2026 Summer Energy Market and Electric Reliability Assessment

May 21, 2026

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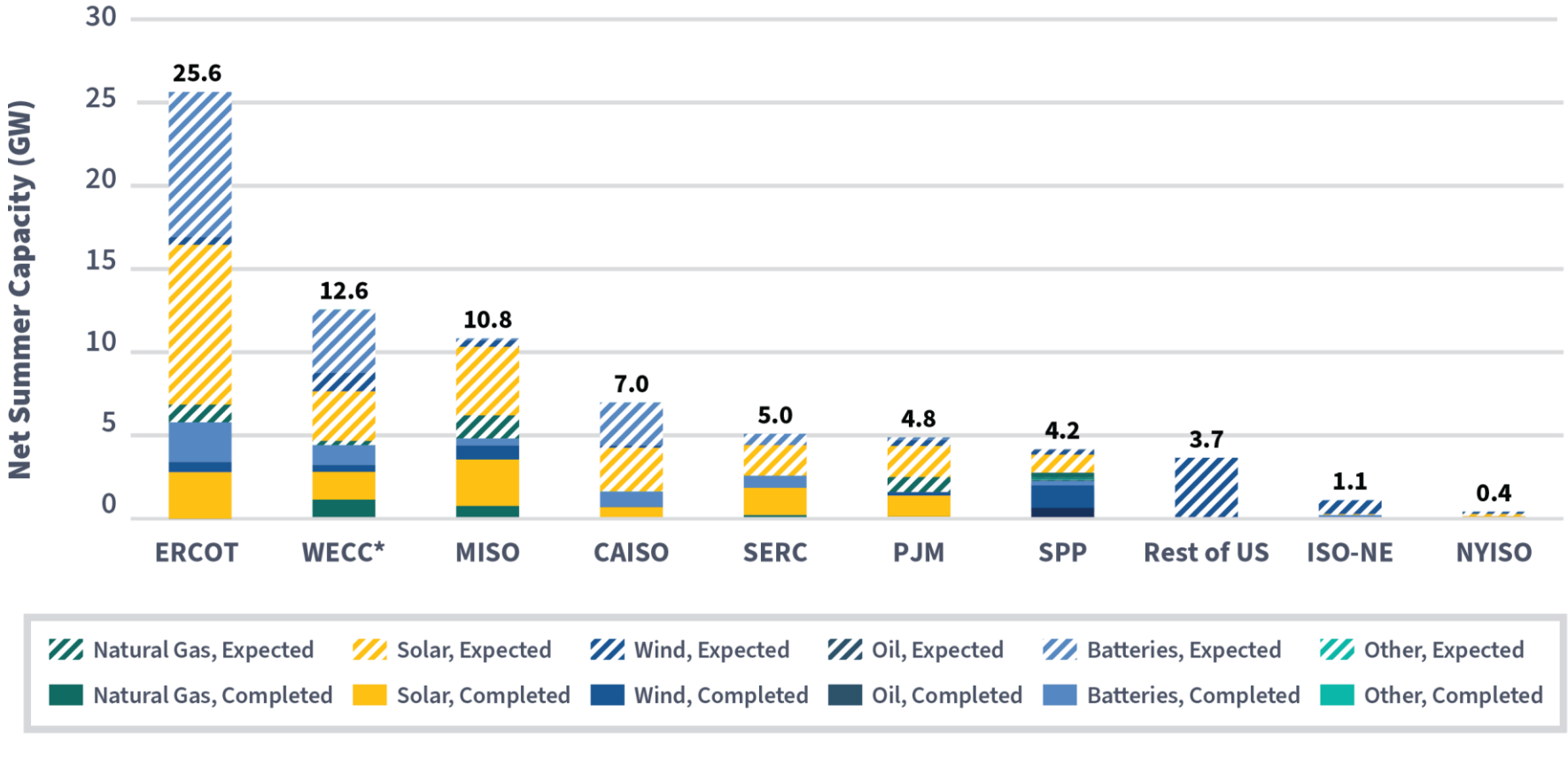
Key Findings in Summer 2026 Assessment

