

Power Industry Spending Outlook

May 22, 2025

Fort Worth, Texas



Britt Burt

Sr. VP of Research Operations, Power
34 Years Tenure with IIR

A Trusted Data Source for Global Intelligence

- **MARKET INSIGHTS AND FORECAST**

Industry Spending Forecasts, Labor Supply & Demand Statistics, Equipment & Service Forecasting

- **DATABASES FOR SALES & MARKETING**

Industrial Plant Details, Key Contacts, Capital Project Activities, Maintenance Events and Long-Term Service Agreements (LTSA's)

- **INDUSTRIAL MARKET NEWS**

Daily news coverage on market trends and performance, project spending activities and corporate/plant trends

12 Business Centers Around the World



POWER



ELECTRIC POWER

OIL & GAS STORAGE, TRANSPORTATION, TREATING & PRODUCTION



TERMINALS



PIPELINES



PRODUCTION

DOWNSTREAM PROCESSING

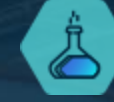


ALTERNATIVE FUELS



PETROLEUM REFINING

PROCESSING, MINING AND MANUFACTURING



CHEMICAL PROCESSING



METALS & MINERALS

CONSUMER STAPLES / DURABLE & NON - DURABLE GOODS MANUFACTURING



PULP, PAPER AND WOOD



FOOD & BEVERAGE



INDUSTRIAL MANUFACTURING



PHARMACEUTICAL & BIOTECH

United States – 2025 Planned Construction Starts

2025
Projects  43%

13,743 Total Projects worth \$843.07 billion

2025 Planned Activity – Top 20 Industry Sectors

Industrial Mfg.

\$373.4 billion

• Power

\$160.8 billion

• Oil & Gas

\$149.1 billion

• Metals & Minerals

\$47.5 billion

• Food & Beverage

\$42.2 billion

• Pharmaceutical

\$38.8 billion

• Chemical

\$24.4 billion

Ranked		Sector	Dollars (in Billions)	Project Count
1	✓	Data Centers	\$213.22	491
2	✓	Power Generation	\$139.51	1,115
3	✓	Semiconductors	\$91.88	113
4	✓	LNG Production (Export)	\$45.06	26
5	✓	Automotive	\$32.13	641
6	✓	Natural Gas Liquids (NGL) Processing	\$31.72	229
9		Laboratories	\$24.52	169
8	✓	Power Transmission & Distribution	\$20.26	369
9		Mines	\$15.55	301
10	✓	Natural Gas Pipelines	\$13.99	146
11		Heavy Manufacturing	\$13.39	609
12	✓	Dry Gas Processing	\$12.05	6
13		Biodiesel/Renewable Diesel	\$11.94	51
14		Smelters	\$9.60	203
15	✓	Steel Mills	\$8.14	322
16		Packaged & Prepared Foods	\$8.01	654
17		Ag Chemicals	\$7.20	129
18		Industrial Gases	\$6.73	146
19		Ag Products	\$6.57	482
20	✓	Final Formulation (Oral, Solid, Parenteral, Topical)	\$6.44	429
Total			\$717.92	6,631

✓ Higher-Probability Sectors

IIR Construction Starts Indicator (United States)

April 2025

Y/Y -31% 

Key Insights

4,881

Executions

\$100.96_{bn}

Total Investment Value

-2%

Drop in Activity

-31%

Drop in Spending

2025 YTD Construction Starts Results (January - April)

USA	2024		2025		Percent Change	
Industry	Projects	\$ Bn Investment	Projects	\$ Bn Investment	Projects	\$ Bn Investment
Power Generation	478	\$30.95	442	\$22.31	-8%	-28%
Terminals	74	\$0.52	203	\$0.59	174%	15% 
Pipelines	32	\$1.46	44	\$2.67	38%	83% 
Production (Oil & Gas)	114	\$6.12	86	\$5.61	-25%	-8%
Alternative Fuel	226	\$1.01	230	\$0.48	2%	-53%
Petroleum Refining	81	\$1.54	165	\$3.64	104%	137% 
Chemical Processing	487	\$5.02	521	\$3.40	7%	-32%
Metals & Minerals	912	\$7.49	975	\$5.60	7%	-25%
Pulp, Paper & Wood	118	\$2.28	116	\$2.70	-2%	19% 
Food & Beverage	636	\$9.23	432	\$7.02	-32%	-24%
Industrial Manufacturing	1,409	\$72.42	1,280	\$35.77	-9%	-51%
Pharmaceutical/Biotech	427	\$8.70	387	\$11.17	-9%	28% 
Total	4,994	\$146.74	4,881	\$100.96	-2%	-31%

Source: IIR's GMI Database

58%
Of Total

Power Generation	2024	2025
Natural Gas	\$1.92 	\$2.44
Solar	\$11.19 	\$9.67
Wind	\$3.37 	\$1.38
Coal	\$0.90 	\$0.49
Nuclear	\$2.41 	\$0.64
Power Gen (All Fuels)	\$20.75	\$15.03
Power T&D	\$10.20 	\$7.28

Industrial Manufacturing	2024	2025
Auto Assembly/Parts	\$4.39 	\$1.07
Data Centers	\$24.21 	\$25.43
Semiconductors	\$0.88 	\$3.35
Battery Manufactures	\$3.62 	\$0.20
Other	\$39.32	\$5.72
Total	\$72.42	\$35.77

Construction Starts
Measuring the capital and maintenance projects that have started construction in 2024 compared to 2025 YTD

