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Utilities

pass on the costs
of extreme weather
to customers,
then double down
on the fossil fuels
driving the
climate crisis



Americans are paying more each year on their energy bills. Extreme weather, driven by climate change, is increasing the amount of energy households use for cooling and heating, while also undermining grid infrastructure. Households are paying more for the energy they use every day, and using more of it. But as extreme weather damages power lines, transformers, and other equipment, utility companies are increasingly asking regulators to allow them to recoup the costs of repairs and grid hardening from their customers.

At the same time, utilities are falling behind, even losing ground, on commitments to transition to clean energy and away from the very polluting energy sources that are responsible for the climate crisis, the more intense storms, worse heatwaves, higher winds, and damaging floods that result.

Far too many utilities are doubling down on gas and coal, even as they charge their customers to cover the damages gas and coal pollution cause. The following analysis finds significant overlap of utilities taking this hypocritical path:

- According to a report by Heatmap and MIT, at least **36 utilities** across **18 states** have charged customers to recover costs of extreme weather damage.
- Customers of at least **23 utilities** are currently paying higher bills due to extreme weather recovery charges, or the utility has requested increases.
- Of the **18 major utilities** (per Sierra Club's Dirty Truth report) currently charging higher rates due to extreme weather, none earned a score higher than **50 out of 100** in Sierra Club's analysis, and most scored below a 10. Six scored a zero.

This is unsustainable – for consumers, and for the climate.

The cost of energy is on the rise. Extreme weather is a big reason why.

Americans' energy bills are on the rise.¹ While myriad factors are to blame – increased demand from rapid buildout of data centers, global conflicts disrupting the supplies of oil and gas, the Trump administration forcing the continued operation of aging coal plants, among them – extreme weather driven by climate change is stressing the grid in ways it was not built to withstand.

Thanks to climate change, the United States is seeing longer and more intense heat waves, with temperature extremes beginning earlier in spring and lasting longer into autumn, in more regions of the country. Wildfires burn more frequently and at higher temperatures, well outside traditional fire season. Flash flood risk is soaring as climate change increases the incidence of

heavy precipitation, especially in places struck by drought or where fires have left burn scars. Storms bring tropical- or hurricane-force winds to places unprepared to handle them.

Rising temperatures drive up costs² and overtax the grid, as demand rises when people turn on their air conditioning earlier in the year and keep using it longer. Climate change is driving a growing number of extreme heat days, as well as an increase in warmer nighttime low temperatures, which not only pushes up energy demand but is a major health risk as the body is unable to cool off.³

And it's not just heat. Cold shocks and ice storms, like the ice storm in Michigan in 2025, can cause spikes in demand and bring down power lines. In the most extreme conditions or where infrastructure isn't weatherized for winter, frozen equipment can lead to a catastrophic decrease in pressure in gas lines, like Winter Storm Uri in 2021, when part of the Texas grid was mere moments

¹Since 2019, residential energy rates have risen 33% while commercial energy is up 26% – outpacing inflation. Through 2040, household energy bills will pay an average of \$6,500 more for energy because of the changes to federal policy instituted by the Trump administration since January 2025. In total, utilities requested a record \$31 billion in increases in 2025; an additional \$18.6 billion have been requested through July 2026. Lawrence Berkeley National Laboratory, [Retail Electricity Price Trends and Drivers: Data Update-2026 Edition](#), July 2026. Yahoo Finance, [Utility bills are rising faster than inflation, BofA says. Expect higher prices long-term](#), September 2026. Energy Innovation, [Economic Consumer Cost Pollution Impacts of Federal Energy Policy Changes in 48 U.S. States](#), October 2026. Latitude Media, [Utilities request \\$18.6 billion in rate hikes so far this year, July 2026](#).

²Warmer temps drive increased demand, which drives up the cost per kilowatt-hour. Utilities turn to peaker units, which are more costly to operate than base-load plants. Bipartisan Policy Center, [Why Does Extreme Weather Cause Electricity Costs—and Consumers' Power Bills—to Increase So Much?](#), June 2026.