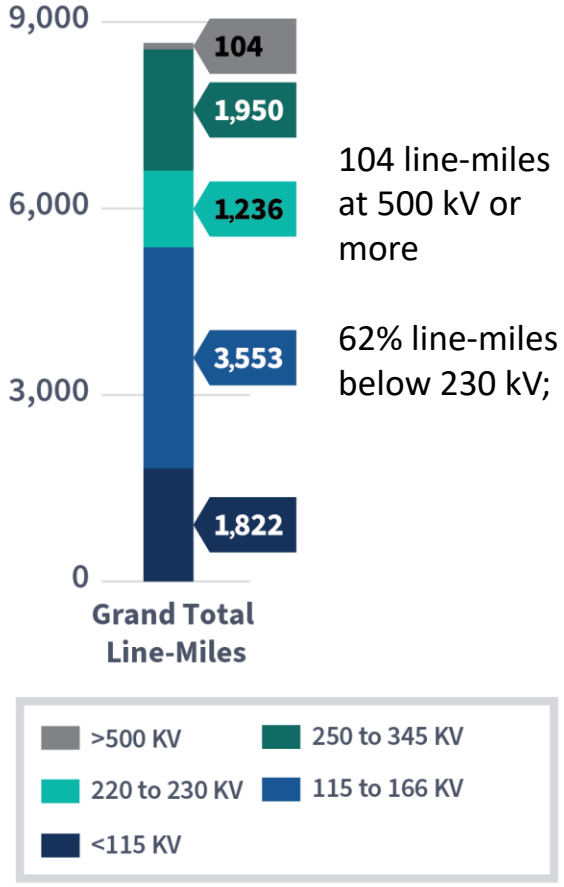
- High temperatures and extreme weather events are expected to challenge the electric grid.
  - Drought and low snowpack could curb hydropower generation.
  - Wildfires and hurricanes may affect some parts of the country.
- Projected generation and transmission additions will help address forecasted high electricity demand growth.
- Natural gas demand and production are both expected to increase.
- Resources and operating reserves are expected to be adequate in all NERC assessment areas under normal operating conditions.
  - Possible reliability challenges in NPCC-NE, western ERCOT, and WECC-NW under extreme operating conditions.

Generators Expected to Add 75 GW of Net Summer Capacity
New Transmission Capacity Mostly for Reliability and Asset Renewal

