

Senator Ed Markey's
**RATEPAYER
ROADMAP**

**LOWER BILLS
CLEANER ENERGY**



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The Problem

People are hurting. Bills are going up. Electricity is getting more expensive with no relief in sight. Since January 2025, home electricity prices have risen as much as **13 percent**, three times higher than general inflation, and home natural gas prices have risen as much as **98 percent**. To date, at least 237 electric and natural gas utilities have either proposed or already **raised electric bills by more than \$92 billion** for 112 million electric utility customers and more than 52 million natural gas utility customers.

Electricity demand is expected to grow by **2 percent every year** after 20 years of being mostly flat, representing more than a **21 percent increase** between 2025 and 2035. This increase is driven by a huge spike in data center demand, as well as other electrification trends in vehicles, heating, manufacturing, and fossil fuel production. We'll need to bring **around 250,000 megawatts (MW) of new generating capacity online by 2035** to meet that demand.

Data centers, used for AI and other computing, are a huge source of that increase in demand. Estimates for data center growth are as high as **10,000 MW per year over the next four years**. By 2030, that means a total of 130,000 MW of our power will be consumed by data centers. By comparison, all of New England combined currently contains **30,000 MW** of installed generating capacity.

Energy demand is going up, but the Trump administration and Republicans in Congress are blocking new electricity generation from getting on the grid. Instead of **helping** us meet this huge demand need, Republicans have **hamstrung** us by passing their Big Ugly Bill. The bill they passed last year to kill clean energy programs and jobs is expected to keep as much as **790,000 MW of clean energy off the grid by 2035**, with compared to projections without their energy and job-killing action. And Trump administration attacks on wind and solar have led to many projects—including those that were fully permitted and nearly complete—to be delayed or canceled. Good-paying union jobs disappeared overnight, projects hemorrhaged money, and families paid the higher price on their bills. By February 2026, **nearly 173,000 clean energy jobs** had been wiped out or delayed since Trump took office.

So how do we get back on track?

1. Directly cut expenses for American families—especially for those who need it most.

HELP FAMILIES DIRECTLY WITH THEIR ENERGY BILLS FOR RELIEF NOW

The Low-Income Home Energy Program (LIHEAP) helps about six million low-income families with heating and cooling bills, crisis assistance, and weatherization support. This program is vital to keeping individuals and families safe in the winter months—particularly as energy costs increase. Despite the urgent need for relief, LIHEAP is severely underfunded. In 2024, only about 18 percent of income-eligible households received LIHEAP assistance, with about 2 percent of eligible households receiving cooling assistance. Meanwhile, low-income families spend nearly three times more on energy bills than non-low-income households, and nearly one in six households are behind on their utility bills.

LIHEAP has faced many tough challenges this year—including when Secretary of Health and Human Services Robert Kennedy Jr. abruptly fired nearly all LIHEAP staff, President Trump's proposed to eliminate the entire program, and the Republican-led shutdown and Administration delays kept funds from going out the door. In addition to ensuring that LIHEAP is able to use its full appropriation and serve the families that depend on it, it must be modernized and expanded. Senator Markey introduced the *Heating and Cooling Relief Act* to do just that. The bill would ensure year-round access to affordable and reliable heating and cooling for lower-income households who experience disproportionately high energy burdens, increasing funding by \$3 billion a year and allowing more households to qualify for aid.

BRING DOWN ENERGY BILLS WITH EFFICIENCY, ELECTRIFICATION, AND WEATHERIZATION

There are many strategies to reduce the amount of energy used at home. Energy efficiency standards are critical to lower energy prices because they help Americans keep money in their bank accounts rather than spending it on utility bills. Energy efficiency standards, like appliance efficiency standards that Senator Markey originally authored and helped pass into law, are some of the most successful climate and consumer savings programs in American history. Similarly, weatherization is crucial for reducing energy costs by permanently improving a home's efficiency—such as adding insulation, sealing leaks, and upgrading to efficient systems—which lowers monthly utility bills.

Home electrification is another strategy to reduce dependence on volatile natural gas prices—particularly for heating in the winter. Recent research indicates that Massachusetts households could save upwards of \$687 every winter by upgrading to high-efficiency heat pumps. Weatherization can save households \$372 or more every year. Massachusetts provides an average of \$4,725 in energy efficiency measures for eligible households—if supported further, these programs can cut demand and strain on the electric grid while also bringing costs down for individual ratepayers.