³Summer nighttime temperatures are 3.1°F warmer on average since 1970, with the largest increase in the Southwest and Florida. Hot nights are responsible for a significant increase in the energy demand as homes are unable to shed daytime heat, and the airconditioning continues to work overnight. Climate Central, [Summer Warming \(1970-2025\) Driven By Climate Change](#), May 2026.

away from cascading failures that could have taken it offline for months.⁴

Hurricanes, fires, and floods do structural damage individually, bringing down power lines and damaging other grid infrastructure, but when combined, can push energy systems past “critical tipping points.” When heavy rain, high heat, and/or heavy winds concur, power outages are more likely to happen – and last longer.⁵

As the price to repair extreme weather damage and make needed improvements goes up, utilities are increasingly passing those costs along to ratepayers.

Utilities facing higher costs for repairs and upgrades pass those costs along to customers in the form of rate increases or surcharges. More and more, utilities are explicitly citing extreme weather to justify those price hikes.

According to research by MIT and first published by Heatmap in April, at least 36 utilities across 18 states have explicitly cited extreme weather in charging ratepayers higher utility rates from 2020 through April 2026.⁶

“Though California and Florida remain the expected outliers, the disaster recovery pattern is decidedly national, spanning the Pacific Northwest, Midwest, Southeast, and Appalachia, with 36 utilities having introduced at least one specific disaster-related charge since 2020. Often, such charges are tacked on years after the disaster they’re intended to address, and they sometimes begin at such a low cost as to be almost invisible to customers

before ratcheting up,” the report says. The research identified at least 58 instances of major utilities citing extreme weather in recovery charges over the five-year period from 2020–April 2026.

According to a review of current rate case decisions, at least 23 utilities are either currently charging their customers to recover costs from storm damage or to prepare for future severe weather costs, or have requested rate hikes in filings.

Among those 23 utilities, of the 18 receiving a score in Sierra Club’s Dirty Truth report, none earned above a 50 out of 100; thirteen scored below a 15, and six were awarded a zero out of 100.⁷

For ratepayers, these charges can add up to hundreds of dollars a year more on their electricity bills as utilities are seeking to recoup losses.

In California, according to the state’s Public Utilities Commission, efforts to reduce wildfire risks in the state that has endured the most destructive wildfire disasters in the country now compose about 16% of total utility costs,⁸ with \$5.5 billion per year coming from consumers’ pockets.⁹ The South, which has seen the number of billion-dollar disasters triple in the period from 2020 compared to the previous 40 years,¹⁰ costs of repairing and hardening the grid to protect against increasingly frequent and severe hurricanes get passed down to customers: Ratepayers in Tampa will pay an average of \$20–25 more per month¹¹ following 2024’s Hurricane Milton, while those in Houston will foot the bill for Hurricane Beryl’s more than \$1 billion in damage to the city’s grid infrastructure in 2024.¹² Georgia Power filed a request with its regulators to recover nearly \$1 billion in storm damages¹³ from customers related to 2024’s Hurricane Helene, and Texas utility customers will have to pay \$3.5 billion¹⁴ after Winter Storm Uri spiked gas prices.

⁴ ScienceDirect, [Cascading risks: Understanding the 2021 winter blackout in Texas](#), July 2021.

⁵ Nature, [A multi-year analysis of the impact of heatwaves and compound weather events on power outages](#), August 2025.

⁶ Heatmap, [How Extreme Weather Shows Up on Your Electricity Bill](#), April 2026.

⁷ See annex.

⁸ California Public Service Commission, [2024 California Electric and Gas Utility Costs Report](#), September 2025.

⁹ Energy Innovation, [U.S. Electricity Bills Are Rising Fast: Which States Are Paying More—and Why](#) • Energy Innovation, May 2026.

