

# Q4 2025 Dividends

## HIGHLIGHTS

- Thirty-five utilities increased or reinstated their dividend during 2025 compared to 36 in 2024 and 34 in both 2023 and 2022.
- Thirty-six of the 37 utilities in the EEI Index paid a common stock dividend in 2025.
- The average dividend increase in 2025 was 4.9%, with a range of 0.9% to 12.3% and a median increase of 5.0%.
- The industry's dividend payout ratio was 60.9% for the twelve months ending September 30, 2025, just below the 61.1% result for the broader Utilities sector and higher than all other U.S. business sectors.
- The industry's average dividend yield was 3.4% on December 31, 2025. The yield had risen to 4.4% on September 30, 2023 and has since fallen due to a significant rise in utility stock prices.

## COMMENTARY

The investor-owned electric utility industry continued its long-term trend of widespread dividend increases in 2025. A total of 35 companies increased or reinstated their dividend compared to 36 in 2024 and 34 in both 2023 and 2022.

The percentage of companies that raised or reinstated their dividend in 2025 was 95%, up from 94% in 2024 and 87% in both 2023 and 2022. By contrast, only 27 of the 65 utilities tracked by EEI increased their dividend in 2003, just prior to the passage of legislation that reduced dividend tax rates.

## Dividend Patterns

As shown in the Dividend Patterns table, 36 of the 37 publicly traded utilities in the EEI Index paid a common stock

## I. Sector Comparison, Dividend Payout Ratio

*Last Twelve Months*

Sector	Payout Ratio (%)
Utilities	61.1
EEI Index Companies*	60.9
Energy	58.5
Consumer Staples	54.3
Materials	50.4
Industrial	32.9
Health Care	32.7
Financial	26.4
Consumer Discretionary	22.6
Technology	22.0

\*For this table, EEI (1) sums dividends and (2) sums earnings of all index companies and then (3) divides to determine the comparable DPR, for 12-months ending 9/30.

EEI Index Companies payout ratio based on LTM common dividends paid and income before nonrecurring and extraordinary items.

S&P sector payout ratios based on 2025E dividends and earnings per share (estimates as of 9/30/2025).

For more information on constituents of each S&P sector see [www.sectorspdr.com](http://www.sectorspdr.com).  
Source: AltaVista Research, S&P Global Market Intelligence, EEI Finance Department.

## II. Sector Comparison, Dividend Yield

Sector	Yield (%)
Energy	3.5
EEI Index Companies	3.4
Utilities	3.1
Consumer Staples	2.8
Materials	2.0
Health Care	1.8
Financial	1.5
Industrial	1.2
Consumer Discretionary	0.8
Technology	0.7

\*EEI Index Companies' yield based on last announced, annualized dividend rates (as of 12/31/2025); S&P sector yields based on 2025E cash dividends (estimates as of 9/30/2025).

For more information on constituents of each S&P sector see [www.sectorspdr.com](http://www.sectorspdr.com).  
Source: AltaVista Research, S&P Global Market Intelligence, EEI Finance Department.

## III. Dividend Patterns 2005–2025

## U.S. Investor-Owned Electric Utilities

	Raised	No Change	Lowered	Omitted	Reinstated	Not Paying	Total	Dividend Payout Ratio*										
2005	34	22	1	1	2	5	65	66.5%										
2006	41	17	0	0	0	6	64	63.5%										
2007	40	15	0	0	3	3	61	62.1%										
2008	36	20	1	0	1	1	59	66.8%										
2009	31	23	3	0	0	1	58	69.6%										
2010	34	22	0	0	0	1	57	62.0%										
2011	31	22	0	1	1	0	55	62.8%										
2012	36	14	0	0	1	0	51	64.2%										
2013	36	12	1	0	0	0	49	61.5%										
2014	38	9	1	0	0	0	48	60.4%										
2015	39	7	0	0	0	0	46	67.0%										
2016	40	4	0	0	0	0	44	62.9%										
2017	38	4	0	1	0	0	43	64.0%										
2018	39	1	1	0	0	1	42	63.9%										
2019	37	2	0	0	0	1	40	62.6%										
2020	34	2	2	0	0	1	39	65.3%										
2021	32	6	0	0	0	1	39	61.6%										
2022	34	3	1	0	0	1	39	70.8%										
2023	33	4	0	1	1	0	39	68.5%										
2024	36	2	0	0	0	1	39	64.0%										
2025 Q1	19	17	0	0	0	1	37	63.9%										
2025 Q2	2	34	0	0	0	1	37	64.2%										
2025 Q3	4	32	0	0	0	1	37	64.9%										
2025 Q4	10	26	0	0	0	1	37	60.7%										
2025	35	1	0	0	0	1	37	60.7%										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Avg. Increase	9.4%	7.2%	8.2%	6.8%	7.2%	5.3%	5.7%	5.8%	5.6%	5.6%	5.7%	5.1%	5.1%	4.8%	5.2%	5.1%	5.0%	4.8%
Avg. Decrease	45.7%	46.4%	NA	100%	NA	41.0%	34.5%	NA	NA	NA	79.8%	NA	40.6%	NA	51.8%	100%	NA	NA