Electricity Capacity Additions



Transmission New Line-Miles



104 line-miles at 500 kV or more

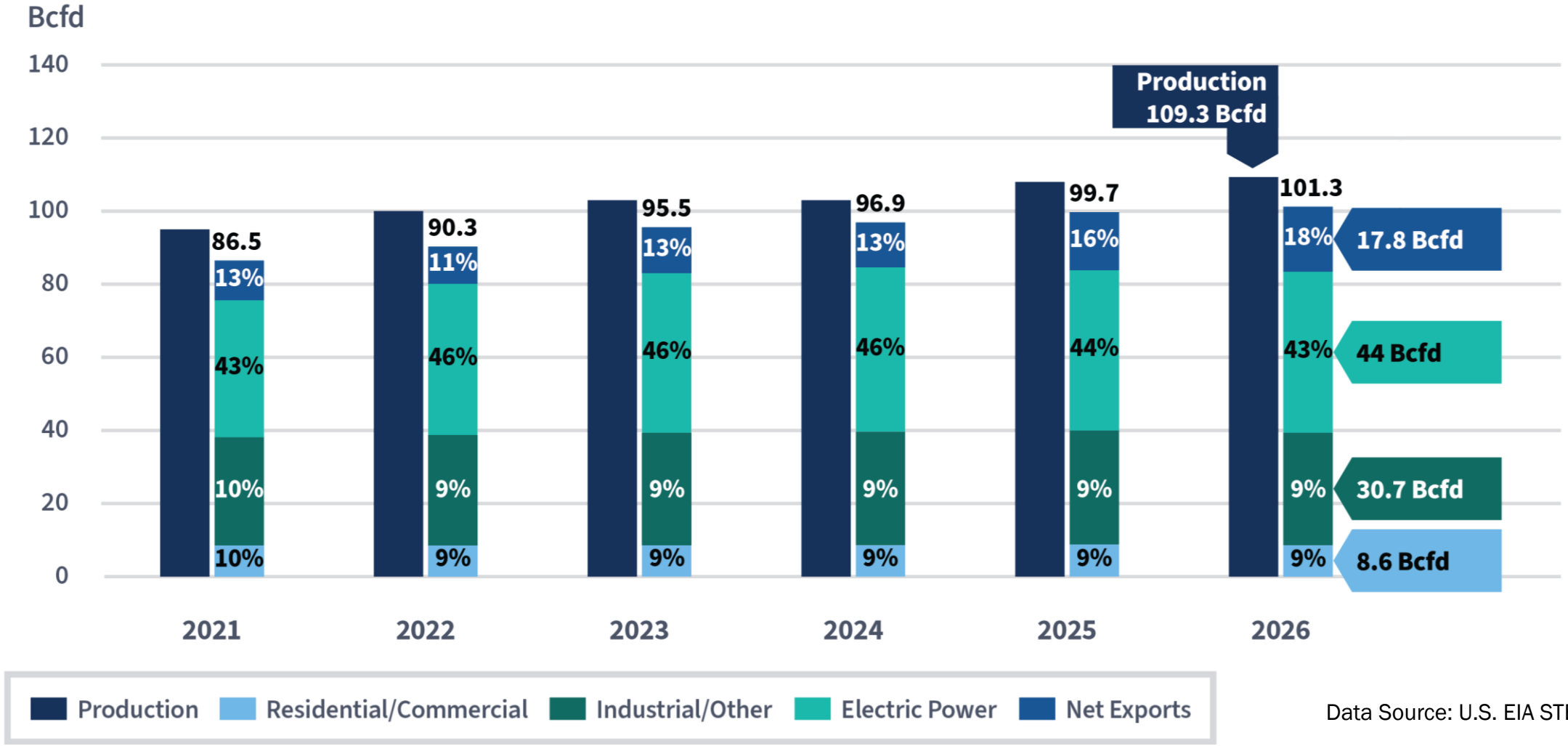
62% line-miles below 230 kV;

Data Source: U.S. EIA Form 860M and *North American Electric Transmission and Distribution Project Database, The C Three Group L.L.C*