¹⁰ National Centers for Environmental Information, [Billion-Dollar Weather and Climate Disasters | Southeast Climate Region Summary](#), 2025.

¹¹ WFLA, [TECO customers will pay more in 2026 after rate hike approval](#), November 2026.

¹² Community Impact, [Here’s how Beryl and derecho restoration costs could increase CenterPoint customers’ bills](#), July 2024.

¹³ Inside Climate News, [Hurricane Helene Is Headed for Georgians’ Electric Bills](#), February 2026.

¹⁴ Atmos Cities Steering Committee, [Texas Gas Utility Customers Face 16 Years of Charges from Winter Storm Uri Consumption](#), November 2023.

Many utilities are doubling down on the very dirty fuels that are causing extreme weather to get worse.

Thanks to backwards policies from the Trump administration rolling back pollution protections and putting a heavy thumb on the scale for fossil fuels,¹⁵ climate change pollution is poised to accelerate, and with it, the extreme conditions (alongside soaring energy demand from data centers) that are putting severe strain on the grid. And yet, as the grid ages and takes damage from climate change-driven extreme weather, utilities are doubling down on the very source of the problem by failing to invest in long-term solutions to address the cause of extreme weather. Rather than investing in transitioning to renewable energy sources, such as wind and solar, utilities are responding to increased demand by backtracking on plans to replace polluting energy sources with clean.

“Despite the increasingly urgent need for transition, instead of correcting course, many utilities are moving backwards, wasting time while increasing their projected power demand,” the Sierra Club reported in *The Dirty Truth Report*¹⁶ released in September, which analyzed the 50 parent companies that together own half of all coal and gas generation in the U.S.

“While nearly half of utilities improved their clean energy scores in the past six years, nearly 60% worsened or made no progress on their coal score, and over 80% worsened or made no progress on their gas score,” the analysis found. Overall, the utility companies studied earned just 7 points out of a scale of 100, dropping 11 points since 2021.

In some cases, these are the same companies that are passing along the costs of fossil fuel pollution damages – climate damages – to their consumers. Among the worst offenders:

- PacifiCorp has asked federal regulators to pass along \$1.7 billion in costs related to wildfires in 2020 and 2022 to customers in Oregon and Utah, which could raise charges by up to 30% for some customers. The company, which has been found liable for negligence responsible for sparking fires,¹⁷ has lobbied for legislation¹⁸ across its six states of service to cap payouts and limit its liability against wildfire damages.¹⁹ While in Oregon, operating as Pacific Power, PacifiCorp has proposed wind, solar, and battery storage that would reduce its pollution by 80%, its Utah subsidiary Rocky Mountain Power has minimal plans for new renewables and instead has proposed extending the operations of its coal plants and constructing new gas.²⁰
- Tampa Electric, which scored just a 2 out of 100 (down from a 9 in 2021)²¹ has requested \$464 million – \$20 per month for the average residential customer – to recover costs from Hurricanes Helene and Milton.²²
- Duke Energy, which received a 7 out of 100 for its Florida subsidiary,²³ successfully petitioned the Florida Public Service Commission for the recovery of \$1 billion in costs associated with Hurricanes Helene, Milton and Debby.²⁴ Yet it has plans for a massive expansion of its gas fleet – 9 gigawatts, or a 70% increase – by 2035 and plans to keep much of its coal online, including plants in Florida.²⁵ Meanwhile, it is backtracking on emissions reductions commitments, eliminating a plan to reduce carbon emissions by 50% by 2030.²⁶

¹⁵ Climate Action Campaign, [Trump's Climate and Clean Energy Rollback Tracker](#), 2026.

¹⁶ Sierra Club, [The Dirty Truth Report](#), September 2026.

¹⁷ Department of Justice, [PacifiCorp Agrees to Pay \\$575M to Settle Claims for Damage Caused by Six Wildfires in California and Oregon](#), February 2026.

