paying energy bills.
- Total utility debt is projected to reach approximately \$25 billion by the end of 2026.

For many households, the consequences extend beyond financial hardship. "When temperatures break records, utility bills often do too," Wolfe said. "For families already struggling to make ends meet, higher cooling costs can force difficult choices between paying utility bills and covering other necessities such as food, rent, or medicine."

The report projects that cooling costs will increase in every region of the country, with some of the largest increases occurring in the Mountain and South Atlantic regions. Households in the West South Central region, which includes Texas, Oklahoma, Arkansas, and Louisiana, are expected to face the highest average summer electric bills in the nation.

The report concludes that existing energy assistance programs are not keeping pace with rising cooling costs and increasing heat exposure. NEADA is calling on Congress to increase funding for the Low Income Home Energy Assistance Program (LIHEAP) to \$7 billion in FY2027 and urges states to strengthen consumer protections and expand cooling assistance programs.

About NEADA: The National Energy Assistance Directors Association (NEADA) represents the state directors of the federally funded Low Income Home Energy Assistance Program (LIHEAP). NEADA works to strengthen and expand programs that help low-income households afford home energy and remain safe in their homes.

Media Contact: Mark Wolfe, Executive Director, mwolfe@neada.org