Transmission Deployment Saves Customers Money

Americans for a Clean Energy Grid

The electric grid is the backbone of the U.S. economy and essential to daily life, and customers – from households to small businesses – are increasingly worried about rising electric bills.

Transmission saves customers money on their electric bills

Retail electricity prices have increased faster than the rate of inflation since 2022, and they're only set to grow on their current path.[1] However, well-planned, high-capacity transmission can yield substantial long-term savings for electricity customers.

Smart transmission investments can **save residential consumers $6.3-14.4 billion per year** across the U.S. after accounting for the costs.[2] In fact, **for every $1 invested in transmission lines, consumers receive between $3.80 to $4.70 in benefits.**[3]

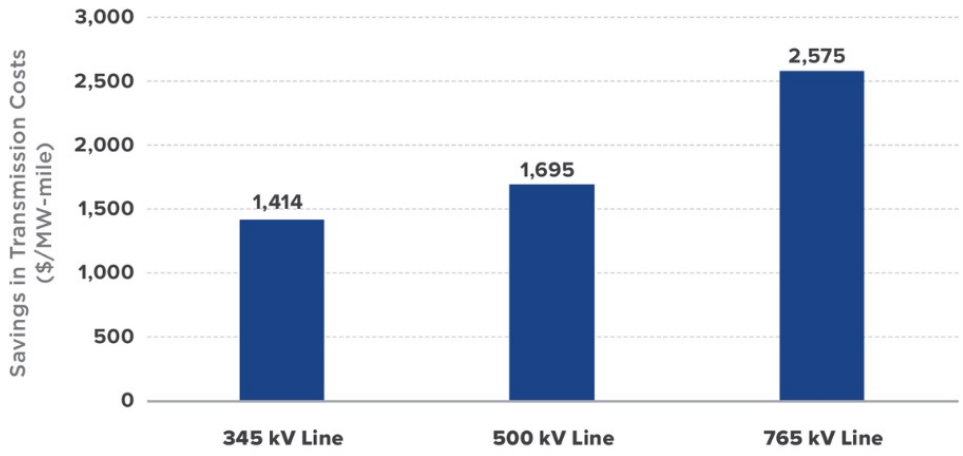
Conversely, failing to invest in high-capacity transmission can necessitate costlier investments in new generation or excessive lower-capacity transmission, create more grid congestion, and lower overall system efficiency, costing customers far more in the long run.

Transmission provides a number of other benefits for customers

In addition to increasing cost savings, transmission supports a more resilient and competitive power system, which, in turn:

- Increases reliability, particularly during extreme weather events;
- Benefits national security, especially as countries compete to develop artificial intelligence capabilities using electricity-intensive data centers; and
- Directly creates jobs and economic development.

High-capacity lines provide higher savings



The math is simple. Compared to low-capacity transmission, high-capacity transmission can deliver the same amount of power for 75% less cost. This cost flows directly into the electricity bills paid by residents and businesses.[4]

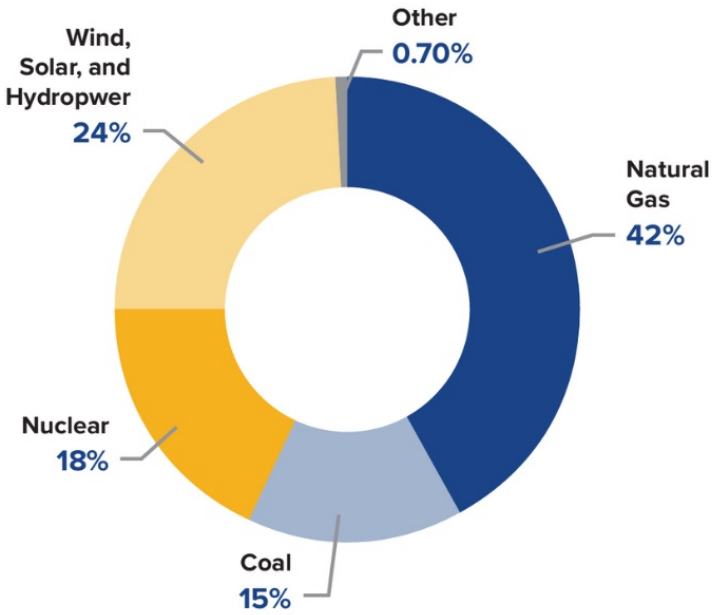
Texas is experiencing significant electricity demand growth and recently created a plan to meet the new demand. They found that even though the low-capacity option cost less in the short run, the high-capacity option delivered power at 40% of the cost and provided $229 million more in annual customer cost savings.[5]

The rise of artificial intelligence and a domestic manufacturing boom is driving electricity demand to unprecedented levels after decades of relatively steady use. A modern electric grid remains essential to our nation's economy, security, and global competitiveness.