Yet the Trump administration has attacked energy efficiency standards, home energy rebates, and home efficiency tax credits. The Inflation Reduction Act provided more than \$8.8 billion for home energy rebates, including for low-to-medium income households to cut the cost of electric appliances and insulation and receive cash back for energy efficiency improvements. The home energy rebate programs were designed to set wage standards, collaborate with unions on job training programs, and promote good jobs in installation and residential construction. The Inflation Reduction Act also established new home efficiency tax credits, which returned \$231 million to Massachusetts taxpayers in 2023 alone.

Republicans repealed these tax breaks for homeowners and have attempted to delay or hold back the funding for rebate programs, even though these programs can provide direct cash benefits and reduce bills long-term.

To lower costs at home, Senator Markey has led the *ICEE HOT Act*, which would expand the State Energy-Efficient Appliance Rebate Program by offering midstream and upstream rebates, directly incentivizing manufacturers, distributors, and contractors of Heating, Ventilation, and Air Conditioning (HVAC) equipment and other building electrification products. This legislation would help lower the cost of appliances and products to make it easier for all homeowners and residents to access the technologies they need to cut their energy bills.

LOWER COSTS FOR COMMUTERS THROUGH TRANSIT OPTIONS, FUEL EFFICIENCY, AND VEHICLE CHOICE

Transportation accounts for 17 percent of average household spending—and for drivers of gas-powered vehicles, those expenses can grow rapidly if gas prices increase. Fuel economy standards, which rely upon language co-authored by Senator Markey in the House of Representatives, mean that drivers can go further on one tank of gas, reducing emissions and saving drivers money at the pump.

The Trump administration's recent fuel economy standards rollback will cut the average vehicle fuel economy standard to 34.5 miles per gallon by 2031—instead of achieving a 50.4 mile per gallon standard by model year 2031 set in the Biden administration. The Biden-era standards were expected to save drivers \$35 billion over the lifetime of covered vehicles and save 64 billion gallons of gas. The harms from this proposal are expected to exceed the previously estimated benefits, as it both attempts to roll back future standards and to undo standards that manufacturers have already met.

Republicans also repealed the clean vehicle rebate, which would put up to \$7,500 back into Americans' pockets when buying a qualifying electric vehicle. Instead of sabotaging clean vehicle programs, the United States should invest in electrification and charging technologies, built by union workers, to cut costs at the gas pump and reduce dependency on imported oil.

At the same time, expanding public transit and alternative transportation options can give Americans options beyond driving—helping them save money while still getting around town. The cost of owning and operating one car costs American families, on average, \$12,000 per year.

SUPPORT STATE AND FEDERAL ENERGY REGULATORS IN PROTECTING RATEPAYERS FROM UNFAIR RATE HIKES

State and federal regulators have a range of tools that they can use to adjust or reject rate filings that shift the cost of big load users, like data centers, onto household bills. Many state regulators are already finding new ways to promote fair and affordable rates, but nationwide challenges remain. Data centers—often owned or contracted by some of the world's largest and most profitable tech companies—drive massive new electricity demand, requiring costly grid upgrades, new generation, and transmission. If utilities are allowed to spread those costs across all ratepayers, everyday households end up subsidizing private, high-load customers.

State public utility commissions (PUCs) have direct authority over household and small business energy costs in their state, while the Federal Energy Regulatory Commission (FERC) has authority over energy costs as they relate to the high-capacity interstate transmission grid. Given the unprecedented growth in energy demand across the nation from new data centers, FERC and state PUCs should exercise their authority to ensure fair prices and reliable service by rejecting unfair rate filings submitted by investor-owned utilities that force ratepayers to subsidize data centers,

as well as proactively adopting policies that protect ratepayers. By pushing back, regulators protect American households from shouldering unnecessary costs or from utility profiteering, and ensure costs at every level are just, reasonable, and transparent.

That's why, in November 2025, Senator Markey wrote to the Federal Energy Regulatory Commission (FERC) urging the agency to ensure that increased and projected energy demand from data centers does not result in unjust or unreasonable rate hikes for American households. Then, in March 2026, Senator Markey wrote to the National Association of Regulatory Utility Commissioners (NARUC), urging the association's members to protect residential and small business ratepayers from rate hikes stemming from the rapid artificial intelligence-fueled data center buildout.

