

Annual Utility 

Decarbonization Report

2026



Brought to you in partnership with



01

Preface

The National Public Utilities Council (NPUC) is proud to present the Fall 2026 Utility Decarbonization Report, which evaluates and ranks the largest U.S. investor-owned utilities based on their decarbonization efforts using publicly available data. Since launching last year's edition, we have continued to refine our approach with the goal of delivering the clearest, most actionable insights to utilities, regulators, and stakeholders.

This Fall 2026 edition builds on that foundation, capturing the remaining 2024 utility data and incorporating any available 2025 data submitted as of June 2026. By publishing on a rolling basis, we continue to address the lag in utility reporting that too often slows climate action.

In this edition, we've made a meaningful shift in how we deliver our findings:

A Streamlined, Sharper Report

We've refined this edition to focus on what matters most: our main decarbonization index and the key takeaways that define the sector's progress. By narrowing our focus, we're able to deliver a clearer, faster read. One that gets straight to the insights that utilities, regulators, and stakeholders need most.

For those seeking a deeper level of analysis, NPUC offers expanded, metric-level deep dives available upon request. Please reach out to NPUC directly to learn more.

For more information contact us at

NPUC@motive-power.com

Table of Contents

03

How the Utility Decarbonization Index Is Scored — (Pg. 4)

04

The 2026 Utility Decarbonization Index — (Pg. 6)

05

Top 5 Key Takeaways — (Pg. 8)

06

Year-over-Year Progression — (Pg. 12)

07

The Path Forward — (Pg. 14)

08

Summary — (Pg. 18)

09

About NPUC — (Pg. 22)

10

Collaborators — (Pg. 23)

02

How the Utility Decarbonization Index Is Scored

03

Methodology

The 2026 Annual Utility Decarbonization Index utilizes the latest available data (2024 or 2025) at the time of collection (June 2026) to track the decarbonization progress of the 47* largest U.S. investor-owned utilities (IOUs) using the following six metrics.

All six metrics are assigned weights in the calculation of the final overall index scores.



*Utilities with less than two million MWh of owned generation were excluded from the report.

Metric 01 10% **Total CO₂ Emissions** Absolute CO₂ emissions from owned and purchased electricity generation. = Sum of CO₂ emissions from owned and purchased energy generation

Metric 02 20% **CO₂ Emissions Intensity** The amount of CO₂ emitted per megawatt-hour of electricity generated and purchased. = $\frac{\text{Total CO}_2 \text{ emissions from owned and purchased generation}}{\text{Total owned and purchased net generation}}$

Metric 03 20% **CO₂ Emissions Per Customer** CO₂ emissions from owned and purchased electricity generation per customer. = $\frac{\text{Total CO}_2 \text{ emissions from owned and purchased generation}}{\text{Total residential customer equivalent (RCE)}}$

Metric 04 25% **Fuel Mix** The share of carbon-free sources in a company's owned generation mix (nuclear and renewables). = $\frac{\text{Owned net generation from low-carbon sources}}{\text{Total owned net generation}}$

Metric 05 15% **Decarbonization Goals** An evaluation of each utility's long-term decarbonization target and reported progress toward emissions reduction.

Ultimate goal	Reported Progress
Utilities receive higher scores for long-term goals that reach net zero before 2050 and cover Scopes 1, 2, and 3; lower scores are assigned to narrower Scope 1 and 2-only targets or companies with no stated goal.	Utilities receive higher scores for deeper disclosed emissions reductions, especially when progress covers all scopes or both Scopes 1 and 2 emissions; companies with limited progress disclosure or rising emissions receive lower scores.