U.S. Data Center Infrastructure Buildout

Active Projects

1,781

Country Value

\$697.3 Bn

+27.4%

Average

Project Size

\$391.6 Mn

Top 17

Companies

Amazon: \$75.3

Tract: \$72.1

Microsoft: \$55.8

Meta: \$37.1

QTS: \$32.1

Google: \$26.2

Powerhouse DC: \$25.5

Crusoe Energy: \$20

Stack: \$17.5

CloudHQ: \$16.8

Compass DC: \$16.4

Hut 8: \$11.9

Prime Data Ctr: \$11.8

Skybox DC: \$9.6

Atlas Dev: \$9.4

Rowan Digital: \$9.3

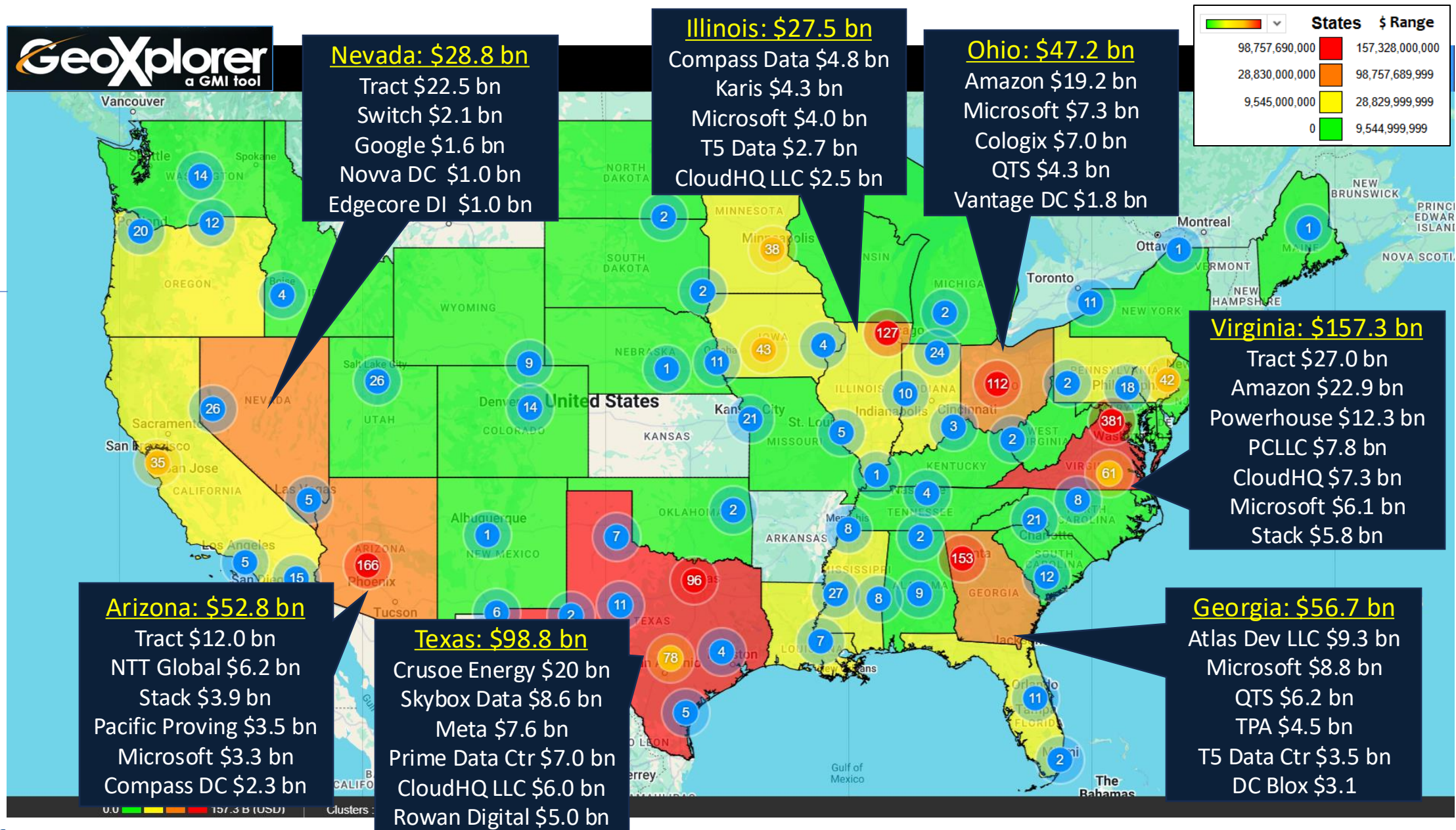
CyrusOne: \$9.2

Representing

65.4% or \$456 Bn

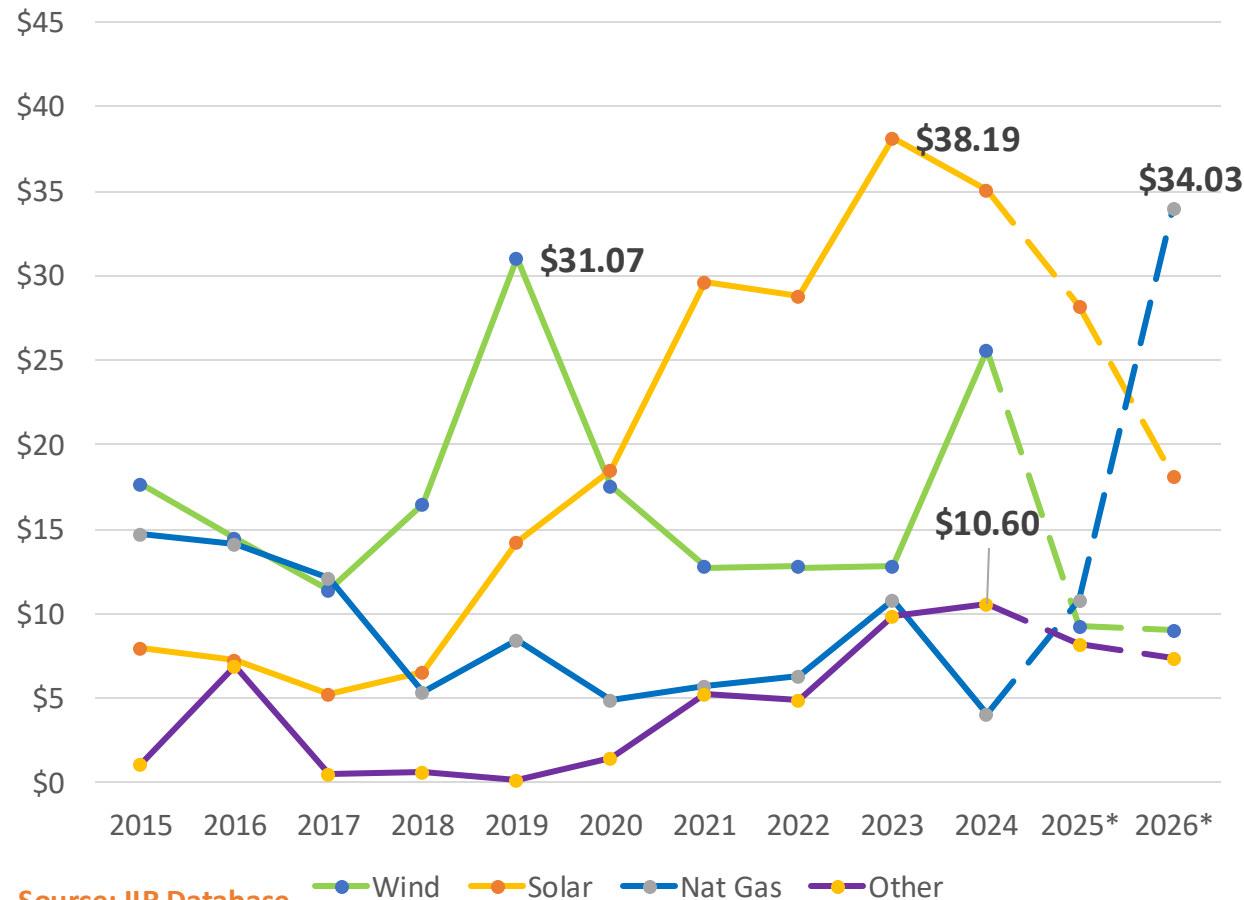


**Industrial Info
Resources**



Power Industry (including IEPs) Project Kick-Off 2025-2026							
	High (81-99%)		Medium (70-80%)		Low (0-69%)		Total \$Bn
	\$Bn	Project Count	\$Bn	Project Count	\$Bn	Project Count	