Note: Only one action per company per year is counted. If a company raised its dividend twice, this counts as one in the Raised column. For purposes of calculating the average dividend increase, individual company results that are equal to or greater than 50% are excluded. / \*2025 figures reflect dividend changes (raised, lowered, etc.) through 12/31/2025 and earnings and dividends through 9/30/2025 (payout ratio).

dividend during 2025. Each company is limited to one action per year in the table. For example, if a company raised its dividend twice during a year that counts as one in the “Raised” column. Electric utilities generally use the same quarter each year for dividend changes, with Q1 being the most common.

With Allete’s acquisition by Canadian Pension Plan Investment Board and Global Infrastructure Partners completed on December 15, 2025, Allete is no longer publicly traded or in the EEI Index, reducing the benchmark to 37 companies.

### Dividend Increases

The average dividend increase in 2025 was 4.9%, with a range of 0.9% to 12.3% and a median increase of 5.0%. Otter Tail Corporation (+12.3% in Q1), NextEra Energy (+10.0% in Q1), MDU Resources (7.7% in Q3), and WEC

Energy (+6.9% in Q1) posted the largest percentage increases.

Otter Tail Corporation, based in Fergus Falls, Minnesota, raised its quarterly dividend from \$0.4675 to \$0.525 per share in Q1. The company stated that the double-digit percentage increase reflects their commitment to delivering shareholder value; 2025 marks the 87th consecutive year dividends have been paid on Otter Tail’s common stock.

NextEra Energy, headquartered in Juno Beach, Florida, increased its quarterly dividend from \$0.515 to \$0.5665 per share in Q1. The increase is consistent with the company’s plan, announced in 2024, to target roughly 10% annual growth in dividends per share through at least 2026, off a 2024 base. NextEra recorded the industry’s highest percentage increases in 2024 (+10.2%), 2023 (+10.0%), 2022 (+10.4%), 2021 (+10.0%), 2020 (+12.0%) and 2019 (+12.6%).

MDU Resources, based in Bismarck, North Dakota,

## IV. Dividend Summary

U.S. Investor-Owned Electric Utilities (at 12/31/2025)

