

Stock Performance

HIGHLIGHTS

■ The Dow Jones Industrials returned 4.0% in Q4, the S&P 500 Index returned 2.7% and the Nasdaq Composite rose 2.6%. Trading tightly with the 10-year Treasury yield, the EEI Index lagged slightly with a -1.1% return.

■ Rising electricity demand, along with customer affordability, were dominant themes at the EEI Financial Conference, held in November 2025. Analyst research coverage cited well-attended meetings and widespread investor excitement over the outlook for faster earnings growth driven by data center load growth.

■ Q3 2025 earnings calls, held in October and November, produced four formal upticks in growth rate guidance while six or seven companies emphasized they are now targeting the higher-end of their stated growth range.

■ Utility investors don't view AI-driven demand in isolation; they recognize that electrification of transportation and heating, grid modernization, on-shoring of manufacturing, and regional economic strength make power demand growth more than a single-theme story.

COMMENTARY

Major indices shrugged off the six-week government shutdown and a surge of tariff headlines in Q4 and added to Q2 and Q3 gains. The Dow Jones Industrials returned 4.0%, the S&P 500 Index returned 2.7% and the Nasdaq Composite rose 2.6%. Trading tightly with the 10-year Treasury yield, the EEI Index lagged slightly with a -1.1% return.

The fourth quarter capped a third-straight year of AI-driven market enthusiasm that has focused on technology stocks and — combined with strong economic data and

I. Index Comparison (% Return)

Index	2019	2020	2021	2022	2023	2024	2025
EEI Index	25.8	-1.2	17.1	1.2	-8.7	19.1	11.7
Dow Jones Ind.	25.3	9.7	21.0	-7.0	16.2	15.0	14.9
S&P 500	31.5	18.4	28.7	-18.3	26.3	25.0	17.9
Nasdaq Comp. [^]	35.2	43.6	21.4	-33.5	43.3	28.6	20.4

Calendar year returns shown for all periods, except where noted.
[^]Price gain/loss only. Other indices show total return.

Source: EEI Finance Department, S&P Global Market Intelligence

II. Category Comparison (% Return)

U.S. Investor-Owned Electric Utilities

Index	2019	2020	2021	2022	2023	2024	2025
All Companies	23.1	-8.1	17.6	2.7	-6.3	17.9	12.3
Regulated	24.6	-9.0	16.7	3.6	-3.9	18.7	12.2
Mostly Regulated	17.9	-4.9	21.1	-1.1	-22.5	12.4	13.2

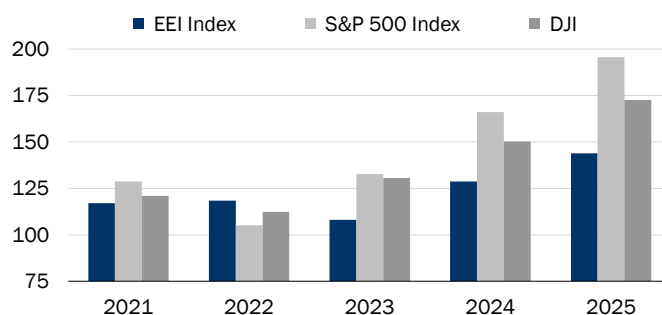
Calendar year returns shown for all periods except where noted.
 Returns shown here are unweighted averages of constituent company returns.
 The EEI Index return shown in Table I above is cap-weighted.

Note: Diversified category eliminated in 2017 due to lack of constituent companies.

Source: EEI Finance Department, S&P Global Market Intelligence and company reports

III. Total Return Comparison

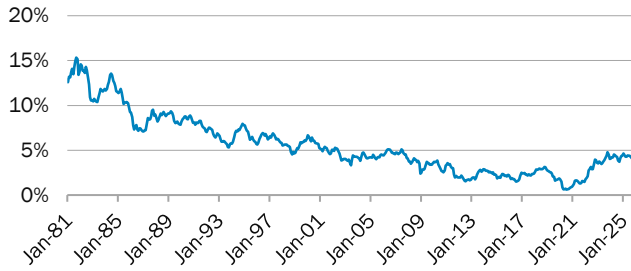
Value of \$100 invested at close on 12/31/2020



Source: EEI Finance Department, S&P Global Market Intelligence

IV. 10-Year Treasury Yield — Monthly

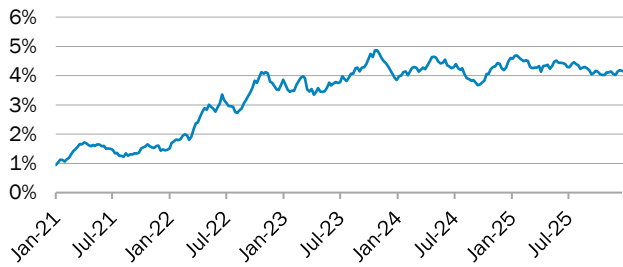
Average Monthly Yield, 1/1/1981 through 12/31/2025



