NEADA Winter Heating Update

November 10, 2026

WASHINGTON, DC (November 10, 2026): U.S. households are projected to spend an average of $1,002 on home heating this winter, an increase of $66, or 7.1 percent, from last winter. The increase is being driven primarily by higher electricity and heating oil costs. Expected warmer temperatures this winter, as a result of El Niño, will moderate the increase in heating costs.

Families that rely on electric heating are projected to see their heating costs rise by 6.0 percent. The current spreadsheet estimates no change in natural gas heating costs. Heating oil costs are projected to rise by 70.2 percent, largely reflecting the sharp increase in heating oil prices following the war in Iran and higher global petroleum prices. Propane users are expected to see heating costs increase by 5.0 percent. Relatively modest propane price increases, combined with warmer temperatures expected to reduce heating demand, will help keep the increase in household costs relatively small.

Winter Heating Costs 2025/2026 to 2026/2027

Winter	Natural gas	Electricity	Propane	Heating Oil	All Fuels
2025–26	$686	$1,146	$1,286	$1,749	$936
2026–27	$686	$1,215	$1,350	$2,977	$1,002
$ Difference	$0	$69	$64	$1,228	$66
% Difference	0.0%	6.0%	5.0%	70.2%	7.1%

“For higher-income households, these increases may be an inconvenience. For low- and middle-income families, they can be devastating,” said Mark Wolfe, executive director of NEADA. “Millions of families are falling behind on their utility bills and facing the risk of shutoffs because they cannot afford to keep their homes warm.”

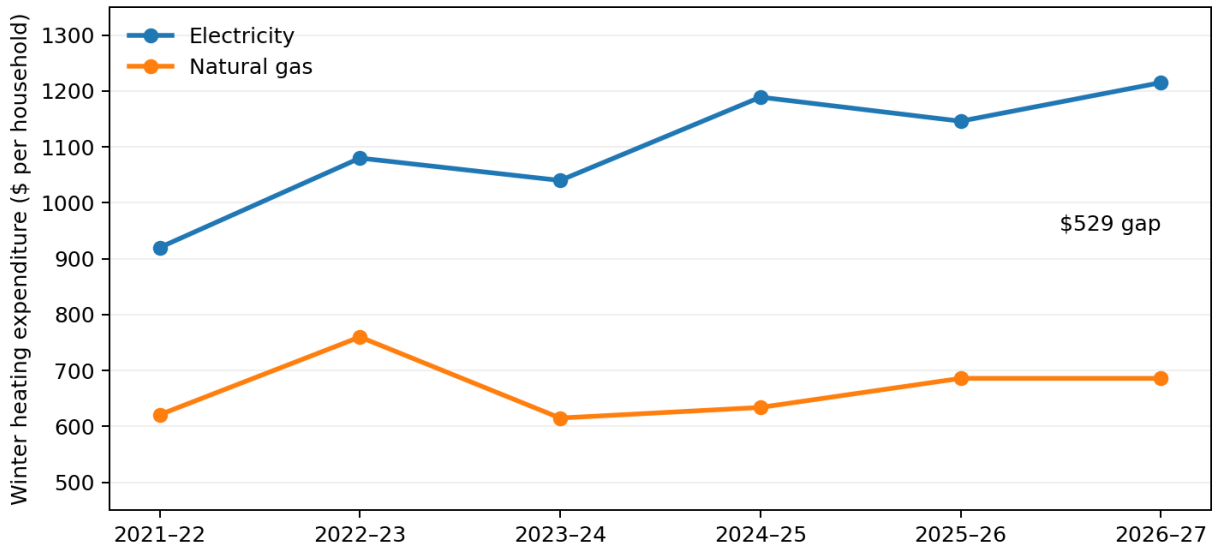
Financial stress and rising risk of shutoffs: About one in six U.S. households is behind on utility bills, collectively owing about $23 billion to electric and gas utilities. In FY 2024, about 13.5 million households were shut off from electric service. Reduced federal energy assistance and growing arrearages are increasing the risk that more families will lose utility service. Over the

longer term, home energy costs have continued to put pressure on household budgets, particularly for families that rely on electricity or heating oil.

Since the winter of 2021-22, home heating costs have increased by 32.1 percent for households using electricity and 10.5 percent for households using natural gas. Propane heating costs have fallen by 17.6 percent over the same period. For households using heating oil, costs have increased by 110.1 percent, in large part because of the sharp increase in heating oil prices following the war in Iran.

Electricity and natural gas heating expenditures over time

The gap between electricity and natural gas heating expenditures has widened substantially over the past five years. In winter 2021–22, households using electricity as their primary heating fuel spent an average of almost $300 more than households using natural gas. For winter 2026–27, that difference is projected to reach about $530. Electricity heating expenditures have increased 32.1 percent over this period, compared with 10.5 percent for natural gas. This underscores the importance of pairing electrification with investments in efficiency, modern heat pumps and policies that keep electricity affordable.



Note: National average household expenditures by primary heating fuel, not a comparison of identical homes or heating equipment. Figures combine historical NEADA/EIA published estimates from different vintages; 2022–23 values are approximate and 2026–27 values are forecasts. Intermediate-year comparisons should not be treated as a fully revised historical series.