2. Build more clean, affordable, and ready-to-go energy

DEFEND CLEAN ENERGY PROJECTS FROM PARTISAN TRUMPED-UP ATTACKS—PARTICULARLY OFFSHORE WIND

Solar and wind are the cheapest sources of electricity and represent more than 90% of new power capacity brought online in recent years. Despite this, the Trump Administration has systematically blocked clean power projects, jobs, and investment, including by issuing stop-work orders for five nearly completed offshore wind projects that will power 2.5 million homes once finished. When the projects challenged those orders, the Administration lost in the courts and was forced to allow construction to resume. The Trump Administration next moved on to bribes—announcing it will pay TotalEnergies, a French energy company, nearly \$1 billion in

public funding not to build on its offshore wind leases off the coast of New York and North Carolina. This means affordable and much-needed power will be kept off the grid and union workers will be kept without paychecks—all paid for with taxpayer money.

But that's not all. Trump's Interior Department has actively stalled or canceled renewable energy projects on public lands by imposing strict, personalized permitting reviews and overturning prior approvals. This has created a massive bottleneck, with more than 22,000 megawatts of utility-scale solar and wind projects on public lands held up or canceled—enough to power 16.5 million U.S. homes. Interior Secretary Burgum's blockade has prevented the development of tens of thousands of clean, affordable megawatts on private lands as well, with solar and wind projects that require federal permits stalling out after reviews are held up by federal agencies.

Even beyond projects on public lands, policies that obstruct American energy development—including chaotic trade policy and Trump's war on wind—are causing renewable energy projects cancelations and cutting jobs. According to one analysis, 86,000 megawatts of solar projects, 79,000 megawatts of battery projects, and 54,000 megawatts of wind projects were canceled in 2025 alone. And as of January 2026, the Interior Department and Energy Department—both key for approving energy projects and developing energy programs—had lost nearly 10,000 federal workers, losing 16 and 13 percent of their workforce, respectively.

Wind works for the American grid, for ratepayers, and for the union workforce. In March 2026, Vineyard Wind 1 completed construction off the coast of Massachusetts, and Revolution Wind started sending power to the grid for Connecticut and Rhode Island. Combined, the two projects are projected to deliver more than 1,500 clean megawatts of electricity, enough to power 750,000 homes across the region. Vineyard Wind is set to deliver power at \$84 per megawatt-hour, far below New England's top spot price of \$870 per megawatt-hour during Winter Storm Fern. By 2025, Vineyard Wind had directly employed nearly 3,700 workers—40 percent of whom were union workers operating under a project labor agreement.

KEEP FIGHTING FOR PROGRAMS ILLEGALLY CANCELED BY THE TRUMP ADMINISTRATION THAT WOULD HAVE LOWERED RATES AND BUILT A STRONGER, CLEANER, AND MORE RESILIENT GRID

The Trump administration has taken aim at programs that would support union jobs, lower energy bills, and build cleaner, more resilient communities around the country. The Trump Department of Energy has also touted \$8 billion in canceled grants, including more than \$500 million for projects in Massachusetts, that will hamstring American competitiveness, drive up energy costs, and hurt domestic manufacturing.

By seeking to cancel the \$20 billion in funding for the national climate bank, also known as the Greenhouse Gas Reduction Fund, the Trump administration is actively preventing the construction of thousands of projects that will support new jobs, clean power, lower costs, and resilient communities. In August 2025, the Trump administration declared it will unlawfully terminate the \$7 billion Solar for All funding that has been awarded to 60 states, Tribes, and nonprofits, and that was set to enable over 900,000 households in low-income and disadvantaged communities to benefit from distributed solar energy. Instead, the Trump administration is going to increase energy bills and cut megawatts of energy from the grid as demand continues to rise. While legal challenges to this termination are ongoing, the Solar for All program should be protected and expanded. As designed, this program was set to cut participating households' average energy bills by \$400 a year, with more than \$8 billion in savings overall across all fifty states.

REINSTATE CLEAN ENERGY TAX CREDITS

Reinstating federal clean energy tax credits—like those for wind, solar, storage, and efficiency—lowers the upfront cost of building the cheapest new sources of electricity. When all the costs of construction and operation are factored in, the cost of a megawatt of energy from renewable power sources is already lower than other sources of energy, so tax credits for renewable projects accelerate deployment and lock in lower long-term prices for consumers. They also reduce financing costs by providing certainty to developers, which translates directly into cheaper power purchase agreements and lower wholesale prices that flow through to retail bills.

The Republican repeal of Inflation Reduction Act tax credits for clean energy projects is projected to increase power prices by up to 18% over the next decade. Restoring these tax credits will bring costs back down, improve grid resiliency, and create good-paying union jobs.