Metric 06 10% **Normalized Emissions Reduction per Billion Invested** The decline in CO₂ emissions from electricity generation, relative to 2024 emissions, achieved per billion dollars spent on capital expenditures from 2020–2024. = $\frac{\left(\frac{\text{Difference in owned and purchased generation CO}_2 \text{ emissions from 2020–2024}}{\text{2024 emissions}} \right)}{\text{Total CAPEX from 2020–2024}}$

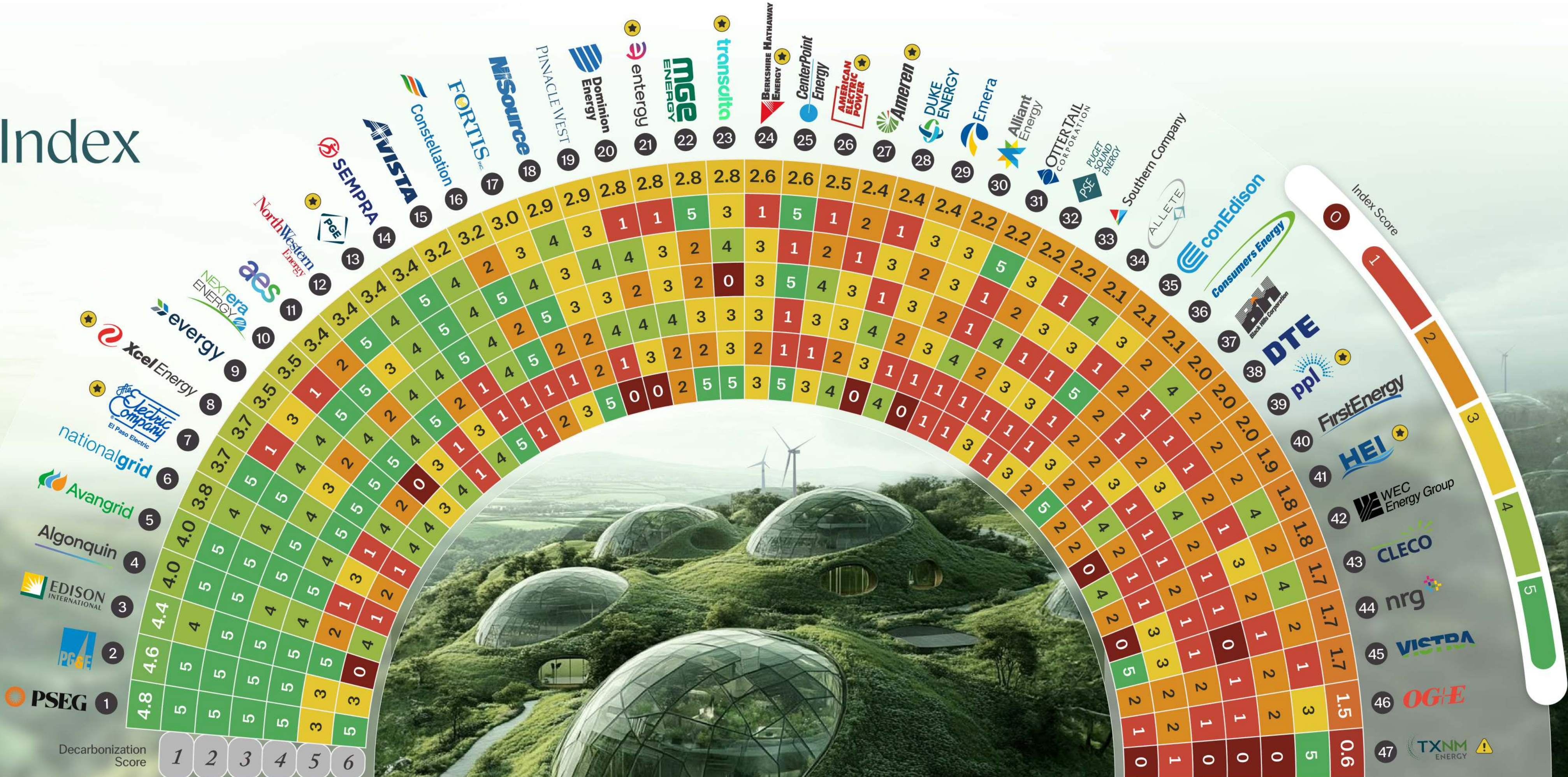
The 2026 Utility Decarbonization Index

IOUs are evaluated against six metrics based on their 2024/2025 sustainability and EEL reports, which are then averaged and weighted to find their overall decarbonization score.