Source: U.S. Federal Reserve

V. 10-Year Treasury Yield — Weekly

Weekly Yield, 1/1/2021 through 12/31/2025



Source: U.S. Federal Reserve

VI. Natural Gas Spot Prices

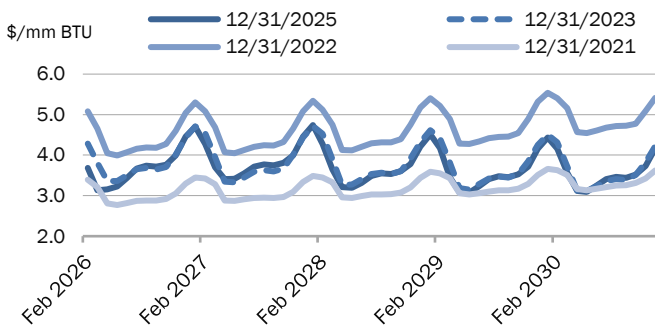
1/1/2021 through 12/31/2025, Henry Hub



Source: S&P Global Market Intelligence

VII. NYMEX Natural Gas Futures

11/2025 through 12/2030, Henry Hub



Source: S&P Global Market Intelligence

VIII. Returns by Quarter

U.S. Investor-Owned Electric Utilities

Index	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
EEl Index	-2.9	-3.0	-10.3	8.0	2.4	3.9	17.6	-4.8	6.5	-2.3	8.6	-1.1
Dow Jones Industrial	0.9	4.0	-2.1	13.1	6.1	-1.3	8.7	0.9	-0.9	5.5	5.7	4.0
S&P 500	7.5	8.7	-3.3	11.7	10.6	4.3	5.9	2.4	-4.3	10.9	8.1	2.7
Nasdaq Comp. [^]	16.8	12.8	-4.1	13.4	9.1	8.3	2.6	6.2	-10.4	17.7	11.2	2.6

Category*	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
All Companies	-0.5	-2.7	-10.5	8.1	1.8	1.5	15.7	-1.4	7.7	-3.1	7.7	0.0
Regulated	0.0	-2.5	-8.7	8.0	1.3	1.7	17.5	-1.9	8.4	-3.2	7.7	-0.7
Mostly Regulated	-3.8	-3.9	-23.3	9.2	4.7	0.4	5.8	1.1	1.6	-1.7	7.2	5.7

[^]Price gain/(loss) only. Other indices show total return. / * Returns shown here are unweighted averages of constituent company returns. The EEl Index return shown above is cap-weighted. Source: EEl Finance Department, S&P Global Market Intelligence

IX. Sector Comparison, Trailing 3 mo. Total Return

For the three-month period ending 12/31/2025

Sector	Total Return
Healthcare	11.1%
Basic Materials	3.7%
Technology	3.1%
Financials	2.0%
Industrials	1.3%
Oil & Gas	1.1%
Consumer Goods	-1.1%
EEl Index	-1.1%
Consumer Services	-1.5%
Utilities	-1.7%
Telecommunications	-9.8%

Note: Sector Comparison page based on the Dow Jones U.S. Indexes, which are market-capitalization-weighted indices. Source: Source: EEl Finance Dept., Dow Jones & Company, Yahoo! Finance

X. Sector Comparison, Trailing 12 mo. Total Return

For the 12-month period ending 12/31/2025

Sector	Total Return
Technology	26.8%
Basic Materials	17.8%
Utilities	16.0%
Financials	15.7%
Industrials	14.9%
Healthcare	14.6%
EEl Index	11.7%
Oil & Gas	8.2%
Telecommunications	7.0%
Consumer Goods	5.8%
Consumer Services	5.7%

Note: Sector Comparison page based on the Dow Jones U.S. Indexes, which are market-capitalization-weighted indices. Source: Source: EEl Finance Dept., Dow Jones & Company, Yahoo! Finance