Grassroot & Brownfield	\$37.76	142	\$163.84	581	\$199.93	709	\$401.53
Plant Expansions	\$12.75	81	\$29.45	166	\$35.84	202	\$78.04
In-Plant CapEx	\$3.24	119	\$10.56	224	\$12.87	273	\$26.67
Transmission & Dist	\$32.33	496	\$16.50	254	\$17.15	263	\$65.98
Maintenance	\$6.52	902	\$0.73	102	\$0.17	120	\$7.42
Grand Total	\$92.60	1,740	\$221.08	1,327	\$265.96	1,567	\$579.64

Construction Kick-Off Year
TIV \$ Billions



Source: IIR Database

Wind Solar Nat Gas Other

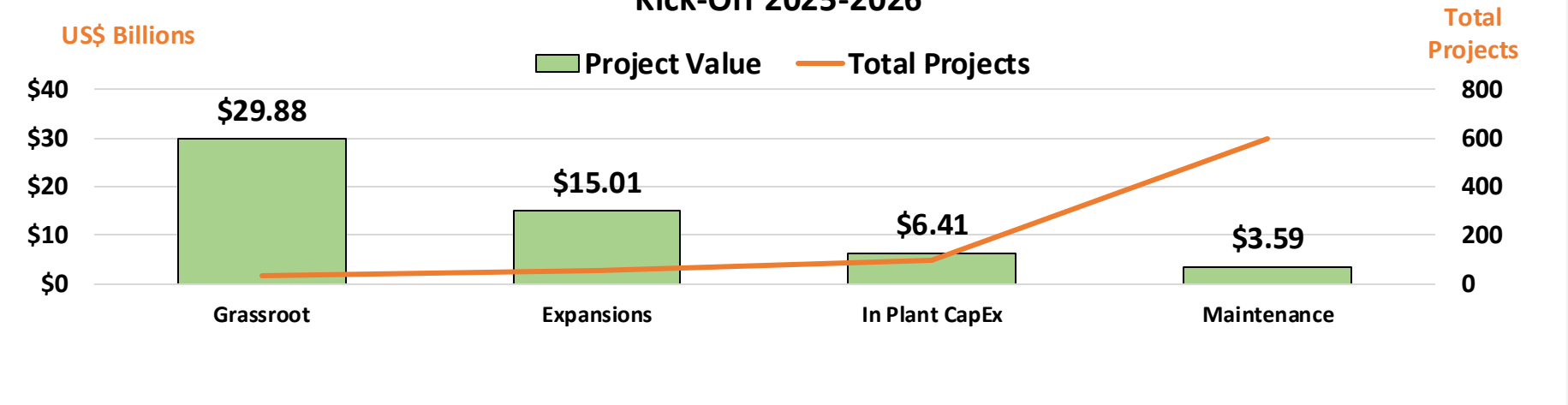
Tailwinds

- Federal tax incentives
- State-level renewable energy targets
- March towards decarbonization
- Booming demand for Electricity
- Need for baseload electricity

Headwinds

- Supply chain disruptions
- Interconnect delays & costs
- Reliability concerns
- Equipment & material costs are increasing
- Grid congestion