Company Name	Ticker	Annual Dividend Rate	Payout Ratio	Dividend Yield	Last Action	To	From	Announced
Alliant Energy Corporation	LNT	\$2.03	60.8%	3.1%	Raised	\$2.03	\$1.92	2025 Q1
Ameren Corporation	AEE	\$2.84	54.2%	2.8%	Raised	\$2.84	\$2.68	2025 Q1
American Electric Power Company, Inc.	AEP	\$3.80	53.1%	3.3%	Raised	\$3.80	\$3.72	2025 Q4
Avista Corporation	AVA	\$1.96	82.7%	5.1%	Raised	\$1.96	\$1.90	2025 Q1
Black Hills Corporation	BKH	\$2.70	66.2%	3.9%	Raised	\$2.70	\$2.60	2025 Q1
CenterPoint Energy, Inc.	CNP	\$0.92	52.7%	2.4%	Raised	\$0.92	\$0.88	2025 Q4
CMS Energy Corporation	CMS	\$2.17	70.9%	3.1%	Raised	\$2.17	\$2.06	2025 Q1
Consolidated Edison, Inc.	ED	\$3.40	55.5%	3.4%	Raised	\$3.40	\$3.32	2025 Q1
Dominion Energy, Inc.	D	\$2.67	70.1%	4.6%	Raised	\$2.67	\$2.52	2022 Q1
DTE Energy Company	DTE	\$4.66	58.5%	3.6%	Raised	\$4.66	\$4.36	2025 Q4
Duke Energy Corporation	DUK	\$4.26	64.0%	3.6%	Raised	\$4.26	\$4.18	2025 Q3
Edison International	EIX	\$3.51	51.3%	5.8%	Raised	\$3.51	\$3.31	2025 Q4
Entergy Corporation	ETR	\$2.56	57.6%	2.8%	Raised	\$2.56	\$2.40	2025 Q4
Evergy, Inc.	EVRG	\$2.78	70.7%	3.8%	Raised	\$2.78	\$2.67	2025 Q4
Eversource Energy	ES	\$3.01	55.5%	4.5%	Raised	\$3.01	\$2.86	2025 Q1
Exelon Corporation	EXC	\$1.60	56.9%	3.7%	Raised	\$1.60	\$1.52	2025 Q1
FirstEnergy Corp.	FE	\$1.78	63.4%	4.0%	Raised	\$1.78	\$1.70	2025 Q1
Hawaiian Electric Industries, Inc.	HE	\$0.00	0.0%	0.0%	Lowered	\$0.00	\$1.44	2023 Q4
IDACORP, Inc.	IDA	\$3.52	58.9%	2.8%	Raised	\$3.52	\$3.44	2025 Q4
MDU Resources Group, Inc.	MDU	\$0.56	57.0%	2.9%	Raised	\$0.56	\$0.52	2025 Q3
MGE Energy, Inc.	MGEE	\$1.90	49.5%	2.4%	Raised	\$1.90	\$1.80	2025 Q3
NextEra Energy, Inc.	NEE	\$2.27	97.4%	2.8%	Raised	\$2.27	\$2.06	2025 Q1
NiSource Inc.	NI	\$1.12	52.9%	2.7%	Raised	\$1.12	\$1.06	2025 Q1
NorthWestern Energy Group, Inc.	NWE	\$2.64	74.1%	4.1%	Raised	\$2.64	\$2.60	2025 Q1
OGE Energy Corp.	OGE	\$1.70	67.7%	4.0%	Raised	\$1.70	\$1.69	2025 Q3
Otter Tail Corporation	OTTR	\$2.10	30.7%	2.6%	Raised	\$2.10	\$1.87	2025 Q1
PG&E Corporation	PCG	\$0.20	5.9%	1.2%	Raised	\$0.20	\$0.10	2025 Q4
Pinnacle West Capital Corporation	PNW	\$3.64	70.0%	4.1%	Raised	\$3.64	\$3.58	2025 Q4
Portland General Electric Company	POR	\$2.10	72.3%	4.4%	Raised	\$2.10	\$2.00	2025 Q2
PPL Corporation	PPL	\$1.09	57.7%	3.1%	Raised	\$1.09	\$1.03	2025 Q1
Public Service Enterprise Group Inc.	PEG	\$2.52	59.5%	3.1%	Raised	\$2.52	\$2.40	2025 Q1
Sempra	SRE	\$2.58	61.0%	2.9%	Raised	\$2.58	\$2.48	2025 Q1
Southern Company	SO	\$2.96	74.1%	3.4%	Raised	\$2.96	\$2.88	2025 Q2
TXNM Energy Inc.	TXNM	\$1.69	67.0%	2.9%	Raised	\$1.69	\$1.63	2025 Q4
Unitil Corporation	UTL	\$1.80	60.8%	3.7%	Raised	\$1.80	\$1.70	2025 Q1
WEC Energy Group, Inc.	WEC	\$3.57	67.0%	3.4%	Raised	\$3.57	\$3.34	2025 Q1
Xcel Energy Inc.	XEL	\$2.28	57.1%	3.1%	Raised	\$2.28	\$2.19	2025 Q1
<b>Industry Average</b>			<b>60.7%</b>	<b>3.4%</b>				

Dividend Per Share — Per share amounts are annualized declared figures as of 12/31/2025.