¹⁸ Oregon Capitol Chronicle, [PacifiCorp involved in bills in Oregon, western states, limiting utility wildfire liability, damages](#), March 2026

¹⁹ Claims Journal, [Besieged Berkshire Utility Tries to Rewrite Who Pays for Wildfires](#), February 2026.

²⁰ Sierra Club, *Dirty Truth Report*, 12.

²¹ Sierra Club, *Dirty Truth report*, 24.

²² TECO, [Tampa Electric Storm Restoration Costs Approved](#), February 2025.

²³ Sierra Club, *Dirty Truth Report*, 24.

²⁴ Reuters, [Duke Energy files to recover \\$1.1 bln in hurricane costs](#), December 2024.

²⁵ Duke Energy Florida, [Duke Energy Florida completes latest natural gas plant upgrades contributing to \\$340 million in annual fuel savings for customers](#), December 2025.

²⁶ Sierra Club, *Dirty Truth Report*, 15.

Conclusions

As 2026 comes to a close, Americans are under significant financial strain. The climate crisis is contributing to Americans' struggles in nearly every facet of everyday life: erratic growing seasons and high fuel prices driving up the cost of groceries; heat, wildfire smoke, and pollution exacerbating health conditions that cause people to miss work or school and spend more on medical care; greater risks of climate impacts pushing up property insurance premiums. Higher energy bills are putting additional burdens on people who are often least equipped to bear the additional strain.

By some calculations, the policies implemented under President Trump since 2025 will result in American households paying \$920 billion more for energy through 2040, about \$6,500 for the average household.²⁷

On the other side of the ledger, fossil fuel companies are reaping the benefits of Trump's pro-fossil fuel, anti-clean energy policies, which, together with the takeover of the Venezuelan oil industry and the war in Iran,²⁸ have delivered oil majors record profits.²⁹ Meanwhile, they're enjoying hundreds of billions in tax breaks and subsidies,³⁰ and a dismantled regulatory agenda that has eliminated many lifesaving environmental and health protections meant to keep the industry from recklessly polluting the air and harming the climate. This is an outcome industry leaders bought and paid for – and are enjoying the returns many times over.³¹

There's a better way.

Investing in clean energy technologies and a modern, resilient grid would deliver long-term cost savings, ensure energy systems are secure and reliable, and replace polluting energy sources that are driving the climate crisis and with it, enormous harms to public health, the economy, and the environment. States that are ahead of the curve

are already seeing these policies result in real cost savings for their residents: Those states that have expanded solar and wind generation by at least 20% since 2010 have seen energy costs below inflation.³²

There is no question this transition requires significant and sustained investment. But the burden should not primarily fall on families struggling to make ends meet. The federal government should be funding and incentivizing the buildout of clean energy and upgrades to grid infrastructure through policies such as those outlined in the Energy Bills Relief Act.³³ The fossil fuel industry should be responsible for paying their fair share, and held accountable for the harm their pollution has caused. And utilities must restore and advance commitments to transition away from fossil fuels and toward clean energy technologies, making the best interests of the public – not polluting industries – their top priority.

²⁷ Energy Innovation, [Economic, Consumer Cost, Pollution Impacts of Federal Energy Policy Changes In 48 U.S. States](#), October 2026.

²⁸ Center for American Progress, [Americans Pay the Price for Trump's War While Oil and Gas Companies Get Rich](#), August 2026.

²⁹ Wall Street Journal, [American Oil Refiners Are Printing Money as Wars Shrink Global Energy Supplies](#), October 2026.

³⁰ The Guardian, [Fossil-fuel firms in line for billions in benefits after answering Trump's donation call | US politics](#), September 2026.

³¹ Senate Committee on Environment and Public Works, [The Billion Dollar Deal](#), September 2026.

³² Energy Innovation, [Clean energy isn't driving power price spikes](#), July 2024.

³³ Sustainable Energy and Environment Coalition, [SEEC Clean Energy Deployment Task Force Co-Chairs Sean Casten and Mike Levin Introduce the Energy Bills Relief Act](#), March 2026.

