

Biden Energy Policies Cost U.S. Households More than \$2,300 Since 2021

By Linnea Lueken and James Taylor

Energy prices have continued to rise under President Joe Biden's radical energy and climate agenda. In 2021, household electricity prices rose 8 percent. Electricity price increases accelerated even more in 2022, and have now risen 17 percent since December 2020, the last month before Biden took office.¹

Even with substantial 2021 price increases for all major energy sources, the price for each major energy source ended 2022 even higher than its 2021 closing price.

During the past two years, overall electricity prices rose 17 percent, industrial energy prices increased by 34 percent,² home heating oil prices rose an incredible 88 percent,³ conventional oil prices rose by 61 percent,⁴ natural gas prices for residential consumers increased by 51 percent,⁵ and gasoline prices had risen \$1.15 per gallon by the end of 2022.⁶

Average Household Paid \$2,300 More in Additional Direct Energy Costs

After two years of Biden's energy policies, the average U.S. driver⁷ spent at least an extra \$650 per year in higher gasoline costs, and \$231 in higher electricity costs over the past two years. Households that use natural gas spent an extra \$780 over the past two years, on average, and those using home heating oil paid a whopping \$1,725 extra.

Since Biden entered the Oval Office, the average American household has suffered under the burden of approximately \$2,300 in higher direct energy costs.

Additionally, these higher energy prices have been baked into the costs for all goods and services, especially food prices, and substantially contributes to inflation. With those costs in mind, it's clear the Biden administration's energy and climate policies have cost the average U.S. household—directly or indirectly—much more than \$2,300.

Key Points

Over the Past Two Years:

- Overall residential electricity prices increased by 17 percent
- Industrial electricity prices rose 34 percent
- Home heating oil prices increased by 88 percent
- Oil prices rose 61 percent
- Natural gas prices rose 51 percent
- The price of gasoline rose by \$1.15 per gallon, or 46 percent

Predictable Result of Biden's Continued Assault on Domestic Energy

Rapidly rising energy prices are no accident. They are the predictable result of Joe Biden's war on affordable and reliable energy. The Biden administration has implemented dozens of policies since he took office that have increased energy costs. In 2022 alone, Biden pushed the following policies:

- Slow walking oil and gas leasing plans, missing legal deadlines by months
- Threatening new windfall taxes on oil companies
- Issuing the lowest number of energy production leases since the 1940s
- Repeatedly canceling legally required oil and gas lease sales
- Passing the first direct federal tax on methane emissions
- Doubling rental fees on onshore leases
- Increasing and introducing new fees associated with leasing
- Increasing onshore royalty rates by about 36 percent
- Reinstating the Hazardous Substance Superfund Financing Rate on crude oil and imported petroleum

The onslaught of policies that undermine U.S. energy independence shows no sign of abating anytime soon. For example, in March 2023, President Biden banned oil and gas production on millions of acres of federal land and on the U.S. outer-continental shelf.



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Endnotes

- 1 U.S. Energy Information Administration, "Electric Power Monthly," eia.gov, accessed January 2023, https://www.eia.gov/electricity/monthly/current_month/january2023.pdf
- 2 *Ibid.*
- 3 U.S. Energy Information Administration, "Weekly U.S. Weekly No. 2 Heating Oil Residential Price," eia.gov, accessed March 8, 2023 https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=W_EPD2F_PRS_NUS_DPG&f=W
- 4 U.S. Energy Information Administration, "Cushing, OK WTI Spot Price FOB," eia.gov, accessed March 8, 2023 https://www.eia.gov/dnav/pet/pet_pri_spt_s1_d.htm
- 5 U.S. Energy Information Administration, "U.S. Price of Natural Gas Delivered to Residential Consumers," eia.gov, accessed March 8, 2023 <https://www.eia.gov/dnav/ng/hist/n3010us3m.htm>
- 6 U.S. Energy Information Administration, "U.S. Regular All Formulations Retail Gas Prices," eia.gov, accessed March 8, 2023, https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=pet&s=emm_epmr_pte_nus_dpg&f=m
- 7 Based on calculated average per-driver yearly gasoline use at 565.8 gallons per year.