**WECC refers to WECC without CAISO.*

Natural Gas Production and Demand Continue Growth

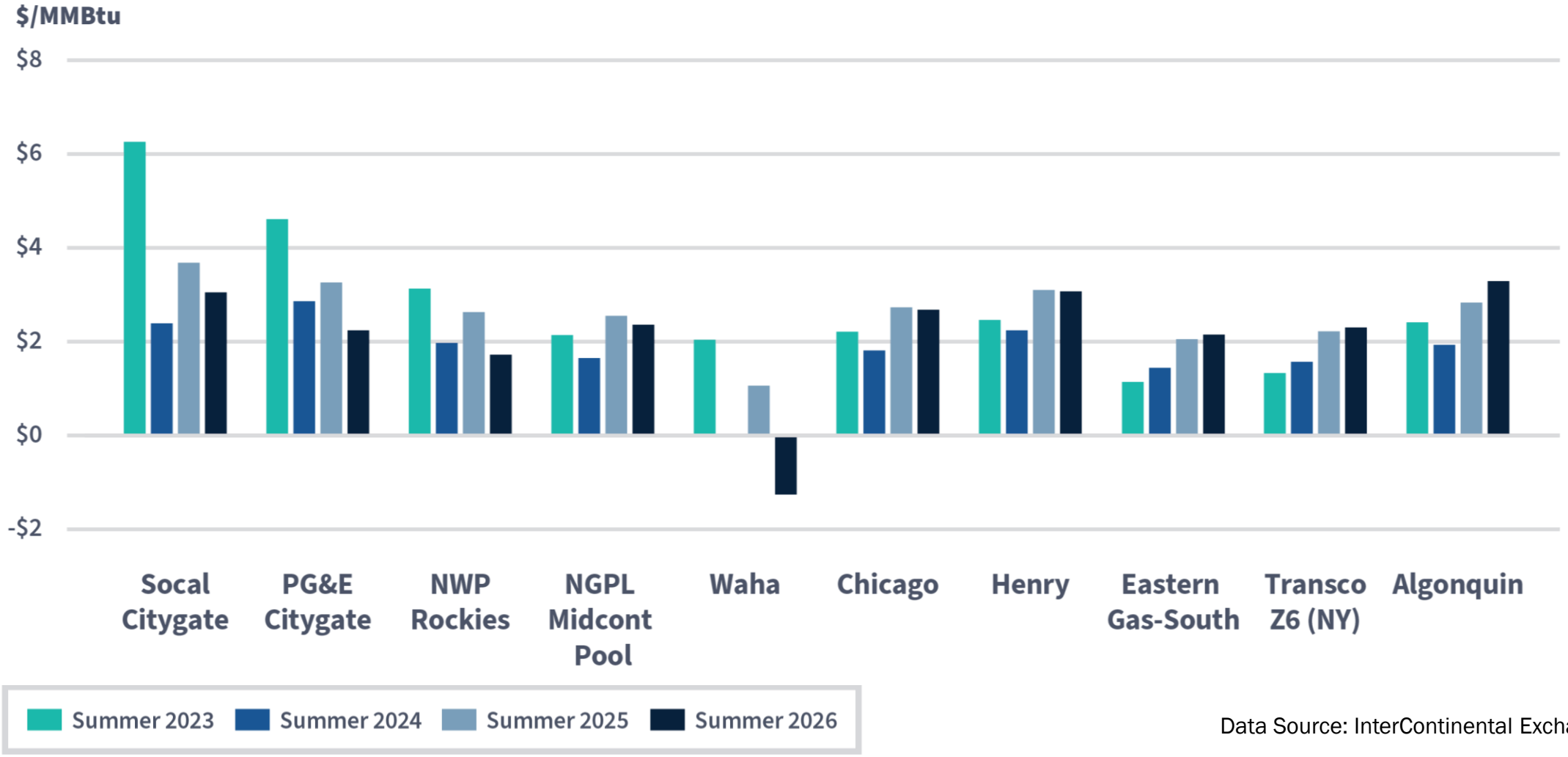
U.S. Summer Natural Gas Production and Demand by Sector