XI. Market Capitalization at December 31, 2025 (in \$ Millions)

U.S. Investor-Owned Electric Utilities

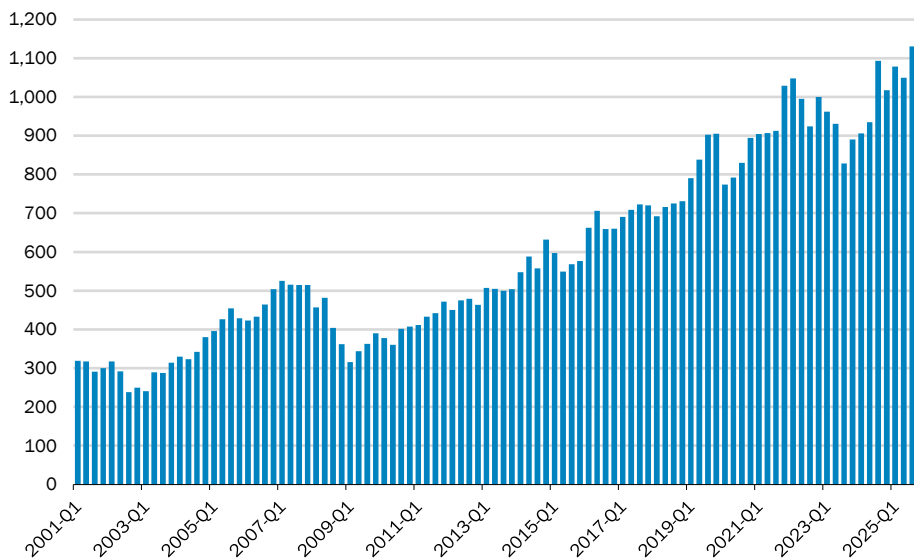
Company	Stock Symbol	\$ Market Cap	% Total	Company	Stock Symbol	\$ Market Cap	% Total
NextEra Energy, Inc.	NEE	165,746	14.90%	Edison International	EIX	23,108	2.08%
Southern Company	SO	96,094	8.64%	CMS Energy Corporation	CMS	20,958	1.88%
Duke Energy Corporation	DUK	91,189	8.20%	NiSource Inc.	NI	19,715	1.77%
American Electric Power Co., Inc.	AEP	61,676	5.54%	Eergy, Inc.	EVRG	16,709	1.50%
Sempra	SRE	57,649	5.18%	Alliant Energy Corporation	LNT	16,708	1.50%
Dominion Energy, Inc.	D	50,007	4.50%	Pinnacle West Capital Corp.	PNW	10,611	0.95%
Exelon Corporation	EXC	44,069	3.96%	OGE Energy Corp.	OGE	8,604	0.77%
Xcel Energy Inc.	XEL	43,725	3.93%	IDACORP, Inc.	IDA	6,856	0.62%
Entergy Corporation	ETR	41,273	3.71%	TXNM Energy, Inc.	TXNM	6,321	0.57%
Public Service Enter. Group Inc.	PEG	40,070	3.60%	Portland General Electric Co.	POR	5,287	0.48%
Consolidated Edison, Inc.	ED	35,825	3.22%	Black Hills Corporation	BKH	5,054	0.45%
PG&E Corporation	PCG	35,322	3.18%	MDU Resources Group, Inc.	MDU	3,989	0.36%
WEC Energy Group, Inc.	WEC	34,116	3.07%	NorthWestern Corporation	NWE	3,962	0.36%
Ameren Corporation	AEE	27,002	2.43%	Otter Tail Corporation	OTTR	3,384	0.30%
DTE Energy Company	DTE	26,699	2.40%	Avista Corporation	AVA	3,131	0.28%
PPL Corporation	PPL	25,898	2.33%	MGE Energy, Inc.	MGEE	2,866	0.26%
FirstEnergy Corp.	FE	25,832	2.32%	Hawaiian Electric Industries, Inc.	HE	2,123	0.19%
Eversource Energy	ES	25,041	2.25%	Unitil Corporation	UTL	823	0.07%
CenterPoint Energy, Inc.	CNP	25,031	2.25%	Total Industry		1,112,472	100.00%

Source: EEI Finance Dept., S&P Global Market Intelligence

XII. EEI Index Market Capitalization (at Period End)

U.S. Investor-Owned Electric Utilities

\$ Billions



Note: Change in EEI Index market capitalization reflects the impact of buyout and spin-off activity in addition to stock market performance.