Metrics

Total CO ₂ Emissions	1
Emissions Intensity	2
Emissions Per Customer	3
Fuel Mix	4
Decarbonization Goals	5
Normalized Emissions Reduction per Billion Invested	6

- ★ Utility reported 2025 data
- ⚠ Utility did not report full 2024 data



04

Top 5 Key Takeaways

1

More clean power, but more emissions too

Clean power grew, but it did not replace fossil power. Utilities used more of both.

Because coal produces more emissions than natural gas, its growth had an especially large effect.

**+50M
MWh**

Carbon-free

**+32M
MWh**

Fossil Fuels

**+14M
MWh**

Coal

2

A few large increases outweighed major cuts

The overall increase in emissions was concentrated among a few of the largest power producers. Their increases were large enough to outweigh major cuts made by other utilities.

This shows how strongly a small number of large companies can shape the industry's overall results.

2026 Report Emissions

2025 Report Emissions

44.4
Mt

 **entergy**

49.2
Mt

49.3
Mt

 **BERKSHIRE HATHAWAY
ENERGY**

56.2
Mt

86.3
Mt

 **VICTRA**

104.9
Mt

3

AI and data centers add to the demand test

+0.6%



2024 report → 2025 report

+1.7%



2025 report → 2026 report

The amount of electricity generated by comparable utilities grew much faster than it did in the previous report. AI and data centers are adding to demand, along with growth from homes, businesses, and industry.

Faster demand growth raises the bar for utilities. They must add clean power quickly enough to meet new needs without relying more heavily on fossil fuels.

4

On the bright side

Total emissions rose, but progress was still widespread across the industry. Most comparable utilities improved at least one key measure, such as cleaner generation or lower emissions per customer.

These gains matter, but they must eventually lead to lower total emissions as electricity demand grows.

80.4%

Share of Utilities Improving

5

aes

-6.2Mt

FirstEnergy

-7.3Mt



Southern Company

-12.8Mt

Other large utilities made major cuts

Some of the largest emissions reductions came from utilities that began with high emissions. Because these companies generate power at a large scale, changes to their fossil-fuel use can have an outsized effect.

Their results show where some of the industry's biggest near-term emissions cuts may be possible.

Year-over-Year Progression

The Decarbonization Index is designed to assess utility progress toward cleaner power, but year-over-year movement also helps show which companies are gaining or losing ground.

As the Index evolves with updated data, added utilities, and methodology refinements, this page tracks how the top 20 companies have shifted in the rankings.

*Florida Power & Light was listed separately in 2022, but is a subsidiary of NextEra Energy and is reflected under NextEra Energy in later editions.

2022 Ranking

1	PSEG
2	NextEra Energy
3	PG&E
4	Avangrid
5	Constellation
6	PGE
7	Dominion Energy
8	FPL
9	PNM Resources
10	Alliant Energy
11	conEdison
12	FORTIS
13	American Electric Power
14	Consumers Energy
15	evergy
16	nrg
17	aes
18	Xcel Energy
19	WEC Energy Group
20	DTE

2023

▲ 4	Constellation
▲ 2	Avangrid
▼ 2	PSEG
▼ 1	PG&E
NEW	EDISON INTERNATIONAL
NEW	AVISTA
▼ 5	NextEra Energy
NEW	Algonquin
NEW	PSE PUGET SOUND ENERGY
▲ 1	conEdison
▼ 5	PGE
NEW	NorthWestern Energy
▲ 2	evergy
NEW	SEMPRA
▼ 8	Dominion Energy
▼ 4	FORTIS
▼ 7	Alliant Energy
NEW	Pinnacle West
▲ 5	Emera
▲ 2	entergy

2024

▲ 3	PG&E
—	Avangrid
—	PSEG
▼ 3	PG&E
▲ 2	EDISON INTERNATIONAL
▲ 2	AVISTA
▲ 3	NextEra Energy
▼ 3	Algonquin
▲ 5	PSE PUGET SOUND ENERGY
▲ 5	conEdison
▲ 6	PGE
▲ 4	FORTIS
▼ 2	evergy
▲ 15	SEMPRA
▲ 10	Dominion Energy
▲ 3	FORTIS
▲ 9	Alliant Energy
▲ 5	Pinnacle West
▼ 1	Emera
▼ 7	entergy