Dividend Payout Ratio — Dividends paid for 12 months ended 9/30/2025 divided by net income before nonrecurring and extraordinary items for 12 months ended 9/30/2025. While net income is after tax, nonrecurring and extraordinary items are pre-tax as there is no consistent method of gathering these items on a tax-adjusted basis under current reporting guidelines. On an individual company basis, the Payout Ratio in the table could differ slightly from what is reported directly by the company. NM applies to companies with negative earnings or payout ratios greater than 200%.

Dividend Yield — Annualized Dividends Per Share at 12/31/2025 divided by stock price at market close on 12/31/2025.

Source: EEI Finance Department and S&P Global Market Intelligence.

raised its quarterly dividend from \$0.13 to \$0.14 per share in Q3. The company said that growing its dividend remains a pillar of its total return strategy—one that rewards ownership and reflects confidence in its business. MDU continues to target a long-term dividend payout ratio of 60% to 70% of earnings.

Also in Q1, WEC Energy Group, headquartered in Milwaukee, Wisconsin, increased its quarterly dividend from \$0.835 to \$0.8925 per share. This marked the 22nd consecu-

tive year that the company raised its dividend. WEC Energy continues to target a dividend payout ratio of 65 to 70 percent of earnings.

PG&E Corporation, based in Oakland, California, raised its quarterly dividend from \$0.025 to \$0.05 per share in Q4, a 100% increase. When calculating the industry's average dividend increase, we exclude individual company results that are equal to or greater than 50%.

The industry's average and median increases have been

relatively consistent in recent years. The average increase was 5.0% in 2024, 5.1% in 2023, 5.2% in 2022, 4.8% in 2021, and ranged between 5.1% and 5.7% from 2016 through 2020. The median increase was 5.3% in 2024, 5.6% in 2022 and ranged between 4.9% and 5.5% from 2017 through 2021.

### Dividend Payout Ratio

The industry's dividend payout ratio was 60.9% for the twelve months ending September 30, 2025, just below the 61.1% result for the broader Utilities sector and higher than all other U.S. business sectors. The industry's payout ratio was 60.7% when measured as an unweighted average of individual company ratios; 60.9% represents an aggregate figure.

### Dividend Yield

The industry's average dividend yield was 3.4% on December 31, 2025. The yield had risen to 4.4% on September 30, 2023 and has since fallen due to a significant rise in utility stock prices. The market cap-weighted EEI Index had a total return of 43.5% for the period of September 30, 2023 through December 31, 2025. The industry's year-end dividend yield was 3.6% in 2024, 3.8% in 2023, and 3.4% in 2022. We calculate the industry's average dividend yield using an unweighted average of the yields of all EEI Index companies that pay a dividend.

### A History of Strong Dividends

The electric utility sector has long been known as a leading dividend payer among U.S. business sectors. This reputation is founded on:

- A steady stream of income from a product that is universally needed and with low elasticity of demand.
- A mostly regulated industry that provides reasonable returns on investment and relatively low investment risk.
- A mature industry comprised of companies with very long track records of maintaining and/or steadily increasing their dividends over time.

These characteristics are especially attractive to the population of investors who seek a combination of growth and income. A typical total return model for electric utilities is approximately 4% to 8% annual earnings growth and a 3% or higher dividend yield, producing a highly visible and relatively stable 7% to 10%+ annualized long-term total return potential.

### Dividend Tax Rates

The top tax rate for dividends and capital gains remains at 20%, which applies to 2025 income thresholds of \$600,050 for couples and \$533,400 for individuals. For taxpayers below these thresholds, dividends and capital gains are currently taxed at rates of 15% or 0%, depending on a filer's income.

The Tax Cuts and Jobs Act (TCJA), signed into law in December 2017, maintained the pre-existing and equal tax rates for dividends and capital gains. These tax rates were unchanged in the One Big Beautiful Bill Act (OBBBA), passed in July 2025. The parity between dividends and capital gains tax rates is crucial to avoid a capital raising disadvantage for companies, such as electric utilities, that rely on a strong dividend to attract investors and finance capital spending. ■