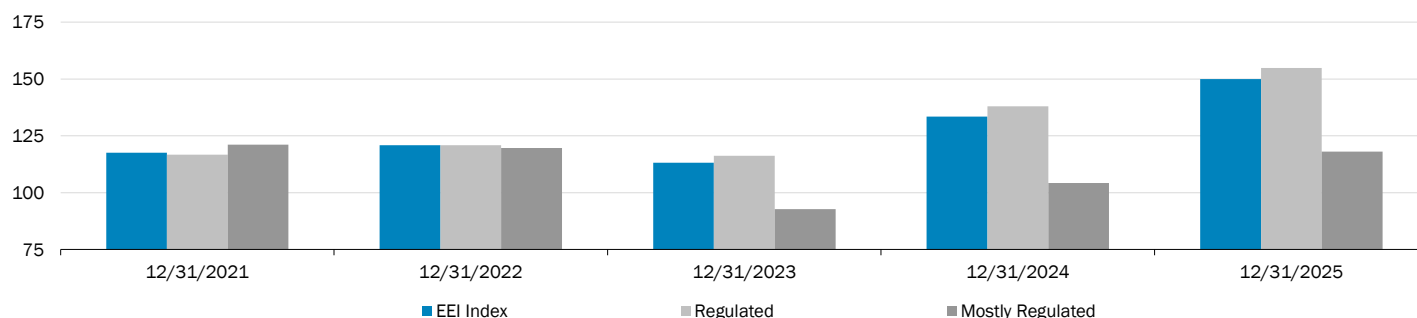
Source: EEI Finance Dept., S&P Global Market Intelligence

EEI Index Market Cap (in \$ Billions)

2010-Q1	377	2018-Q1	692
2010-Q2	360	2018-Q2	716
2010-Q3	402	2018-Q3	725
2010-Q4	407	2018-Q4	731
2011-Q1	411	2019-Q1	790
2011-Q2	433	2019-Q2	838
2011-Q3	442	2019-Q3	902
2011-Q4	472	2019-Q4	905
2012-Q1	451	2020-Q1	773
2012-Q2	475	2020-Q2	792
2012-Q3	480	2020-Q3	830
2012-Q4	464	2020-Q4	894
2013-Q1	507	2021-Q1	905
2013-Q2	505	2021-Q2	907
2013-Q3	500	2021-Q3	913
2013-Q4	504	2021-Q4	1,028
2014-Q1	548	2022-Q1	1,047
2014-Q2	588	2022-Q2	995
2014-Q3	557	2022-Q3	924
2014-Q4	632	2022-Q4	1,000
2015-Q1	597	2023-Q1	962
2015-Q2	549	2023-Q2	931
2015-Q3	568	2023-Q3	829
2015-Q4	577	2023-Q4	890
2016-Q1	663	2024-Q1	906
2016-Q2	706	2024-Q2	935
2016-Q3	659	2024-Q3	1,093
2016-Q4	660	2024-Q4	1,017
2017-Q1	690	2025-Q1	1,078
2017-Q2	708	2025-Q2	1,050
2017-Q3	722	2025-Q3	1,131
2017-Q4	720	2025-Q4	1,112

XIII. Comparative Category Total Annual Returns

U.S. Investor-Owned Electric Utilities, Value of \$100 invested at close on 12/31/2020



	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025
EEI Index Annual Return (%)		17.62	2.74	(6.30)	17.91	12.32
EEI Index Cumulative Return (\$)	100.00	117.62	120.84	113.23	133.51	149.96
Regulated EEI Index Annual Return		16.72	3.59	(3.92)	18.74	12.25
Regulated EEI Index Cumulative Return	100.00	116.72	120.91	116.17	137.95	154.85
Mostly Regulated EEI Index Annual Return		21.09	(1.15)	(22.50)	12.44	13.16
Mostly Regulated EEI Index Cumulative Return	100.00	121.09	119.70	92.77	104.31	118.03

Calendar year returns shown, except where noted. / Diversified category eliminated in 2017 due to lack of constituent companies. Returns are unweighted averages of constituent company returns. Source: EEI Finance Dept., S&P Global Market Intelligence

broad corporate profit growth — has lifted the broader market as well. For full-year 2025, the Nasdaq gained 20.4%, the S&P 500 returned 17.9%, and the Dow Jones Industrials' returned 14.9%. The EEI Index lagged the surging indices and returned 11.7% for 2025.

The AI boom and aggressive datacenter build out has dominated market psychology since 2023. Yet visions of infinite demand for power and chips that dominated Q2 and Q3 gave way in Q4 to a more questioning tone. News flow increasingly focused on the hyperscalers's AI-focused capital expenditures, which have ballooned to 40% to 60% of quarterly revenue, and on the relative lack of resulting tangible AI revenue streams. Many noted that interconnection wait times for new data centers have risen from roughly three years early in 2025 to as high as seven years at year-end. Sentiment in Q4 seemed to shift from faith to a focus on ROI and executable power-delivery timelines.

