

# Pennsylvanians Could Be Hit With Double-Whammy Energy Price Hike

## *The GOP's Megabill Would Drive Up Energy Costs*

Live in Pennsylvania? Bad news. You're about to be hit with a double-whammy price hike on your energy bills.

Starting this month, Pennsylvanian households will be on the hook to [pay 5-16 percent more for electricity bills](#). But that's not all. At the same time, Senate Republicans are trying to jam through a sweeping tax megabill that will drive up the cost of energy for Pennsylvanians even further. These price hikes are a far cry from [Trump's promise to cut energy prices](#) in half within 18 months of taking office.

Guess what links the two price jumps in Pennsylvania? The disruption of clean energy development. Let's take a closer look.

## **Why Are Energy Bills Rising in Pennsylvania?**

[Rising energy bills across the Commonwealth.](#) [Growing electricity demand from data centers.](#) [Stressed grids operating in ever-worsening extreme weather.](#) Let's not mince words: Pennsylvania is facing an energy affordability and reliability crisis.

The good news is that we have a solution. Clean energy development is the fastest, cheapest way to add new power to the grid. It's cleaner than fossil alternatives—not to mention being reliable and homegrown. It's one of the best tools we have to keep the grid resilient and energy bills affordable, and it accounted for [93 percent of the new energy capacity](#) added to the U.S. grid last year.

But right now, Senate Republicans are doing everything they can to disrupt clean energy development in their proposed sweeping tax bill. The GOP wants to repeal vital federal energy tax credits that support the development of affordable and fast clean energy. And if the GOP's extreme bill passes, Pennsylvanians will pay the price for the delay, disruption, and dismantling of the clean energy industry—right when the Commonwealth will need it the most.

## Republicans' Tax Bill Will Spike Energy Costs

Back in May, House Republicans passed an extreme federal tax megabill that, if passed by the Senate, will spike energy costs for Pennsylvanians. The [GOP's House bill](#) proposes functionally repealing two vital technology-neutral energy tax credits:

- the Production Tax Credit (PTC 45Y)
- the Investment Tax Credit (48E)

These two tax credits currently subsidize the production of zero-emission energy sources like wind, solar, hydropower, nuclear, and geothermal. The 48E and 45Y tax credits are already spurring the creation of affordable, reliable, and modern energy infrastructure across the Commonwealth—while delivering huge economic gains to Pennsylvanian communities and workers.

But the GOP's House bill would narrowly limit the eligibility of energy projects to those that start construction within 60 days of the bill's passage and are placed in service before the end of 2028. This burdensome red tape means

that it's [nearly impossible for project developers to use the tax credits](#). Put differently, the GOP's bill functionally repeals these historic and much-needed energy tax credits. As a result, we can expect to see widespread disruption of existing and planned energy projects.

## **The GOP Is Taking Away PA's Best Tools to Combat Rising Energy Costs**

Eliminating these energy tax credits would drive up energy costs in Pennsylvania. [Recent studies from Energy Innovation](#) find that repealing federal funding and tax credits will hit Pennsylvanians' pocketbooks hard. It will:

- raise the average annual household energy costs in the Commonwealth by nearly \$60 per year in 2030
- raise annual household electricity and fuel expenses in Pennsylvania by more than \$80 per year by 2035
- jeopardize existing investments and spike energy bills, which would cost over 26,400 jobs in Pennsylvania in 2030 compared to existing policies

Right now, [electricity demand is growing in Pennsylvania](#), largely due to the data center boom. As demand rises, so too will energy prices. By repealing vital federal energy tax credits, Pennsylvanian energy developers will find it difficult to build clean energy projects fast enough to help supply keep up with demand and prevent further price hikes. [Recent modeling](#) backs this up. Without technology-neutral tax credits, there will be a sizeable reduction in renewable energy capacity in the Commonwealth, and electricity prices will increase.

## **The GOP Is Further Pumping Up PA's Prices by Exporting More Gas**

To add fuel to the fire, Congressional Republicans are pushing to export more U.S.-extracted liquefied natural gas (LNG) overseas. Unconstrained exports will further raise wholesale domestic gas prices, including in Pennsylvania, according to the previous [analysis by the Department of Energy](#) and [other experts](#).

This dangerous policy will hit the pocketbooks of Pennsylvanians, too. Back in November 2024, a [Public Citizen report](#) found that Pennsylvanian households, businesses, and electric power plants could pay between \$9.6 billion and \$15.7 billion more on gas bills from 2035 to 2050 if the U.S. continued to accelerate LNG exports. Over half of [Pennsylvania's households use natural gas as their primary fuel](#) for heating their homes, meaning that any gas price increases will be felt acutely by many across the state.

Here's the kicker: The latest House megabill proposes making it even [easier to rubberstamp LNG export applications](#) by allowing gas infrastructure developers to pay a fee of \$10 million to bypass the normal permitting process. That means Republicans are barreling ahead with policy proposals that could hit Pennsylvanian households and their pocketbooks hard.

## **Pennsylvanians Deserve Reliable, Affordable Clean Energy**

For the second-largest supplier of energy in the country, Pennsylvania's energy shouldn't be this expensive. But there's a clear solution: Pennsylvania needs to support the build-out of affordable, reliable clean energy, and its Senators need to fight to maintain the technology-neutral energy tax credits in the federal megabill.