IMPROVE TRANSMISSION PLANNING

Better transmission planning ensures that the grid is built proactively and efficiently, rather than reactively and expensively. When transmission is planned at a regional or interregional level, it can connect low-cost renewable resources to population centers, reducing reliance on more expensive local generation. Improved planning also reduces bottlenecks that drive up wholesale electricity prices through congestion and can better facilitate the use of project labor agreements for good-paying union jobs. Senator Markey's *CHARGE Act*, most recently introduced in March 2022, would proactively plan and build a reliable and resilient energy grid across broad regions of the country.

3. Stop price-spiking and profiteering

END THE WAR IN IRAN

The illegal war in Iran has resulted in major strikes and disruptions to fossil fuel energy markets, which has caused oil and natural gas prices to skyrocket. Compared to prices before the war began, Americans are already spending \$2.5 billion more per week on gasoline, and it costs around \$350 more to fill up an average home heating oil tank.

As a result of American and Israeli strikes in Iran, Iran retaliated with attacks and an effective halt on shipping through the Strait of Hormuz, the narrow corridor between Iran in the north and Oman and the United Arab Emirates in the south through which 20 million barrels of oil passed daily before the war—about 20% of global oil supply. The International Energy Agency said the war has caused “the largest supply disruption in the history of the global oil market.”

European natural gas prices have more than doubled since the start of the conflict. Asian LNG prices have surged by 80% since the start of the conflict. This will cause global LNG costs to rise overall, and it will mean U.S. natural gas companies will have more of an incentive to send natural gas overseas, rather than selling it here for American use.

MAKE BIG TECH PAY ITS FAIR SHARE

Artificial intelligence (AI) and cryptomining are fueling a rising demand for energy. Over the next three years, data centers serving AI, cryptomining, and other computing uses could add more than 10,000 megawatts of demand to the grid annually. Prompted by projections like these – many of which rely on uncertain and speculative data center proposals – utilities and transmission planning regions are spending billions to

upgrade the grid to meet demand. Many of these costs are then passed on to ratepayers through higher monthly bills.

These are not merely hypothetical future electricity price hikes. When the grid operator managing the mid-Atlantic region, known as PJM, held its 2024 auction to secure enough energy resources to guarantee that the grid will be able to meet peak demand in the coming months, the auction closed at a record high of \$16.6 billion, up from just \$2.2 billion in 2023. These costs are being paid by PJM's 65 million ratepayers. In West Virginia, just two transmission lines proposed in response to forecasted data center energy demand growth are expected to increase residents' electricity bills by \$440 million. These price hikes are not just limited to PJM – costs are going up in nearly every state.

STOP THE ABUSE OF FAKE ENERGY EMERGENCIES THAT PUT RATEPAYERS ON THE HOOK FOR BIG FOSSIL BAILOUTS

The Trump administration has conducted an alarming increase in use of emergency powers under Section 202(c) of the Federal Power Act, which it has deployed to keep several aging coal and fossil-fuel plants operating past their planned retirement dates—causing ratepayer bills in affected areas to soar and pollution to surge as a result. Normally, this authority is intended for short-term crises during extreme weather or sudden supply shortages. But since Trump took office in January, the administration has issued six 202(c) orders to delay planned retirements of fossil fuel plants, which had already been scheduled to be replaced with other, more affordable generation sources.

The Trump administration has required plants to continue operating but leaves it up to service area ratepayers to foot the bill. Ratepayers have been forced to cover the operating costs of these facilities – paying more than \$267.9 million so far, with costs that could increase by up to \$6 billion per year if the Department of Energy uses this

authority for more retiring plants. The Trump administration has also used 202(c) to allow power plants to ignore pollution standards, which leads to increased health costs for surrounding communities. These orders prolong emissions and pollution from some of the power sector's highest-polluting facilities, while attempting to prevent the grid integration of cleaner, job-creating energy sources.

STOP FOSSIL FUEL EXPORTS THAT CAUSE PRICE SPIKES AT HOME

The United States is the largest exporter of liquefied natural gas (LNG) in the world—the country's eight operating LNG export terminals consume more natural gas than 73 million American households combined. Unconstrained exports of natural gas have a direct impact on utility bills for American households, as confirmed repeatedly by Department of Energy studies conducted in 2012, 2018, and 2024 and by Energy Information Administration analysis.