These implied reality checks likely suppressed the EEI Index in Q4 and independent power producers more directly since any slowing in AI growth means less demand for electricity. IPPs were off 5% to 20% for the quarter.

Strong Economic Data Resumes After Shutdown

Investors had to contend with an absence of familiar economic data from October 1 until the U.S. government shutdown ended on November 12. October inflation wasn't measured, but headline CPI inflation for both November and December was 2.7%, down from near 3% during the summer. The first estimate of Q3 real GDP, delayed until

XIV. EEI Index Top Ten Performers

For the 12-month period ending 12/31/2025

Company	% Return	Category
American Electric Power Company, Inc.	29.3	R
Hawaiian Electric Industries, Inc.	26.4	R
NorthWestern Corporation	26.3	R
Entergy Corporation	25.3	R
Black Hills Corporation	23.9	R
CenterPoint Energy, Inc.	23.7	R
TXNM Energy, Inc.	23.3	R
Eversource Energy	22.7	R
Eergy, Inc.	22.3	R
Exelon Corporation	20.0	R

Note: Return figures include capital gains and dividends. R = Regulated, MR = Mostly Regulated. Source: EEI Finance Department

December 23 due to the shutdown, added to confidence with a very strong 4.3% reading after a 3.8% Q2 gain.

Wall Street's corporate profit outlook, which already anticipated a strong 2025, remained bullish during Q4 as well. According to data sourced from Wall Street analysts and compiled by Zacks Investment Research as Q4 ended, full-year 2025 earnings for S&P 500 companies were expected to grow 11.6% on a revenue gain of 5.9%. The outlook for 2026 and 2027 retained a positive tone, with projected profits up about 12.3% and 15.1%, respectively, on revenue gains over 6.9% each year.

Fed Cuts Twice in Q4

Cooling price pressures without reported strong economic data gave the Federal Reserve cover to cut rates 25 basis points at its late October meeting and another 25 basis points at the final meeting of 2025 on December 10. The 10-year Treasury traded sideways throughout Q4 in a narrow range between 4.0% and 4.2%. Utilities as a group were almost a mirror image, trading narrowly in sync with the 10-year bond's rate moves.

Q3 Earnings Calls Tilt Growth Rate Guidance Higher

Utility management teams maintained a conservative stance throughout 2025 on quantifying the earnings growth expected from rising load forecasts. The Wall Street view of secular load growth as cited in Q4 research ranged from 2.5% to as high as 5%. Widely followed consultant Grid Strategies forecast 5.7% load growth over the next five years.

Q3 2025 earnings calls — held in October and November — produced four formal upticks in earnings growth rate guidance. Six or seven companies said they are now targeting the higher-end of their stated range. Other than the four upticks, most published targets were unchanged from calls held during Q1, and show a variety that reflects wide variations in regional load growth opportunities.

Number of Companies	Q3 2025 LT EPS Growth Guidance
4	4% to 6%
12	5% to 7%
9	6% to 8%
1	7% to 8%
4	7% to 9%
2	8%+

Affordability in Focus

Affordability was a key topic across Wall Street's equity research during the fourth quarter. Analysts noted that broad media coverage of affordability concerns had not yet compromised regulatory support for utility capital expenditure plans.

Utilities in their earnings calls pointed to rate design changes, multi-year rate plans, cost discipline, and load growth as tools to smooth bill impacts over time. While data centers have been linked with demand-driven price spikes, analysts pointed out that revenue from data centers can actually be a mitigating factor, depending on rate design. Managements stressed efforts to align large new customers more closely with the costs they impose, and underscored the benefits of efficiency programs, demand response, and spreading fixed costs across a growing customer base.

EEI Conference Showcases Optimism

Analyst research coverage of the EEI Financial Conference held in November cited well-attended meetings and investor excitement over data center-driven load growth, and the related capex for the generation and transmission infrastructure that meets this demand. Wall Street also saw as key risks the execution challenges that come with large infrastructure programs — particularly related to labor availability and equipment procurement — and the potential for affordability concerns to impact the regulatory treatment of this rising investment. Wall Street also noted the focus on data centers is not uniform, with some regions and companies experiencing more pronounced growth than others, reflecting varying levels of infrastructure readiness across the nation.

More than AI

Utility investors don't view AI-driven demand in isolation; they recognize that electrification of transportation and heating, grid modernization, on-shoring of manufacturing and regional economic growth make demand growth more than a single-theme story. Utility stock strength since 2023 has been eclipsed by tech-fueled enthusiasm. But if current dreams of an AI future and the related data center mania eventually prove to have a bubble component to them, the wide set of power demand drivers seem likely to ensure that utility growth prospects will remain steady. ■