2025

▲ 2	PG&E
▼ 1	Avangrid
▼ 1	PSEG
▲ 2	Constellation
▲ 3	NextEra Energy
▲ 3	Algonquin
▼ 3	conEdison
▲ 5	EDISON INTERNATIONAL
▼ 4	SEMPRA
▲ 15	Dominion Energy
▼ 1	Alliant Energy
▼ 5	FORTIS
▲ 14	PGE
▲ 4	MGE ENERGY
▲ 20	WEC Energy Group
▼ 4	Emera
▲ 14	transalta
▲ 14	Xcel Energy
▲ 2	Pinnacle West
▲ 3	evergy

2026

1	—	PSEG
2	—	PG&E
3	▲ 2	EDISON INTERNATIONAL
4	—	Algonquin
5	▼ 2	Avangrid
6	▲ 4	nationalgrid
7	NEW	Electric Company El Paso Electric
8	▲ 6	Xcel Energy
9	▲ 17	evergy
10	▼ 1	NextEra Energy
11	▲ 7	aes
12	▲ 1	NorthWestern Energy
13	▼ 5	PGE
14	▼ 8	SEMPRA
15	▲ 4	AVISTA
16	▼ 9	Constellation
17	▼ 1	FORTIS
18	▼ 1	NiSource
19	▲ 8	Pinnacle West
20	▼ 9	Dominion Energy

07 Path Forward

As the utility sector prioritizes energy security, the path forward will require even more precision, accountability, and innovation. The challenges are complex, but so are the tools now available to meet them.

The Fall 2026 Utility Decarbonization Report builds on earlier progress with sharper metrics and a refined ranking system. Looking ahead, utilities must continue to align strategy with urgency, integrating climate goals into every facet of their operations, even as unprecedented demand growth from data centers, and, AI reshape the grid.



1.

Load growth vs. climate commitments

Data center and AI-driven demand is growing faster than utilities have planned for in decades, putting pressure on existing decarbonization timelines.

Utilities will need to find new ways to meet this load without defaulting to legacy fossil generation, whether through accelerated renewable buildout, storage, or demand flexibility. How utilities navigate this tension will be one of the defining decarbonization stories of the coming years.



2.

Hyperscaler clean energy partnerships

Hyperscalers are increasingly willing to fund or co-invest in clean generation to secure the power they need, from long-term power purchase agreements to behind-the-meter and co-located projects.

Utilities that develop structured partnership models with large tech customers may be able to accelerate clean capacity additions while shifting more of the cost and risk off ratepayers.



3.

The case for nuclear

The need for firm, always-on carbon-free power to support data center load is driving fresh utility interest in nuclear, including small modular reactors (SMRs) and life extensions for existing plants.

Utilities will need to weigh long lead times and capital intensity against the reliability and decarbonization benefits these technologies offer for meeting baseload demand.



4.

Grid modernization as climate infrastructure

Rising demand is exposing bottlenecks in interconnection queues and transmission capacity, and these bottlenecks are now a climate issue as much as a reliability one.

Utilities that invest in grid modernization, faster interconnection processes, and expanded transmission will be better positioned to bring new clean generation online quickly enough to keep pace with demand.



5.

Disclosing data center emissions impact

As data centers become a larger share of utility load, stakeholders will expect clearer visibility into how this growth affects overall emissions performance.

Utilities may need to develop new reporting practices that isolate and disclose the emissions impact of large-load customers like data centers, ensuring decarbonization progress remains transparent even as the underlying load mix shifts.

08

Summary

This Is the Moment That Defines the Next Decade of Power

The 2026 Utility Decarbonization Index ranks the nation's largest investor-owned utilities on where they stand in the decarbonization journey: how much they've cut emissions, how clean their fuel mix is, and how credible their long-term goals are. PSEG led the rankings this year, followed by PG&E and Edison International. But leadership on the Index is no longer the whole story.