Active Natural Gas-Fired Power Projects
Kick-Off 2025-2026

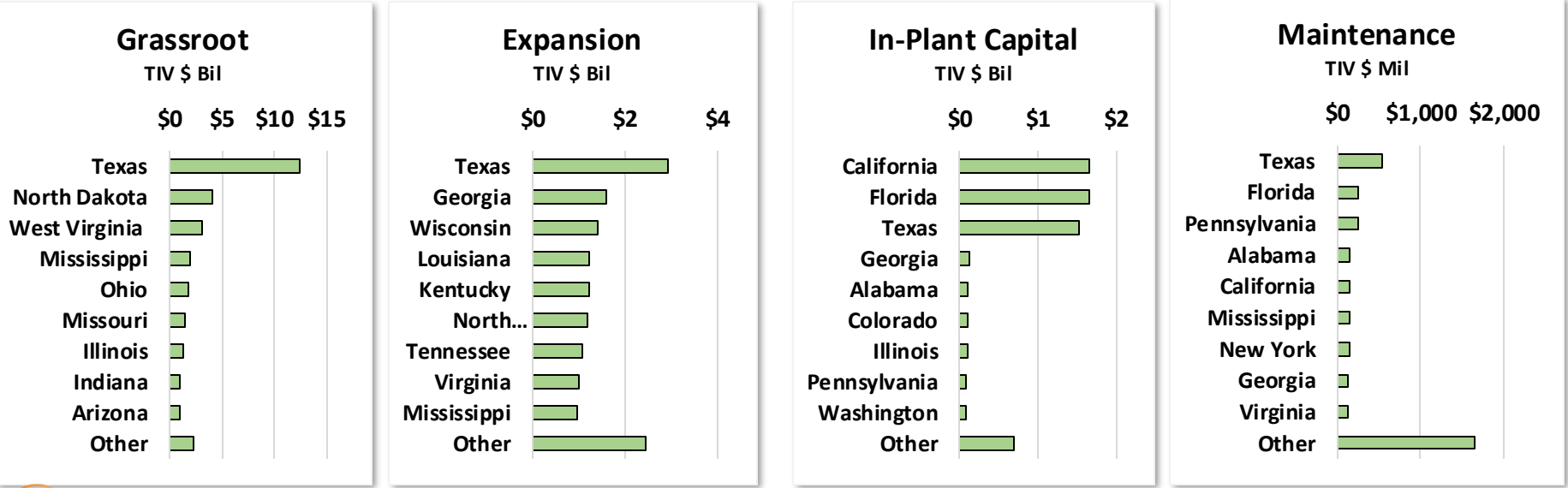


Tailwinds

- Booming electricity demand
- Reliable baseload
- Residential demand
- Retirement of older assets
- Retirement of coal assets

Headwinds

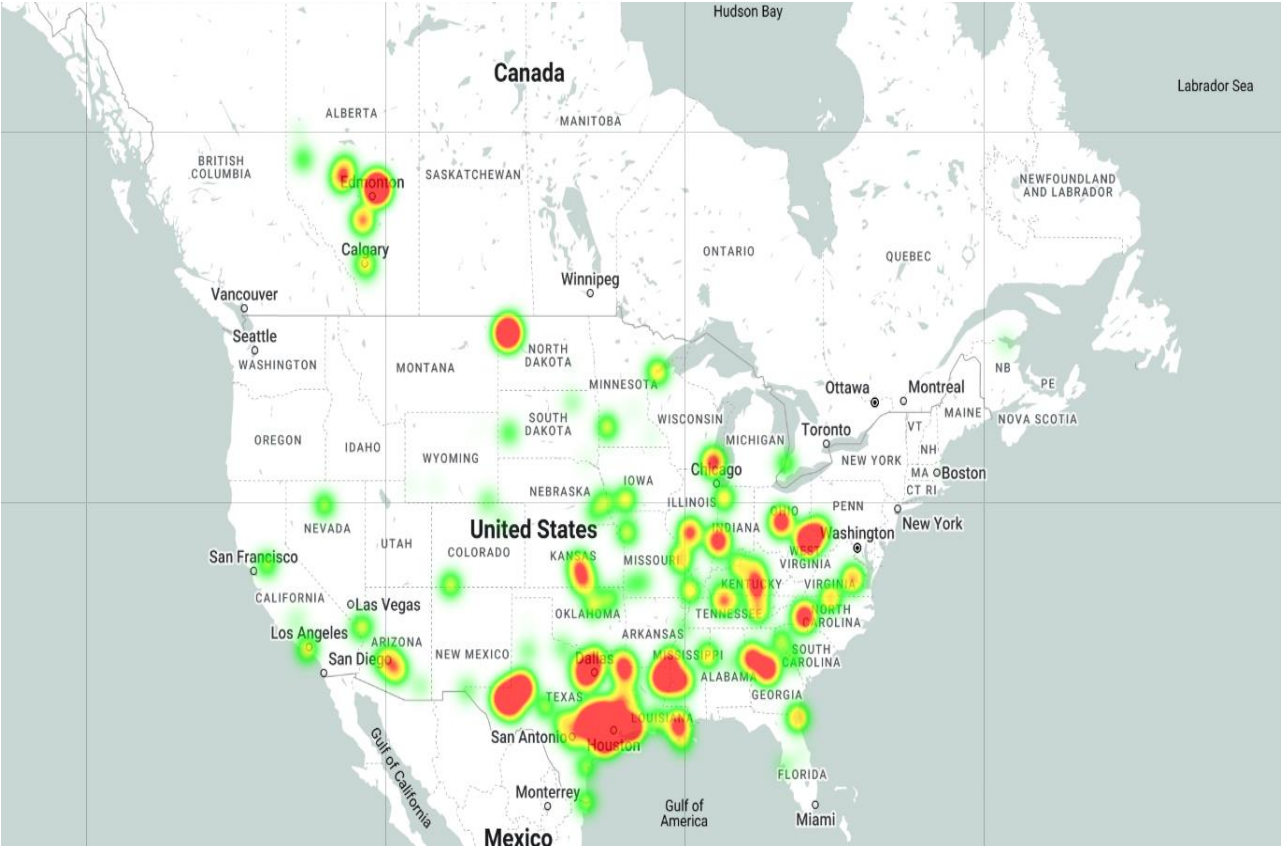
- Major equipment supply
- Opposition to fossil fuels
- Supply chain concerns
- Uncertain load projections



