Household expenditures for home heating fuels expected to increase this winter

The U.S. Energy Information Administration (EIA) forecasts that average household expenditures for all major home heating fuels, except heating oil, will increase this winter largely because of greater energy consumption.

In the October *Short-Term Energy Outlook* EIA estimates that nearly half of all U.S. households primarily using natural gas to heat their home will see a 6% increase in expenditures this winter. A 2% decrease in natural gas prices will be offset by an 8% increase in consumption, resulting in the higher natural gas expenditures this winter.

EIA estimates electricity expenditures will increase by 7% and propane expenditures will increase by 14%. In contrast, we expect home heating oil expenditures to fall by 10%, driven primarily by a combination of low crude oil prices and high distillate fuel oil supplies heading into the 2020-21 winter.

EIA’s higher energy consumption forecast reflects an expectation that the upcoming winter will be colder than last year and that home heating use will increase as a result of more people working and attending school from home during upcoming months. A warmer or colder winter could, of course, change these results, possibly even significantly.

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