Data Source: U.S. EIA STEO Table 5a

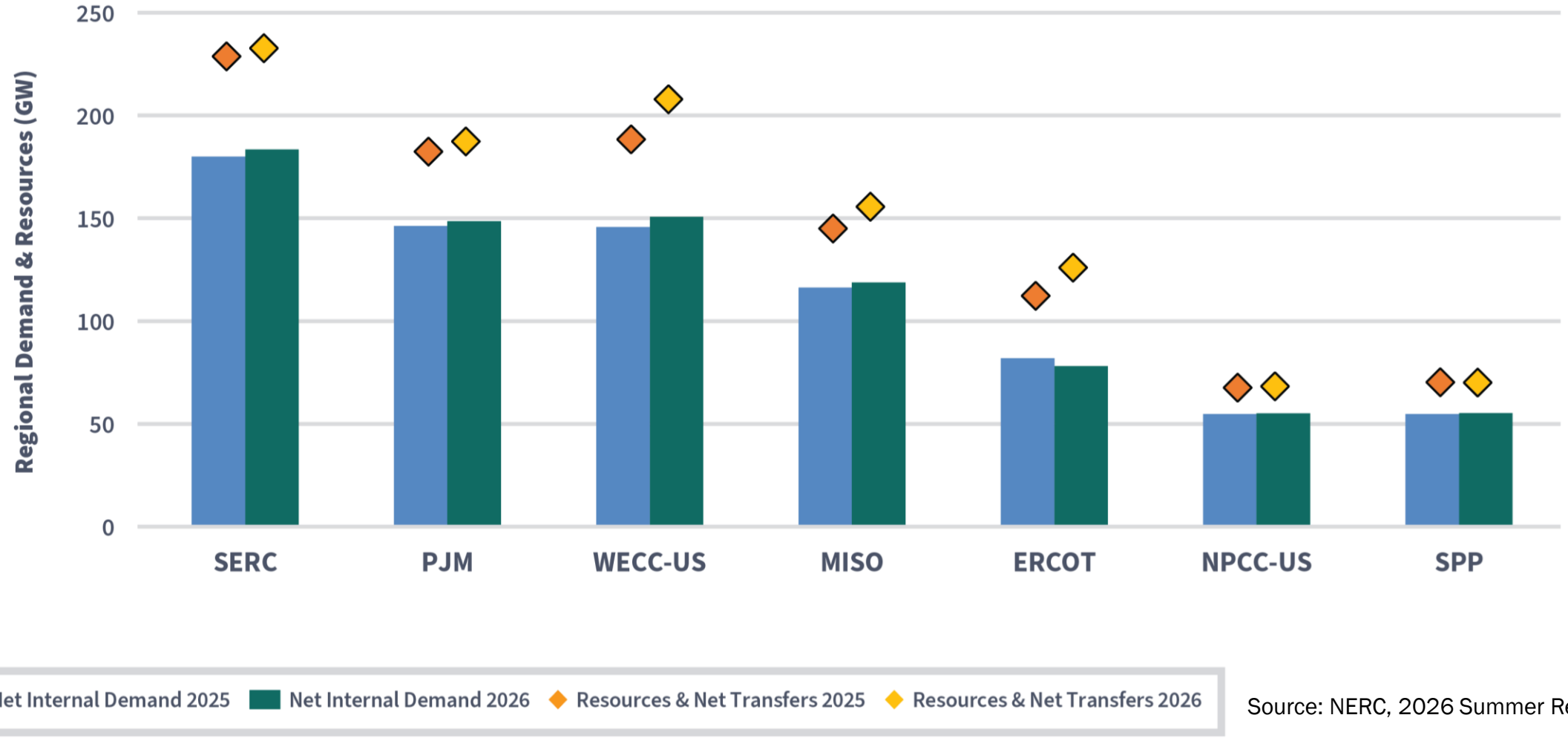
Natural Gas Prices Decrease at Western Hubs and Increase at Eastern Hubs