A new test is arriving fast, and it will decide whether today's leaders can stay leaders. The numbers show both progress and strain. Utilities added more carbon-free generation than ever, but fossil generation grew alongside it, and a rebound in coal pushed industry-wide emissions higher, driven by a small number of large producers. That concentration is the headline: a handful of companies can swing the industry's total results in either direction. Progress was still real.

Of 46 utilities with comparable data, 37 improved on at least one key measure. But that progress is now colliding with something the Index wasn't built to measure directly: demand growth from AI and data centers is outpacing what utilities planned for, and it is arriving faster than most decarbonization timelines assumed. That collision is the real test now in front of every utility leader. Ranking well on today's Index means little if tomorrow's demand surge forces a utility back toward the fossil generation it's spent years reducing.

The next stage of the transition will not be won by adding more power. It will be won by adding the right power, fast enough to meet demand without undoing the progress already made.

Where Utilities Must Act Now



Close the gap between load growth and climate commitments.

Data center and AI-driven demand is arriving faster than most utilities planned for. Standing still on existing decarbonization timelines is no longer an option. Utilities need to decide now whether that new demand is met with accelerated renewables, storage, or demand flexibility, because the alternative is more fossil generation by default, and a step backward on the very metrics the Index measures.



Turn hyperscalers into partners, not just customers.

The tech companies driving this demand are willing to fund and co-invest in clean generation to secure it. Utilities that move first to build structured partnerships, from long-term power purchase agreements to behind-the-meter projects, will add clean capacity faster and shift cost and risk off ratepayers. Utilities that wait will absorb both.



Put nuclear back on the table.

The demand for firm, always-on carbon-free power is real, and SMRs and life extensions are the utilities' best answer to it. The lead times are long and the capital intensity is real, but the utilities that start now will be the ones with reliable, low-emissions baseload capacity when everyone else is still deciding.



Treat grid modernization as climate infrastructure, not just reliability spend.

Interconnection queues and transmission bottlenecks are no longer just operational headaches. They are what stands between clean generation and the grid. Utilities that invest now in modernization and faster interconnection will be positioned to bring new capacity online while others are stuck waiting, and stay on track toward their decarbonization goals in the process.



Get ahead of data center emissions disclosure.

Stakeholders will expect clear visibility into how large-load customers affect a utility's overall emissions performance. Utilities that build transparent reporting now, before it is demanded of them, will control their own narrative instead of reacting to someone else's, and will protect the credibility of their Index standing.



The Bottom Line

The Index shows who has led the decarbonization journey so far. It does not yet show who can hold that lead against the biggest demand surge the industry has ever faced. Clean capacity is growing, partnerships are available, and the technology to meet this moment already exists.

The utilities that lead next year's Index will be the ones that treated 2026 as the year to get ahead of demand, not the year they let it erode years of progress. This is a defining moment for the sector, and the leaders who act now on load growth, hyperscaler partnerships, nuclear investment, grid modernization, and emissions transparency will be the ones telling next year's clean energy story instead of explaining last year's missed one.



About NPUC

The National Public Utilities Council (NPUC) is a leading research organization dedicated to driving progress in the decarbonization of power generation. The council fosters collaboration between public utilities, providing a platform for sharing ideas and finding innovative solutions to the challenges of reducing carbon emissions.

For five years, NPUC has published the Utility Decarbonization Report, establishing itself as a trusted, independent benchmark for evaluating utility climate performance. What began as an effort to bring transparency to the sector has grown into a widely referenced standard for utilities, regulators, and stakeholders tracking progress across the industry.

NPUC's Goals

01 Share knowledge and experience across utilities and assist in lessons learned on decarbonization efforts.

02 Create a knowledge repository for utilities to use in pursuit of their decarbonization goals.

03 Track the evolving relationship between energy demand growth and utility decarbonization efforts.

From championing practical solution-based roundtable discussions to being a repository of knowledge and research for utilities, NPUC is pioneering the decarbonization movement and forging new paths for utility decarbonization efforts.