Annex

According to a review of current rate case decisions, at least 23 utilities are either currently charging their customers to recover costs from storm damage or to prepare for future severe weather costs, or have requested rate hikes in filings. Of the 18 major utilities (per Sierra Club's Dirty Truth report) currently charging higher rates due to extreme weather, none earned a score higher than 50 out of 100 in Sierra Club's analysis, and most scored below a 10. Six scored a zero.

UTILITY	PER-BILL INCREASE	SCORE	PERCENT	TIMING	WHAT THEY CITED
Kentucky Power KY	5.87%	28/100	0.9%	Feb 2026	Cited increasing storm severity, requiring additional investments in grid hardening and vegetation management. ³⁴
Arizona Public Service (APS) AZ	14%	9/100	97.7%	Requested	Cited extreme weather conditions as a justification for rate increase. ³⁵
DTE Electric MI	10%	46/100	56.8%	Sept 2026	Asked for an increase to strengthen the electric grid against extreme weather. ³⁶
Tampa Electric FL	5.6%	2/100	171.7%	Jan 2026	Funds to improve "reliability and efficiency," including power plant upgrades that enhance storm resilience. ³⁷
Florida Power & Light (FPL) FL	2%	5/100	105.8%	Jan 2026	Electric grid upgrades, expanding reserves for severe weather events and prohibiting shutoffs during extreme heat and cold. ³⁸
Georgia Power GA	2.2%	0/100	50.8	June 2026	Requested nearly \$1 billion in storm damage recovery costs, including from Hurricane Helene. ³⁹
Portland General Electric (PGE) OR	3.9%	45/100	8.2%	July 2027	Cited need to strengthen grid for extreme weather. ⁴⁰
MidAmerican IL	11.5%	3/100	32.6%	2027	Cited severe weather along with other causes for rate increase. ⁴¹
Duke Energy Indiana IN	13%	0/100	22.2%	Feb 2025	Cited "hardening its system against severe weather." ⁴²
Louisville Gas & Electric and Kentucky Utilities KY	4.73%	0/100	17.4%	Jan 2026	Partially due to improvements in face of severe weather. ⁴³
Cleco Power LA	7.9%	9/100	80.3%	July 2027	Cited "storm hardening and resiliency programs." ⁴⁴
Empire District Electric MO	5.3%	0/100	24%	Aug 2026	Approved rates begin August 3, 2026, and reflect \$702 million in capital investments intended to benefit customers including: Strengthening Liberty's system against extreme weather. ⁴⁵

³⁴ Kentucky Power, [Kentucky Power Rate Review](#), August 2025.

³⁵ Arizona Public Service, [APS 2025 Rate Case](#), June 2025.

³⁶ DTE Energy, [DTE Energy intends to pause future electric rate requests following upcoming filing as data centers come online](#), April 2026.

³⁷ WUSF, [Tampa Electric residential customers will face yet another rate increase](#), November 2026.

³⁸ Florida Public Service Commission, [FPC Approves Plan Reducing FPL's Initial Rate Request and Enabling Reliability Investments](#), November 2025.

³⁹ The Macon Telegraph, [Georgia Power's \\$912M storm damage debt could soon be on your bill](#), September 2026.

⁴⁰ KATU, [Just weeks after bills dropped, PGE wants to raise rates again. Here's why.](#), July 2026.

⁴¹ Illinois Commerce Commission, [MidAmerican Energy Company Proposed General Increase in Electric Rates](#), March 2026.

⁴² Duke Energy, [A stronger electric grid, enhanced customer services and environmental obligations are some of the drivers of Duke Energy's Indiana rate request](#), April 2024.

⁴³ Louisville Gas and Electric Company and Kentucky Utilities Company, [LG&E and KU reach agreement with key stakeholders on rate requests that strengthen reliability and improve service for customers](#), October 2025.

⁴⁴ Louisiana Public Service Commission, [Direct Testimony Of William Fontenot on Behalf of Cleco Power LLC](#), June 2026.