U.S. Summer Natural Gas Prices



Data Source: InterContinental Exchange

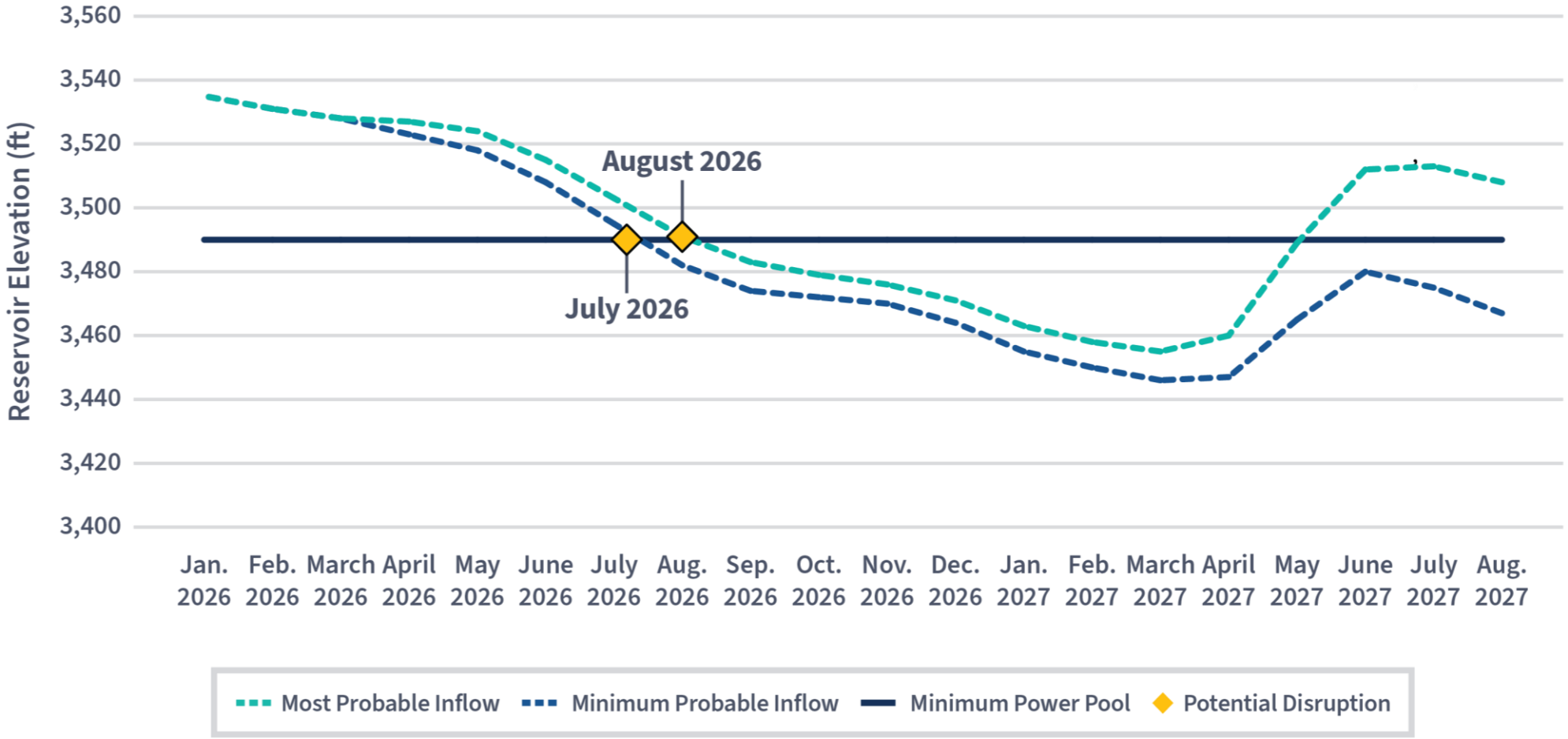
NERC Forecasted Electricity Demand and Resources Summers 2025 and 2026