In the first nine months of Trump's presidency, United States households paid \$12 billion more for natural gas than they did the prior year, largely because of the continuing rise in LNG exports—an average of about \$124 more per household. Senator Markey is fighting back on the price-spiking effects of surging natural gas exports through his *Lowering American Energy Costs Act*. The bill directs the President to prohibit most U.S. exports of natural gas due to their contribution to rising household energy costs—a move that will protect consumers from utility price hikes and reduce greenhouse gases. This would not be the first time Congress has prohibited fossil fuel exports; in 1975, Congress passed a ban on crude oil and natural gas exports—a ban that was repealed in 2015.

PREVENT PRIVATE EQUITY FROM MANIPULATING UTILITY COSTS

Private equity's business model is fundamentally at odds with the mission to keep energy costs low. Private equity firms typically acquire companies using leveraged

buyouts and then seek to extract maximum returns before selling. When this model is applied to utilities, the consequences fall directly on ratepayers: infrastructure investment gets deferred, costs get passed through to consumers via rate increases, and the long-term reliability of the grid takes a back seat to short-term financial engineering. Utilities are natural monopolies with captive customers who have no alternative supplier, which means there's no competitive check on pricing—making the profit-extraction motive of private equity especially dangerous in this context.

To compound this risk, private equity is currently pouring enormous capital into data centers to chase AI and cloud computing profits, driving an unprecedented surge in electricity demand. Grid operators across the country are already warning that this load growth is outpacing supply. If private equity firms simultaneously own the utilities supplying that power, they face a perverse incentive: the more electricity their data centers consume, the more revenue flows through the utility they also own—with ratepayers effectively subsidizing both sides of the transaction. Keeping utilities under public, cooperative, or tightly regulated ownership ensures that infrastructure investment decisions are made to serve grid reliability and affordability, not to maximize returns for a fund with a short investment horizon and no long-term stake in the communities it serves.

SUPPORT PUBLIC POWER

Public power—utilities owned by municipalities, counties, or cooperatives—operates on a fundamentally different financial logic than investor-owned utilities. Because public power systems are not-for-profit, revenues are reinvested into the grid rather than paid out to shareholders or used to service acquisition debt. This structural difference has a direct impact on rates: the American Public Power Association consistently finds that customers served by publicly owned utilities pay lower electricity rates on average than those served by investor-owned utilities. Without the pressure to satisfy private investors, public power utilities can also make longer-term infrastructure investments, prioritize maintenance, and keep borrowing costs low by accessing tax-exempt municipal bond markets—savings that flow back to ratepayers rather than to Wall Street.

Beyond cost, public power gives communities democratic control over one of their most essential services. Elected or locally appointed boards are directly accountable to the customers they serve, not to distant shareholders. This accountability shapes decision-making in meaningful ways: public power utilities are more likely to prioritize grid resilience, equitable rate structures, and community-specific energy needs, rather than chasing the highest-margin opportunities. This can create a better incentive to reinvest power system proceeds in building new infrastructure and jobs within communities, rather than in shareholder dividends or stock buybacks.

REFORM GRID GOVERNANCE TO GET BETTER PLANNING FOR A CHEAPER, CLEANER, STRONGER GRID

Regulated investor-owned utilities are permitted to earn a guaranteed rate of return of between 8 to 11 percent on their capital investments—a system originally designed to attract private investment into essential infrastructure. But this mechanism can inflate costs—not because it serves customers, but because it grows the base from which profits are calculated. Reexamining rates of return to reflect actual cost of capital could help keep electricity bills affordable.

Senator Markey's draft *BETTER Grid Operators Act*, *Office of Transmission Act*, and *CHARGE Act* would all improve grid governance to avoid unnecessary costs to ratepayers and empower communities to be considered in decision-making and challenge rate hikes. These bills would support the construction of additional transmission lines, supplying good-paying jobs while ensuring that the cost of those grid upgrades is paid by the real beneficiaries—as well as promote the use of affordable grid-enhancing technologies that get more megawatts on the grid with less disruption and less cost to households.

TARGET UNFAIR UTILITY BILLING PRACTICES

Unfair billing practices mean more unaffordable and less transparent bills for households. Some utilities have been found to impose excessive fixed charges, opaque fees, and regressive rate structures that hit low- and moderate-income households hardest. Strong consumer protection standards, transparent billing requirements, and active state utility commission oversight are essential to ensure that customers are only paying for what they actually use at a fair price. As energy demand grows and utilities seek to pass through the costs of grid expansion—including infrastructure built to serve large industrial customers like data centers—vigilant regulation of both rates of return and billing practices is critical to preventing ordinary households from subsidizing profits and growth that primarily benefits shareholders and large commercial users.

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