

Trump is Raising Energy and Utility Bills

President Trump campaigned on a [promise](#) to cut energy prices in half within twelve months of taking office. Instead, more than one year in, energy bills are rising for families across the country. [Electricity prices](#) rose more than twice as fast as overall inflation in 2025, with no slowing in sight. [Gasoline prices](#) have skyrocketed as Trump's war in Iran disrupts oil markets, and utilities are demanding [record rate increases](#) spurred by the buildout of [AI data centers](#). As energy bills surge, Americans are increasingly worried about their ability to afford basic utilities:

- [66%](#) of Americans say their electricity bill has gone up in the last 12 months, while just 5% say it has gone down.
- Rising energy prices hit [working families](#) the hardest. Households earning under \$50,000 spend nearly 7% of their income on energy compared to just 1.2% for households earning more than \$150,000.
- [14 million Americans](#) are already in severe utility debt, a sign that rising energy costs are pushing families past the breaking point.
- More than [one in five](#) Americans could not afford their energy bills in 2025, and [one in three](#) reports cutting back on food or medicine to cover utilities.

Electricity prices have been rising fast, and families are bearing the brunt. Prices were already elevated, and new global instability is pushing them even higher.

- **The typical household paid about [\\$123 more](#) for electricity in 2025, a [6.3%](#) increase since Trump took office.** Electricity and gas costs are now among the [fastest-growing drivers of inflation](#), rising faster than groceries, vehicles, and medicine. In some states, price increases have been even steeper: electricity prices rose 18.4% in [New Jersey](#), 14.4% in [Pennsylvania](#), and 11% in [New Hampshire](#) over the past year.
- **Natural gas prices are also driving energy prices higher.** Prices rose [9.8%](#) last year, more than twice inflation. Because gas is a [major source](#) of electricity, those increases are already pushing utility bills higher. Global price spikes tied to the Iran conflict are likely to add [additional pressure](#).

Trump's blanket tariffs are increasing the cost of building and maintaining the electric grid. Utilities rely on imported equipment, and those higher costs show up directly in higher electricity and gas bills.

- **Utilities say tariffs are already raising energy prices for consumers.** Major utilities in [Michigan](#) told state regulators that Trump's tariff policies are increasing inflation and borrowing costs. Advisors warn that these higher costs are ultimately pushing electricity and gas rates higher for customers.
- **Tariffs are also driving up the cost of essential power grid equipment.** Utilities are facing [higher prices](#) for essential equipment like transformers, cables, and substations, increasing the cost of grid upgrades and expansions. Those higher costs are ultimately passed on to households through higher electricity rates.
- **Voters are noticing the impact of tariffs on their utility bills.** [47%](#) of voters say tariffs are responsible for the price they pay for utilities like electricity and gas.

AI data centers are driving up electricity prices, and Trump's plan won't fix it. The rapid expansion of AI data centers is dramatically increasing electricity demand across the United States.

- **Data center demand is pushing electricity prices higher.** In northern Virginia, Dominion Energy cited data centers in seeking to raise residential bills by more than [13%](#) over the next two years. Across the PJM grid, customers paid more than [\\$9.3 billion](#) in additional costs last year, partly due to rising demand from data centers. With demand projected to [double](#) by 2035, these pressures are only expected to grow.
- **Public concern about these impacts is growing:** [65%](#) of Americans believe data centers will raise their utility bills.
- **Trump promised tech companies would prevent data centers from raising electricity prices, but his plan falls short.** He [pledged](#) companies would "provide for their own power needs," and major tech firms have since signed a [voluntary White House agreement](#) to build power and cover some grid costs. But the pledge is [unenforceable](#) and misses the core issue: data centers still depend on the grid, triggering costly upgrades that are passed on to households through [higher electricity bills](#).

Trump's war on Iran is disrupting global oil supply and pushing energy prices higher for American families. The conflict is disrupting shipments through the Strait of Hormuz, and Iraq, Kuwait, and the United Arab Emirates have [cut](#) oil production as exporters struggle to move crude through the region.

- **Oil prices have jumped sharply since the start of the Iran conflict.** Three weeks into the Iran conflict, oil prices are holding above [\\$100 per barrel](#), about 55% above pre-conflict levels. Those increases are already showing up in fuel costs: gasoline has climbed to [\\$3.98](#) per gallon, and residential heating oil is up about [35%](#), from \$4.10 to \$5.57 per gallon. [Goldman Sachs](#) estimates that a \$10 rise in oil

prices sustained for three months could lift U.S. inflation from about 2.4% to roughly 3%.

- **The impact goes far beyond gasoline.** Disruptions to fertilizer exports from the Persian Gulf are already pushing [prices higher](#), raising food production costs and grocery prices. Diesel prices have risen nearly [40%](#) because of the conflict, and with trucks moving [83%](#) of agricultural goods, those increases are pushing food prices higher. Higher oil prices are also [driving up](#) shipping and air travel prices.
- **Voters want permanent solutions to high prices.** A [majority](#) of voters (52%) would rather end the war than take temporary half measures to somewhat lower the price of gas, like tapping the Strategic Petroleum Reserve and pausing the federal gas tax.

Trump is blocking cheaper energy and raising household utility costs. The Trump administration has taken steps that block cheaper sources of electricity and weaken policies that help households reduce energy use and save money.

- **Trump has delayed hundreds of solar projects, slowing the expansion of cheaper electricity.** New [federal review requirements and permitting delays](#) are creating bottlenecks nationwide.
- **Trump-backed legal challenges have eliminated efficiency standards that would have lowered household energy bills.** A federal judge struck down the rule after it was challenged by Republican-led states. The standards would have improved home efficiency by [37%](#) and cut energy costs by more than \$950 per year. Blocking them means higher energy use and higher utility bills.
- **Trump administration policies are discouraging investment in new clean energy supply.** Clean energy project cancellations surged to [\\$35 billion last year](#), dwarfing the roughly \$3.4 billion canceled over the previous two years combined. The One Big Beautiful Bill also repealed the [Residential Clean Energy Credit](#), which helped homeowners lower upfront costs for solar panels and other energy-saving upgrades.