Source: NERC, 2026 Summer Reliability Assessment

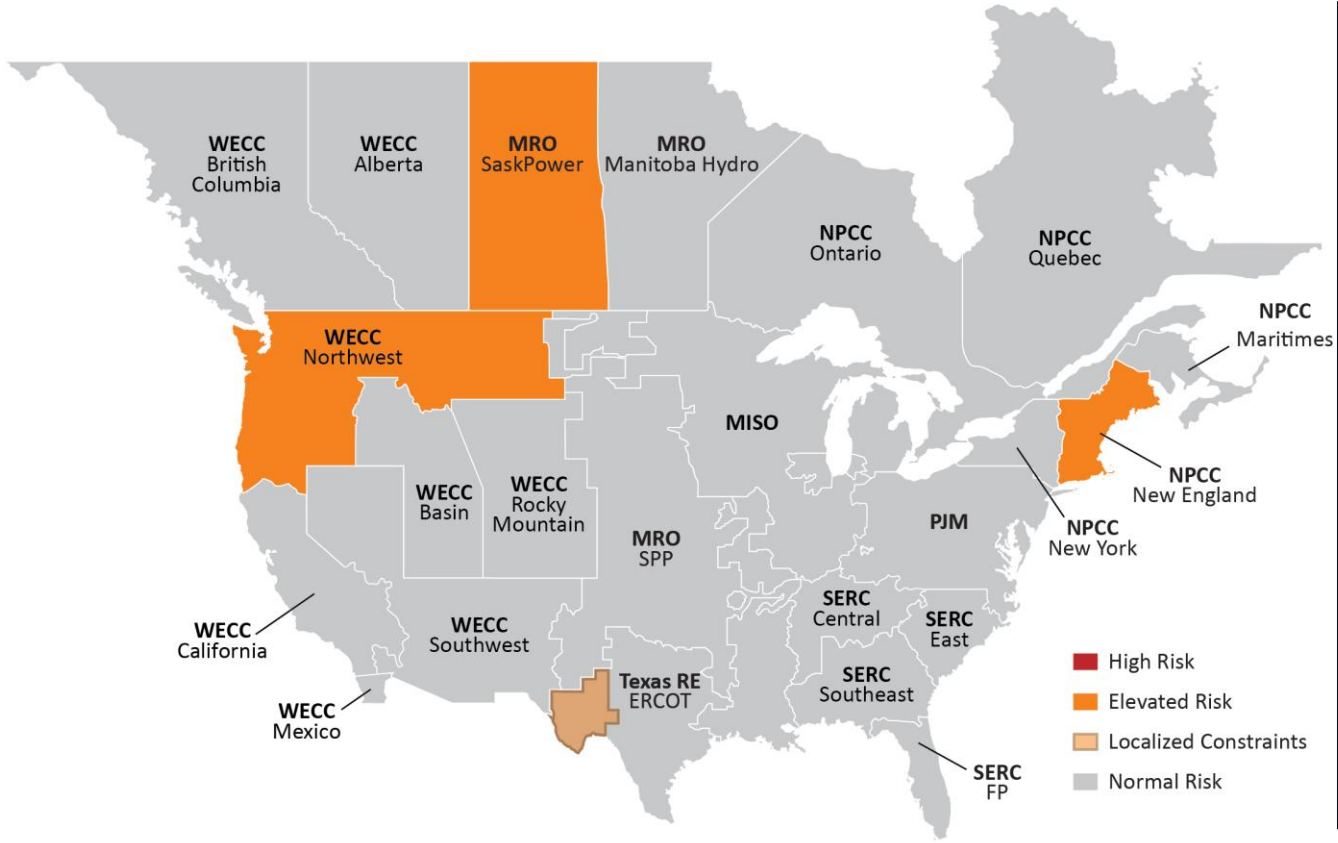
Notable Reliability Risk: Colorado River at Critical Level in 2026