Power Industry USA & Canada

Natural Gas Grassroot, Expansions and Conversions Kick-Off 2025 & Beyond

244 Projects worth \$102.7 billion

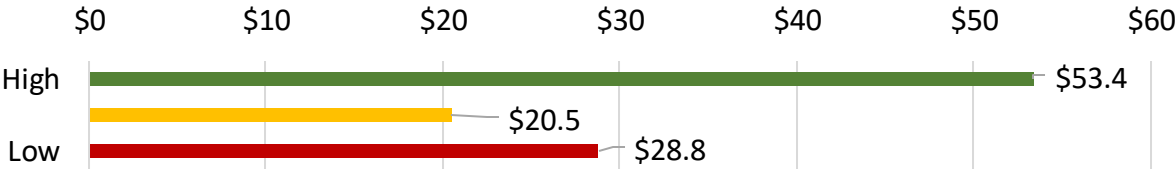


- Grassroot - 102 Projects worth \$75.6 Billion
- Expansions - 108 Projects worth \$24.3 Billion
- Fuel Conversion/Repower - 34 Projects worth \$2.8 Billion

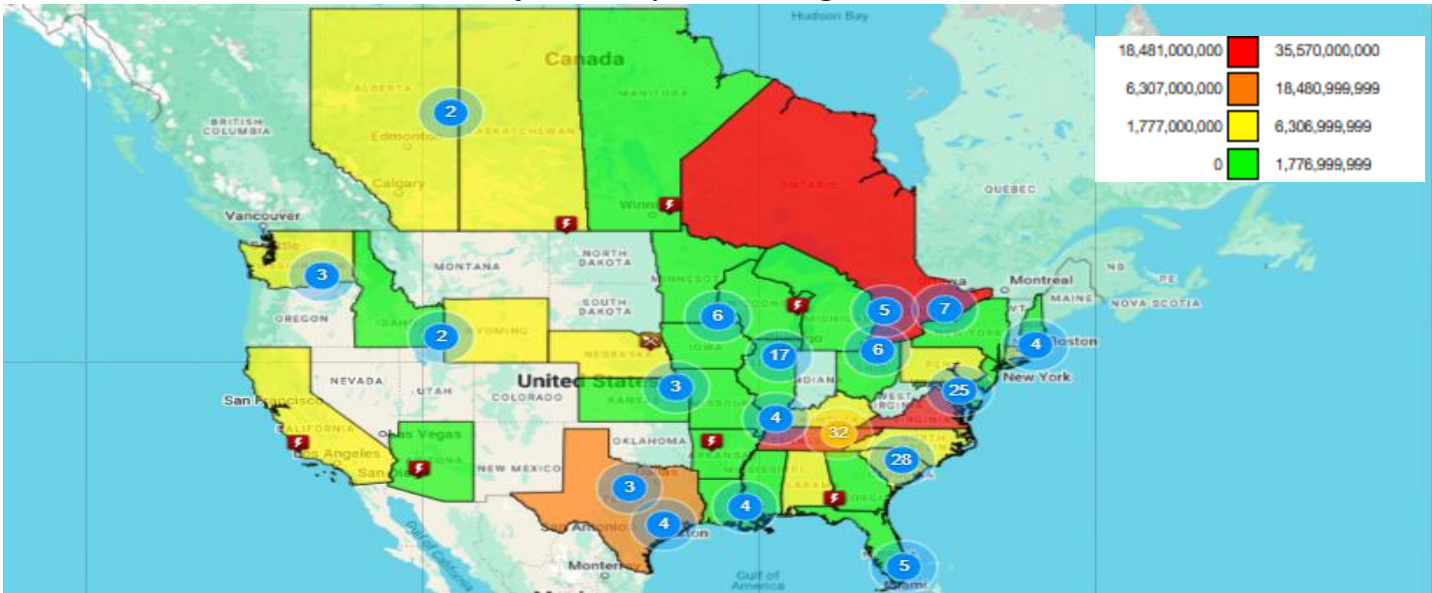
Leading States

State	Total Projects	Total investment Value (\$ Billion)
Texas	62	\$33.5
Alberta	24	\$9.9
Louisiana	10	\$6.3
West Virginia	3	\$5.7
Mississippi	5	\$5.2
North Dakota	2	\$4.0
Georgia	4	\$3.6
Ohio	6	\$2.7
North Carolina	7	\$2.6
Other	121	\$29.2
Grand Total	244	\$102.7