Winter Heating Costs 2021/2022 to 2026/2027

Winter	Natural gas	Electricity	Propane	Heating Oil	All Fuels
2021–22	$621	$920	$1,638	$1,417	$831
2026–27	$686	$1,215	$1,350	$2,977	$1,002
$ Difference	$65	$295	-$288	$1,560	$171
% Difference	10.5%	32.1%	-17.6%	110.1%	20.6%

Regional household heating costs: National averages mask substantial differences in fuel prices, weather and the mix of fuels households use. The following table summarizes projected heating expenditures in the Northeast, Midwest, South and West.

Regional Winter Heating Costs 2025/2026 to 2026/2027

Winter	Northeast	Midwest	South	West	National
2025-26	$1,311	$886	$917	$729	$936
2026-27	$1,532	$911	$962	$754	$1,002
$ Difference	$221	$25	$45	$25	$66
% Difference	16.9%	2.8%	4.9%	3.4%	7.1%

Source: November 2026 winter heating forecast spreadsheet

The Northeast generally faces the highest heating costs because winters are colder, electricity prices are relatively high and a larger share of households rely on heating oil. According to EIA's October 2026 Winter Fuels Outlook, residential electricity prices in the Northeast are projected to average 26.2 cents per kilowatt-hour this winter, compared with 16.9 cents in the Midwest and 15.8 cents in the South. Electricity prices in the Northeast are approximately 55 percent higher than in the Midwest and 66 percent higher than in the South.

The Midwest has relatively high heating needs, but natural gas is the dominant heating fuel and remains considerably less expensive than electricity. The South generally has lower winter heating costs because winters are warmer and natural gas is the primary fuel used for producing electricity.

The West is difficult to characterize as a single market. Pacific states have relatively mild winters in many areas, while Mountain states have substantially greater heating needs, and electricity prices vary widely across the region.

These differences matter when interpreting the national 7.1 percent increase. The Northeast is projected to see the largest regional increase, with average heating costs rising $221, or 16.9 percent, from $1,311 to $1,532. The Midwest is projected to rise 2.8 percent, the South 4.9 percent and the West 3.4 percent. A Northeast household relying on heating oil or electricity can face a much larger dollar increase than a household in the South. The national average should therefore be viewed as a planning benchmark, not an estimate of what every household will pay.

Why electricity prices are rising: Higher interest rates are increasing the cost of financing power plants and transmission projects. Electricity demand is also growing rapidly, driven in part by data centers, while aging grid infrastructure and regional capacity constraints are adding costs. Reduced federal incentives for renewable energy have also slowed new clean energy investment.

Natural gas prices stabilize: The spreadsheet currently shows no change in natural gas heating expenditures, from $686 last winter to $686 this winter. Household bills reflect both the underlying cost of gas and local transportation and distribution costs, so changes in wholesale prices do not translate immediately or evenly into household bills.

Source and methodology note: Regional differences are based on EIA Winter Fuels Outlook and Short-Term Energy Outlook data. EIA estimates prices, consumption and expenditures separately by region because weather, fuel mix, infrastructure and local utility costs differ. The 2026-27 estimates apply the planning adjustments made by NEADA described in this report and are not forecasts for every individual household.

Energy costs place a much heavier burden on low-income households. In 2025, the lowest-income 20 percent of households spent 9.86 percent of income on electricity and natural gas, compared with 1.25 percent for the highest-income 20 percent. Even modest rate increases can force families to choose between utility bills and essentials such as food, rent and medicine.

Electric & Natural Gas Expenditure for All Income Quintiles				
Lowest 20%				
Year	Electric & Natural Gas	Income	% Income Energy	Difference
2025	$1,705	$17,291	9.86%	9.1%
2024	$1,563	$16,658	9.38%	
Second 20%				
Year	Electric & Natural Gas	Income	% Income Energy	Difference
2025	$2,276	$44,556	5.11%	9.2%
2024	$2,084	$42,925	4.85%	
Third 20%				
Year	Electric & Natural Gas	Income	% Income Energy	Difference
2025	$2,482	$77,304	3.21%	9.3%
2024	$2,271	$74,474	3.05%	
Fourth 20%				
Year	Electric & Natural Gas	Income	% Income Energy	Difference
2025	$2,820	$126,167	2.24%	9.4%
2024	$2,578	$121,548	2.12%	
Top 20%				
Year	Electric & Natural Gas	Income	% Income Energy	Difference
2025	$3,429	$274,561	1.25%	9.7%
2024	$3,127	$264,510	1.18%	
All Consumers				
Year	Electric & Natural Gas	Income	% Income Energy	Difference
2025	$2,544	$108,167	2.35%	9.4%
2024	$2,326	$104,207	2.23%	

More than 210 electric and natural gas utilities have either increased rates or proposed increases over the next two years, totaling nearly $85.8 billion.

What must change: NEADA is urging Congress to increase LIHEAP funding to $6.1 billion and expand investments in weatherization, grid modernization and clean energy. Utilities should also limit shutoffs and build meaningful affordability protections into rate structures, particularly when seeking approval for major grid investments.

“Energy is not a luxury, it’s a necessity,” Wolfe said. “The nation can modernize the grid and move to clean energy without pushing families into crisis. No household in America should lose power because it cannot afford basic utility bills.”