Forecast Reservoir Elevations at Glen Canyon Dam



Bureau of Reclamation 24-Month Study Projections, April 2026

2026 Summer Reliability Assessment
Highlights and Risk Map



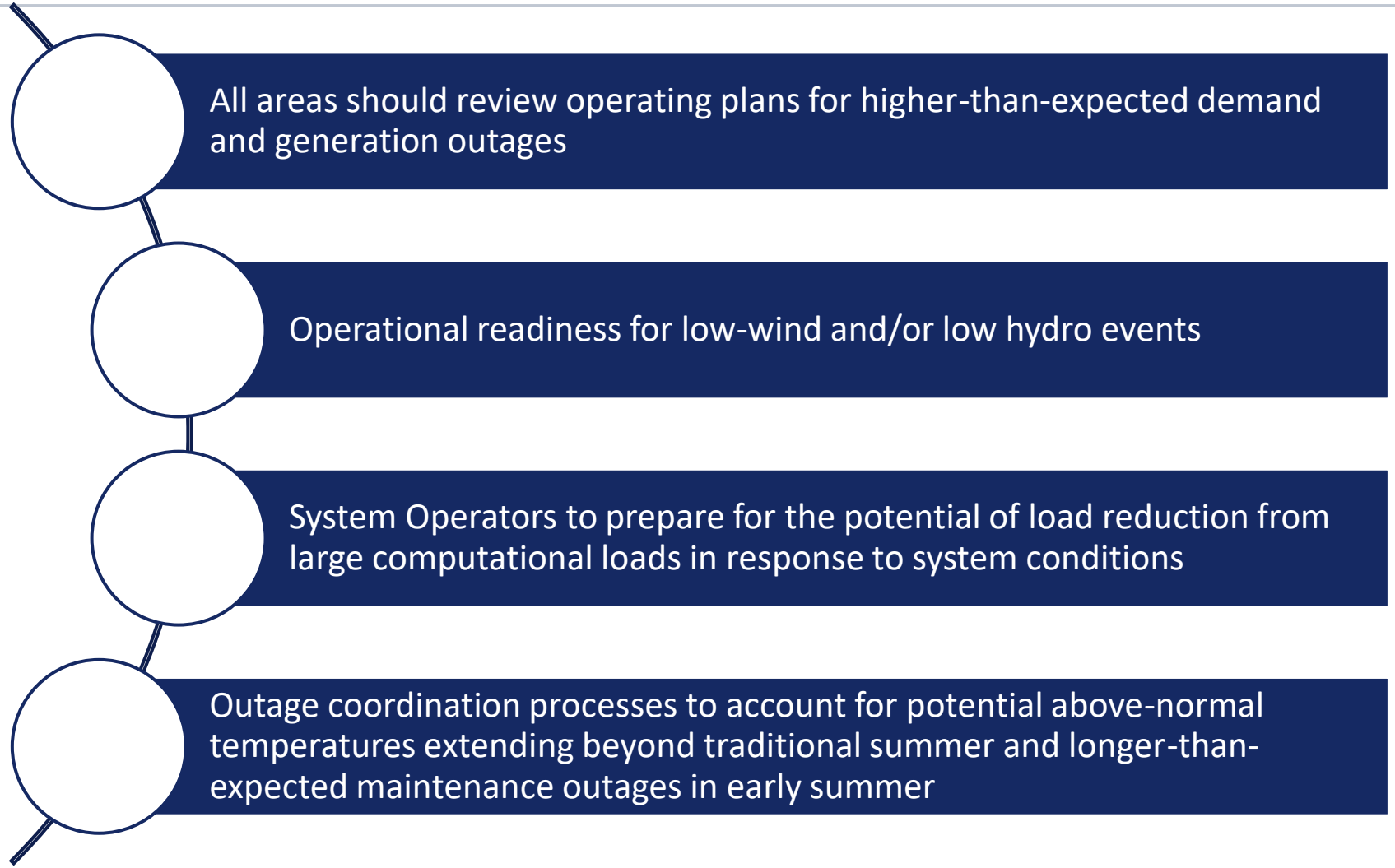
Risk Area Summary

- Elevated risk areas could experience supply shortfalls in extreme conditions
  - **NPCC New England:** Lower expected firm transfers heighten risk of supply shortages
  - **WECC Northwest:** Supply may be insufficient if low hydro conditions coincide with extreme demand
- **Texas RE-ERCOT** is at normal risk level however system constraints can limit supplying all load in the far west zone when local resource output is low

Highlights

- Increased summer capacity has improved the overall outlook
- Rapid growth in electricity demand continues
- Large computational loads pose operational challenges

2026 SRA Recommendations



While resources that support summer peak demand have increased and reduced summer season risk, risk of energy shortfalls during the spring, fall, and winter is increasing.

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