Project Probability



176 Total Projects Representing Over \$131 Billion

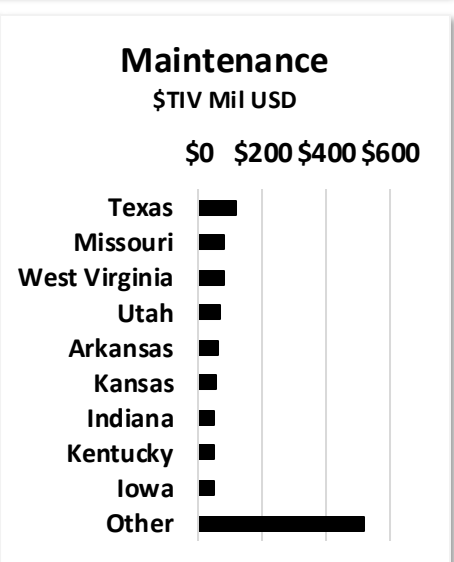
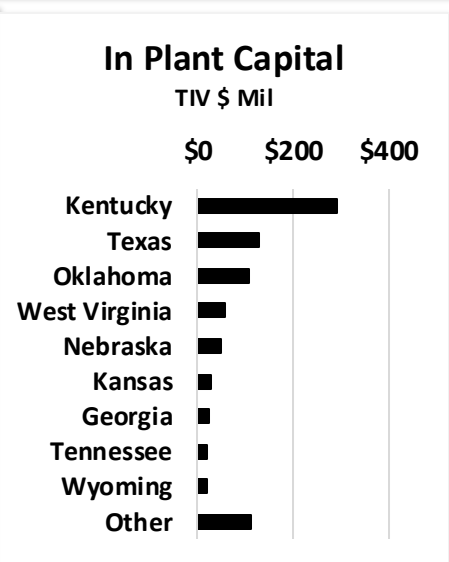
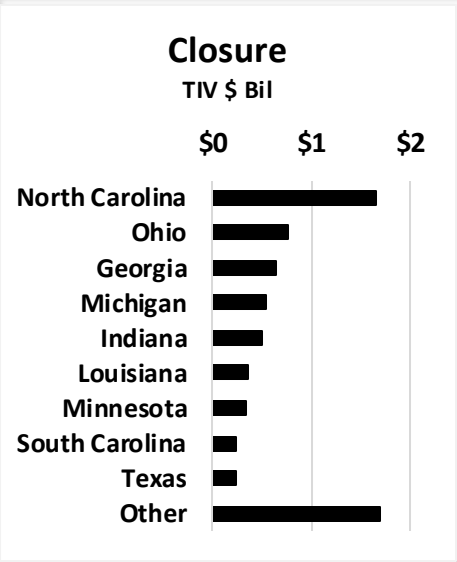
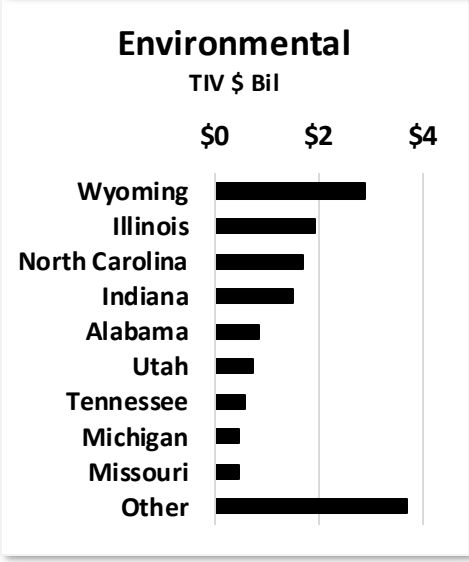
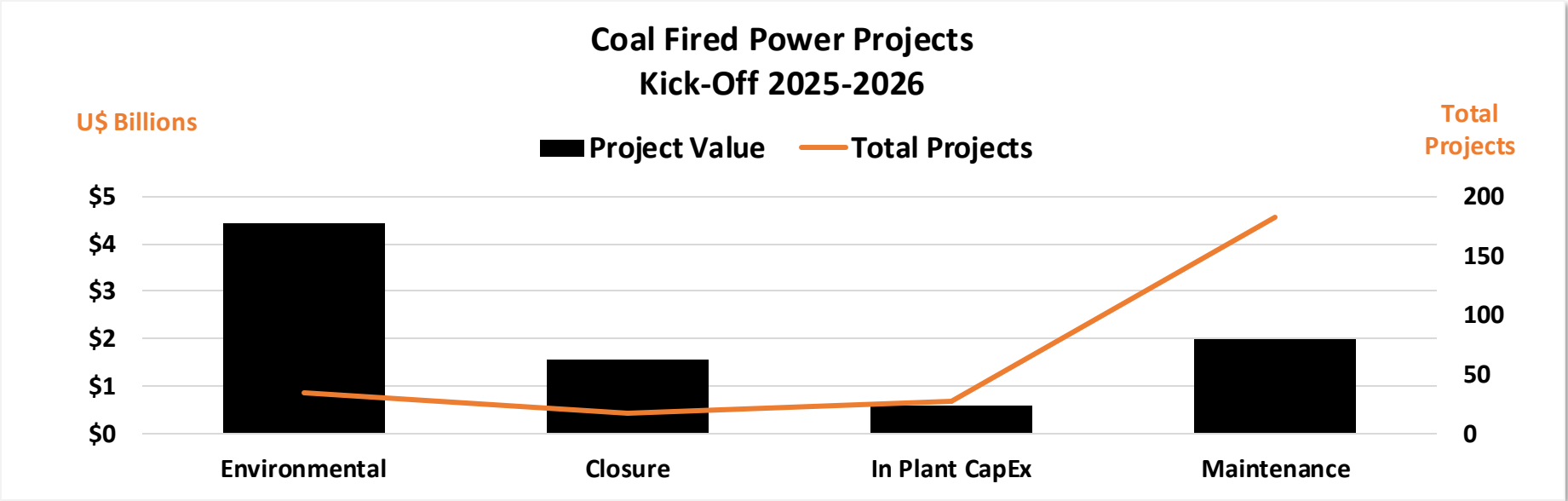


Projects Scheduled Kick-Off 2025-2026

Project Type	Total Projects	Total Investment Value
Modernization/Life Ext	2	\$4.7 Billion
Unit Addition	2	\$2.4 Billion
Maintenance	88	\$1.9 Billion
Other In Plant CapEx	9	\$287 Million
Grand Total	101	\$9.3 Billion