⁴⁵ Liberty Utilities, [Missouri Electric Rate Update](#), July 2026.

Ameren Missouri (Union Electric) MO	10%	0/100	27.8%	Proposed	Request would pay for damage to the grid from 2025 tornadoes, severe weather. ⁴⁶
Duke Energy Carolinas & Progress NC	9.5%	13/100	13.6%	June 2026	Cited extreme weather in request for increased rate. ⁴⁷
Entergy Louisiana LA	\$450 million for Fern; \$182 million for Francine	26/100	158.8%	2026	Cited costs associated with Winter Storm Fern in 2026 ⁴⁸ and Hurricane Francine in 2024 ⁴⁹ in request for deferred costs, to be added to monthly bills until paid.
Omaha Public Power District (OPPD) NE	6.3%	1/100	50.4%	Jan 2026	Cited infrastructure upgrades due to severe weather as part of the increase. ⁵⁰
Dominion South Carolina SC	7.6%	0/100	45%	July 2026	Recovery costs from Hurricane Helene included in the cost increase. ⁵¹
Green Mountain Power VT	5.5%	N/A	-0.9%	Oct 2026	Cited “resilience spending” among other costs for request. ⁵²
NSTAR Electric Company (Eversource) MA	11%	N/A	50%	Aug 2026	Cited cold weather in asking for rate increase in MA of 13% for gas usage. ⁵³
Massachusetts Electric Company (National Grid) MA	5.4%	N/A	2.4%	Aug 2026	Cited need to reduce outages during storms and provide storm cost recovery resources. ⁵⁴
Dayton Power and Light (AES Ohio) OH	\$1.67	N/A	84.5%	June 2024	Storm recovery rider. ⁵⁵
Avista Corp NC	13.9%	N/A	-2.7%	Jan 2027	Cited “wildfire prevention” as well as protection against catastrophic weather, alongside grid upgrades, higher power costs and clean-energy compliance in rate case. ⁵⁶
Puget Sound Energy WA	15%	50/100	15%	2026	Added a surcharge of about \$14 per year to electricity customers to recover the costs from its forward-looking Wildfire Mitigation. ⁵⁷

⁴⁶ St. Louis Public Radio, [Ameren Missouri customers’ bills could go up by \\$13 a month in 2027](#), June 2026.

⁴⁷ Duke Energy, [Duke Energy outlines steps to reliably serve record customer demand resulting from extreme winter weather](#), April 2026.

⁴⁸ Securities and Exchange Commission, [Entergy Quarterly Report Pursuant to Section 13 or 15\(d\) of the Securities Exchange Act of 1934](#), June 2026.

⁴⁹ Louisiana Illuminator, [Entergy asking to bill customers a storm fee for Hurricane Francine recovery](#), January 2025.

⁵⁰ Omaha Public Power District, [OPPD board approves 2026 budget with 6.3% average rate adjustment and updated resolution on North Omaha Station operations](#), December 2025.

⁵¹ South Carolina Daily Gazette, [Dominion Energy settles on nearly 8% electricity rate hike in SC](#), May 2026.

⁵² VTDigger, [Vermont regulators finalize 5.5% rate increase for Green Mountain Power customers](#), September 2026.

⁵³ NBC Boston, [Eversource, National Grid gas customers in Mass. face increased rates this winter](#), September 2026.

⁵⁴ Massachusetts Department of Public Utilities, [D.P.U. 23-150 National Grid Rate Case, Final Order Summary Only \(9.30.24\)](#), October 2024.

⁵⁵ AES Ohio, [Distribution Rate Case 2024 AES Ohio](#), September 2023.

⁵⁶ Avista, [Avista files four-year rate plan in Washington to support reliable service and maintain critical infrastructure](#), January 2026.

⁵⁷ Puget Sound Energy, [Notice of requested changes to PSE rates and public hearings](#), February 2024.

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