



Republicans' Plan to Raise Energy Costs

President Trump claimed that he would cut energy prices in half in his first year in office. In reality, his actions are driving up electricity prices and undermining grid reliability. Americans are already feeling the pain of high utility bills—73% say they're worried about rising energy costs, and two-thirds have seen their bills go up.¹ Prices will only continue to go up once the policies in the big, beautiful betrayal come into effect.

One Big, Beautiful Betrayal

Instead of helping families, Republicans pushed through legislation that will hike household energy bills by more than \$170 next year²—and by as much as \$400 a year within a decade.³

- To pay for tax handouts to their billionaire donors, Trump and Republicans took a “sledgehammer” to clean energy legislation that’s lowered energy costs and created high-quality careers people can build their families around.
- This law will raise utility prices nationwide, by 9-18% across the board.⁴
- The law jeopardizes up to 760,000 jobs by 2030⁵ and an additional 700,000 jobs by 2035.⁶

The rollback of clean energy tax credits will halt the expansion of low-cost renewables and cause steep price increases for families across the country.

- Midwestern states will see residential electricity prices rise by 12% and Western states will see a 10% rise over the next four years.⁷
- Cumulative household energy costs will increase by \$42 billion between 2025 and 2035.⁸

¹ <https://www.ipsos.com/en-us/most-americans-report-higher-electricity-gas-bills-compared-year-ago>

² <https://www.americanprogress.org/article/the-trump-administrations-cancellation-of-funding-for-environmental-protections-endangers-americans-health-while-draining-their-wallets/>

³ <https://www.nytimes.com/2025/06/04/climate/electricity-prices-republican-big-beautiful-bill.html>

⁴ <https://energyinnovation.org/report/updated-economic-impacts-of-u-s-senate-passed-one-big-beautiful-bill-act-energy-provisions/>

⁵ <https://energyinnovation.org/report/one-big-beautiful-bill-act/>

⁶ [One-Big-Beautiful-Bill-Senate-Reconciliation-Analysis July-2025.pdf](#)

⁷ [CEBA Report: Repealing Clean Energy Tax Credits Would Raise Electricity Prices for American Families and Job Creators Across the United States - CEBA](#)

⁸ [Inflation Reduction Act Repeal Harms State Economies, Raises Consumer Costs • Energy Innovation](#)

- Over the next ten years, the roll back of tech-neutral tax credits will cost:
 - 1.6 million jobs
 - \$190 billion in lost wages
 - \$280 billion in lost GDP⁹

Tariffs on Clean Energy Equipment

President Trump's new tariffs have increased energy project costs. The tariffs have made electricity more expensive by driving up the cost of fuels and by tying up the supply chains for necessary grid equipment.

- In July, Yale University projected that tariffs could raise natural gas, oil, and electricity prices by 6.1%, 2.3%, and .7%, respectively.¹⁰
- Tariffs are also expected to raise grid equipment costs—by 8 to 9% for transformers, 6 to 7% for switchgears, 3 to 4% for circuit breakers, and 6 to 7% for wires and cables.^{11,12} These are costs that utilities will pass on to consumers through higher electricity rates. With data centers increasing demand and competing for these components, household electricity prices are likely to climb even higher.

Cuts to Energy Affordability Programs

Proposed budget cuts to Department of Energy programs will raise costs for vulnerable Americans. Nearly 80 million Americans are struggling to pay their utility bills, forcing these families to forgo necessary, basic expenses such as food and healthcare. The uncertain future of many of DOE's most helpful programs is likely to exacerbate this situation and force more families to make impossible decisions.

- Cutting Low Income Home Energy Assistance Program (LIHEAP) funding and staff means that six million households, 40% of whom are seniors, will struggle to pay their electricity bills.
- Staffing Shortages at the Weatherization Assistance Program, which services 32,000 homes every year and has helped improve the lives of more than 7.2 million families, will hurt a program that saves households more than \$350 annually on utility bills.
- Rolling Back Energy Efficiency Standards that have provided nearly \$1 trillion in consumer savings over the last 30 years and save the

⁹ [Senate-Proposed Bill National \(Public\)](#)

¹⁰ [State of U.S. Tariffs: July 14, 2025 | The Budget Lab at Yale](#)

¹¹ [10 Trump Administration Actions That Could Lead to Higher Electricity Prices - Center for American Progress](#)

¹² [Trump's AI Embrace Threatened by Tariff Costs to Businesses - Bloomberg](#)

average family at least \$100 a year on their utility bills will only increase energy costs.

Cancelled Energy Projects

The suspension of numerous renewable energy and grid modernization projects has contributed to electricity supply constraints—putting upward pressure on electricity prices and increasing the risk of outages in some regions.¹³

- The One Big Beautiful Bill, now law, will constrict the build-out of new clean power generating capacity by 53-59% from 2025 through 2035.¹⁴ More than \$500 billion in clean energy and transportation investment is now at risk of being canceled due to the law.¹⁵
- The Trump Administration has also cancelled 24 projects from the Office of Clean Energy Demonstrations (OCED), which is estimated to result in the loss of 25,000 jobs and \$4.6 billion in economic output.¹⁶

¹³ [E2: \\$8 Billion and 16 New Clean Energy Projects Abandoned in First 3 Months of 2025, Triple 2022-2024 Cancelled Investments Combined | E2](#)

¹⁴ <https://rhg.com/research/assessing-the-impacts-of-the-final-one-big-beautiful-bill/>

¹⁵ <https://rhg.com/research/assessing-the-impacts-of-the-final-one-big-beautiful-bill/>

¹⁶ <https://www.c2es.org/press-release/cost-of-oced-cancellations-25000-jobs-4-6-billion/>