Nuclear Plant Reactivations and Future Outlook

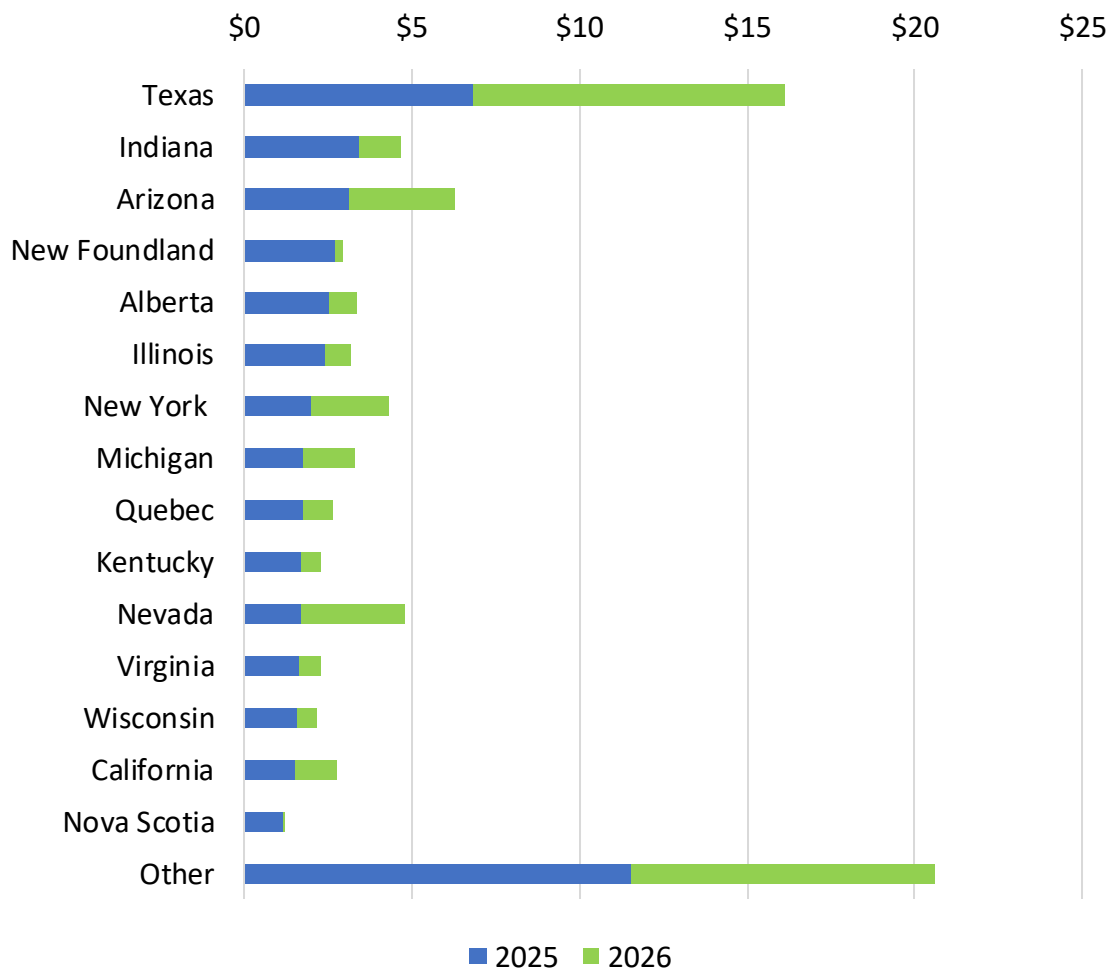
- Palisades (Holtec) \$1.8 Billion (2025)
- Crane Clean/ TMI 01 (Constellation) \$1.6 Billion (2028)
- V.C. Summer Restart (Santee Cooper)- Evaluating Bids
- NextEra initiates regulatory process to restart Duane Arnold Nuclear Power Station
- Currently tracking 46 Projects and \$110 Billion to add new nuclear units or grassroot plants
- Canada adding proceeds with plants to add both conventional and small modular reactors
- Electricity demand from Data Centers
- Potential for development by heavy industrial sector



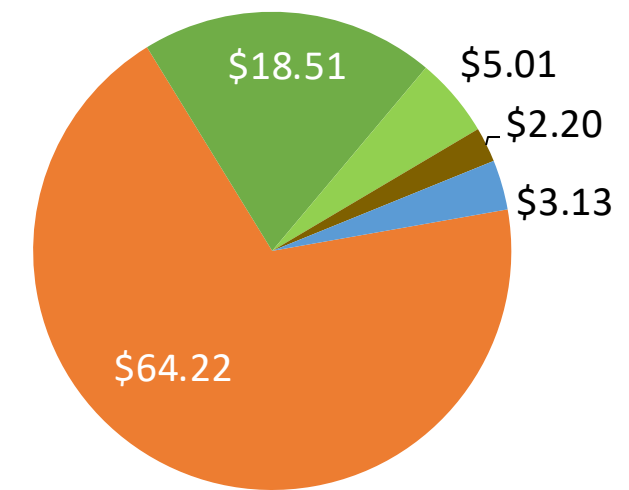
Key Drivers & Constraints

- Since 2012, retired 667 Units and 138GW
- An additional 78GW scheduled for retirement next 10 years
- Increased electricity demand leading to delayed retirements
- Fuel switching and repowering continue
- Investment for environmental compliance continues
- Delayed retirements lead to more aftermarket investment opportunities

