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Winter Forecast: New Analysis Shows New York Should Expect Extreme Price Spikes, Over $1,000 In Electricity Costs



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As winter approaches and temperatures drop, Americans are paying steeper bills than last year just to heat their homes. Third Way research shows that **New York households will pay more than $1,000 for electricity this winter. For households relying on heating oil, it could be thousands of dollars more than they paid last year.**

Facing record-high energy prices driven by the war in Iran, data center growth, electrification, and an aging grid, people across the country are wondering whether they'll get relief or be left out in the cold.

New analysis from the National Energy Assistance Directors Association (NEADA) projects winter heating costs will rise by almost 9% this winter compared to last year, more than double the national inflation rate. In New York, that could mean a household electric bill approaching $250 in February. Warmer temperatures from El Niño could provide some relief. That will not be the case next year.

Projected Monthly Electricity Bill During Winter for New York

Month	Household Electricity Bill
November	$151.39
December	$204.06
January	$240.45
February	$246.64
March	$184.78
Winter Total	**$1027.33**

Projected Electricity Bill by State and Month, with Winter Total at the bottom.

Source: based on Heatmap data: https://electricity.heatmap.news/?_gl=1*ozp3wn*_gcl_au*NTc5MjA4Nzg0LjE3NzA4MzI2MjE

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For customers in New York relying on heating oil, the forecast is particularly grim. Our analysis of Energy Information Administration (EIA) data shows that those households will pay almost twice as much as last winter. For smaller homes, that means an additional $1,000 for a typical amount of heating oil. For larger homes, it's over $3,000 in additional costs.

In a state like New York, where over 10% of the population lives below the national poverty line and more than 1.1 million households rely on heating oil, these substantial price hikes are alarming.

Increases to Household Electricity and Heating Oil Costs During Winter in New York

Household Electricity Bill Winter 2026/2027 (Nov-Mar)	$1027
Increase since last Winter 2025/2026 (Nov-Mar)	+$143
Additional cost for 400 gallons of Heating Oil compared to last Winter (Oct-Mar)	+$1,001
Additional cost for 1,200 gallons of Heating Oil compared to last Winter (Oct-Mar)	+$3,002

Source: Electricity Price calculation done via Heatmap: https://electricity.heatmap.news/?_gl=1*ozp3wn*_gcl_au*NTc5MjA4Nzg0LjE3NzA4MzI2MjE ; Heating oil price calculation done using EIA's Residential Weekly Heating Oil Prices; comparing Oct 2026 with October 2025: https://www.eia.gov/dnav/pet/pet_pri_wfr_a_epd2f_prs_dpgal_w.htm ; 400-800 gallons per season for a small home, and 800-1,200 gallons per season for a medium home: https://www.bottinifuel.com/annual-heating-oil-usage/

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Households Using Heating Oil in New York

Number of homes heating with oil	1,143,783
Share of homes heating with oil	14.6%
Total number of homes	**7,828,074**

Source: Census - 2025 ACS 1-Year Estimates: https://data.census.gov/table?q=B25040&g=040XX00US23,25,34,36,39,42

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Clean Energy Solutions

Rising energy costs are a compounding problem, and ratepayers have waited too long for meaningful policy action. Federal, state, and local governments should work together to expand generation and improve our aging grid. Instead, the Trump administration has made it significantly harder to meet rising energy demand, and the war in Iran has driven up prices for gasoline, diesel, groceries, flying, and more. But even if the conflict ends tomorrow, EIA's national forecast still predicts winter heating prices will be 34% higher than last year.

A diverse energy mix and increasing clean energy deployment would be a practical fix to these problems. Clean energy sources like wind, solar, and batteries take less time to build and aren't subject to the same kind of volatility as natural gas. But the Trump Administration has stymied clean energy deployment by undermining financing for clean energy, imposing administrative roadblocks that delay project reviews, and formally deprioritizing low-cost resources like solar and wind in federal directives.

By some estimates, the Trump administration has canceled or blocked 22 GW of clean energy deployment from coming online. To put that in perspective, the number of projects canceled in Q1 of 2026 alone could power between 2 and 3 million homes and businesses each year.

For New Yorkers, the consequences of cuts to clean energy are personal. Electricity prices in New York have increased almost 54% since 2021. New York has seen a net reduction in generation capacity, with roughly 4.3 GW coming offline and only about 2.3 GW of new generation added to replace it. Because over half of New York's installed generation capacity is natural gas-fired plants, New Yorkers' energy bills are vulnerable to global price fluctuations. And between 2024 and 2025, natural gas prices in New York increased by 120%.

It's normal for energy prices to rise over the winter, and this one may be mild. But the current pressures on our energy sector, combined with recent federal policy failures, mean consumers will not get the relief they need. Accelerating clean energy buildout can mitigate rising prices and protect customers from unreasonable costs in cold winter months.



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