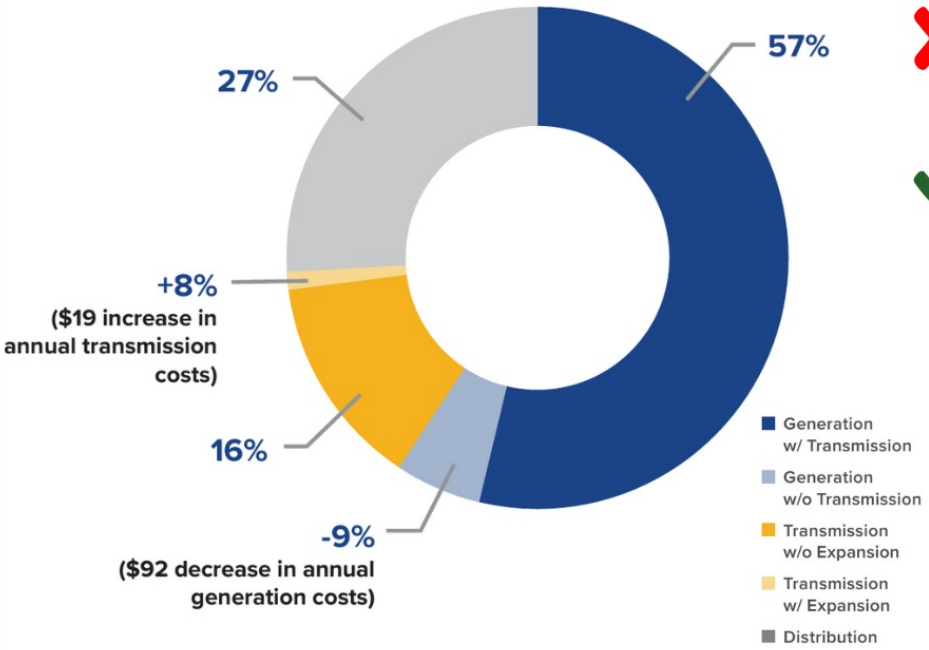
Myths and Facts About Transmission

MYTH: Transmission only benefits renewable energy generation.

FACT: Transmission doesn't favor any one energy source or technology. Once energy is generated, it is impossible to differentiate where it originated – be it from coal, hydropower, natural gas, nuclear, or any other source. Furthermore, the grid is already at max capacity in many places, and we cannot add much new energy or meet growing demand without transmission.



In 2024, 57% of energy came from natural gas and coal while only 24% came from wind, solar, and hydropower.[6]



Smart transmission investments increase the transmission component of an average residential bill by about 2%, or $19 annually. However, these transmission investments facilitate a 3% decrease in generation costs, which translates to $92 in savings annually for an average household.[8]

MYTH: New transmission increases customers' electric bills.

FACT: Well-planned transmission leads to lower electric bills because it allows for grid operators to tap into cheaper sources of electricity that, when balanced with the cost of transmission, lowers bills over time. In other words, while the percentage of the bill dedicated to transmission may increase, it is more than offset by a substantial decrease in the portion dedicated to generation, lowering the bill overall.[7]

1. U.S. Energy Information Administration, "U.S. electricity prices continue steady increase." (May 2025).
2. Americans for a Clean Energy Grid and Grid Strategies, "Transmission Deployment Saves Consumers Money." (June 2025).
3. *Ibid.* Other benefits include reduced congestion, avoided transmission facilities, and production cost savings, among others.
4. *Ibid.*
5. *Ibid.*
6. *Ibid.*
7. *Ibid.*
8. *U.S. Energy Information Administration, "Annual Energy Outlook 2025." (April 2025).*