All Project Types



- Solar
- Wind (Land)
- Offshore Wind
- Hydro
- Other

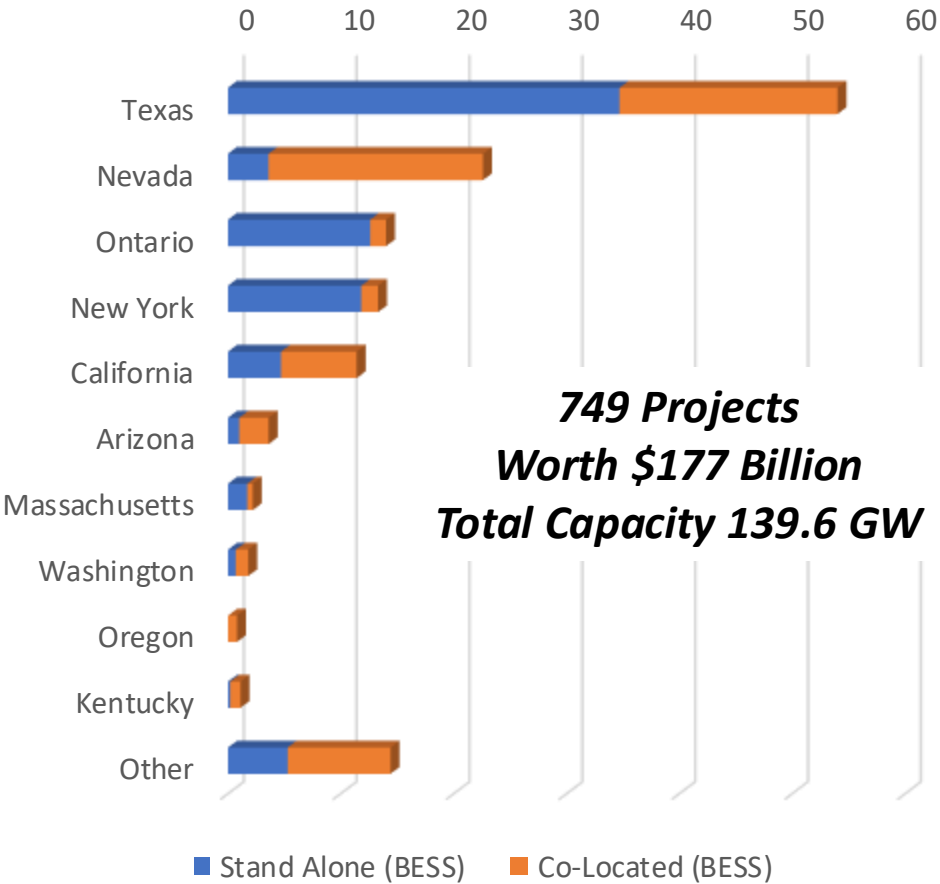


- PV Solar continues to surpass all other energy resources
- Interconnect and Permitting Delays
- Energy Demands/Energy Reliability Concerns
- New Administration Concerns
- Supply Chain & Inflation Challenges

141 Med-High Probability Projects
\$25.4 Billion
Scheduled for Kick-Off 2024-2025



Total Planned Capacity by State
(Gigawatts)



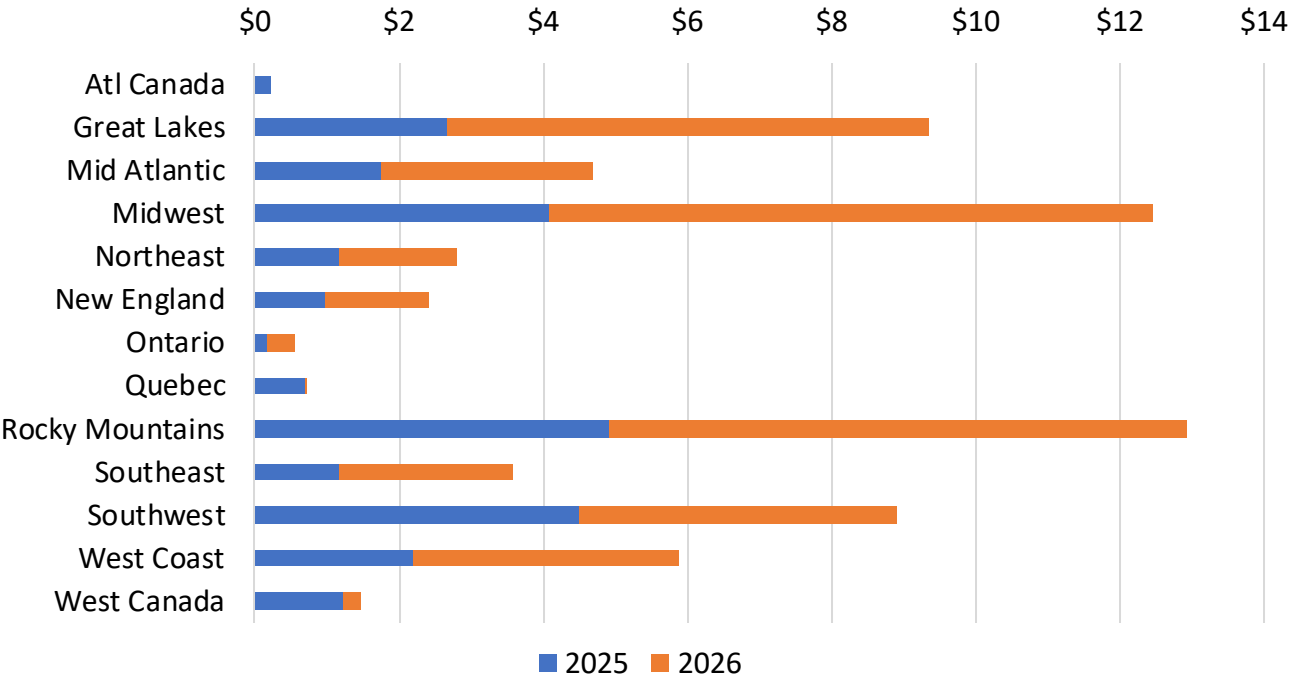
749 Projects
Worth \$177 Billion
Total Capacity 139.6 GW

Power Industry USA & Canada

Transmission & Distribution Project Kick-Off 2025-2026



Project Kickoff by Year
TIV \$ Billion



- New lines to support renewable energy
- Modernization of aging grid
- Increasing electricity demand
- Grid resiliency

State	Projects	Total Investment Value
Texas	89	\$5,500,977,000
Nevada	46	\$4,812,500,000
Iowa	22	\$4,779,158,000
California	62	\$3,494,140,000
Illinois	33	\$3,270,400,000
Minnesota	41	\$3,200,680,000
Virgina	50	\$2,779,380,000
Arizona	48	\$2,708,400,000
Louisiana	11	\$2,371,100,000
North Dakota	9	\$2,271,830,000
Florida	12	\$1,939,345,000
Other	590	\$28,858,760,000
Grand Total	1,013	\$65,986,670,000

- Newbuild activity still dominated by renewable power sources
- Renewable power slowed by interconnect back logs, supply chains and regulations
- Growth in electricity demand opening the door for natural gas-fired generation
- Delay in retirement of fossil-fueled assets driving aftermarket opportunities
- Conventional power generation sources remain vital to supplying baseload power
- Incremental move toward hydrogen as a supplemental fuel source
- Development of new nuclear power generation to play role in energy transition

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