Collaborators

Authors/Research

Ryan Bellefontaine
Cody Good
Denise Owusu
Jacqueline Samaniego

Design

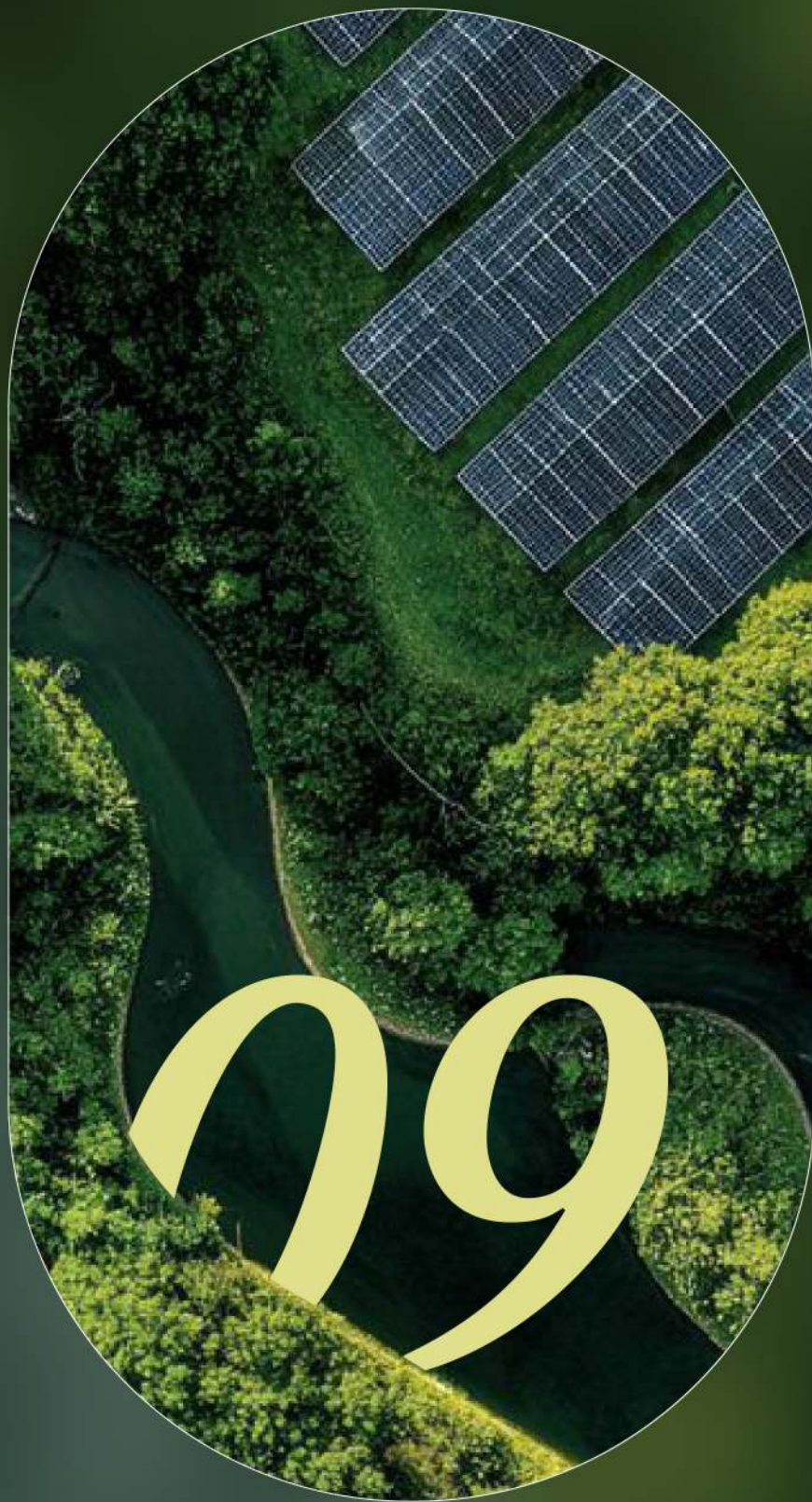
Abha Patil
Jennifer West

Editors

Chris Dickert
Jenn Peters

With Thanks to

Angel Lance
Juan Carlos Cevada





Annual Utility
**Decarbonization
Report**
2026

Brought to you in partnership with

