

UtilityRates.Com Warns Electricity Customers of Higher Bills On New Year's Day

22 states face utility rate hikes averaging 6.1% as winter heating demands peak and wholesale electricity costs climb nationwide.

HOUSTON, TX, UNITED STATES, January 15, 2026 /EINPresswire.com/ -- UtilityRates.com is warning electricity customers to brace for higher bills starting January 1, 2026, as utility rate increases collide with the risk of another cold winter.

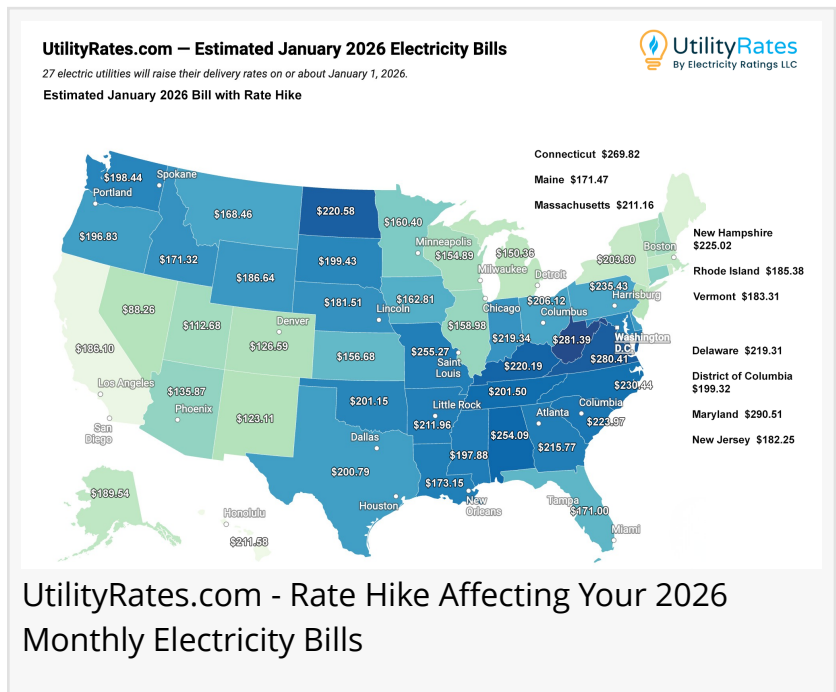
Last January's Polar Vortex drove heating use sharply higher, and weather researchers say similarly cold temperatures could return in early

2026, potentially reaching Texas, Georgia, and Florida. Added to this is the National Energy Assistance Directors' Association (NEADA) warning last month that electric prices have risen 12% since this time last year.

Now, a new rate survey from UtilityRates.com shows electric utilities in 22 states are raising delivery and distribution rates on or around January 1, 2026. With many households already under financial pressure just as winter energy use intensifies, UtilityRates.com wants all consumers to prepare for unexpectedly high bills.

Find the entire study here: <https://www.utilityrates.com/resources/the-new-year-rings-in-higher-energy-rates>

While [electricity rates in Pennsylvania](#) on average rose on December 1, 2025, due to Price to Compare hikes, PA ratepayers in 2026 do not yet face higher distribution charges. However, Ohio electricity rates present a mixed picture, with some FirstEnergy utilities reducing rates while Dayton Power & Light increase them by 9%. Meanwhile, Illinois electricity rates face upward pressure from expected increases in FERC transmission charges taking effect in January



Key Takeaways:

- Electric utilities in 22 states will be raising their delivery/distribution rates on or about January 1, 2026.
- Residential electricity consumers in these states will see monthly bills rise by an average of \$7.46 or about 6.1%. Increases range from as low as 0.6% to as high as 15%.
- For most of the 27 electric utilities, their rate hikes are intended to raise annual revenue.
- An average January electric bill may reach \$195.00 or more.

Rising Costs Across the Power System

These increases are largely driven by higher costs across the power system. According to the U.S. Energy Information Administration, transmission costs are projected to rise 3.4% and distribution costs 2.7% between 2024 and 2026. At the same time, electricity generation is becoming more expensive due to rising natural gas prices, reduced federal support for renewable projects, and growing demand. This is especially true in Texas and neighboring states where population growth and large data centers are driving usage. These demand pressures are reflected in [Texas electricity rates](#), which have been trending upward alongside wholesale market costs. Wholesale electricity prices are expected to reach \$51 per megawatt-hour in 2026, up 8.5% from 2025, putting additional upward pressure on consumer bills.

UtilityRates.com encourages consumers to watch their energy usage to lower their bills. Consumers should also use [apples-to-apples comparison](#) tools to shop for better priced electricity plans and explore energy-saving options to help them manage higher bills this winter.

About UtilityRates.com

UtilityRates.com is a website operated by Electricity Ratings, LLC.

Electricity Ratings, LLC operates a network of energy shopping websites serving 17 states and 56 utilities, providing our energy comparison and ratings service to over 80 million customers. We provide our customers with the power to choose the best providers through our consumer reviews platform which provides a reliable, unbiased source of valuable consumer insight. And we back that up by offering in-depth energy company service analysis, personalized recommendations, and practical advice. Our mission is to help consumers harness the power of information to find, compare, and buy electricity and energy services from the best providers.

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<https://www.utilityrates.com/>

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