

5 forces reshaping industrial energy strategy

The energy environment has changed. Every quarter of delay costs more than the last. Rising demand, rate volatility, and grid instability are creating real financial and operational exposure across industrial portfolios.



Electricity demand growth is accelerating

Reliability risk

Grid stress, tighter supply margins, and extreme weather are increasing operational exposure.

17x

faster than it did for the previous two decades

Industrial rate pressure

U.S. industrial rates have risen 35% since 2020 — and utilities across the U.S. are requesting significant rate increases.

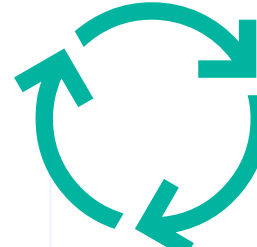
01

Energy now affects core business performance

Harder-to-forecast energy costs show up as budget variance. Reliability failures show up as continuity risk. These pressures are landing on executive agendas — not just facilities teams.



Cost predictability



Production continuity



Capital planning

Utilities have proposed over

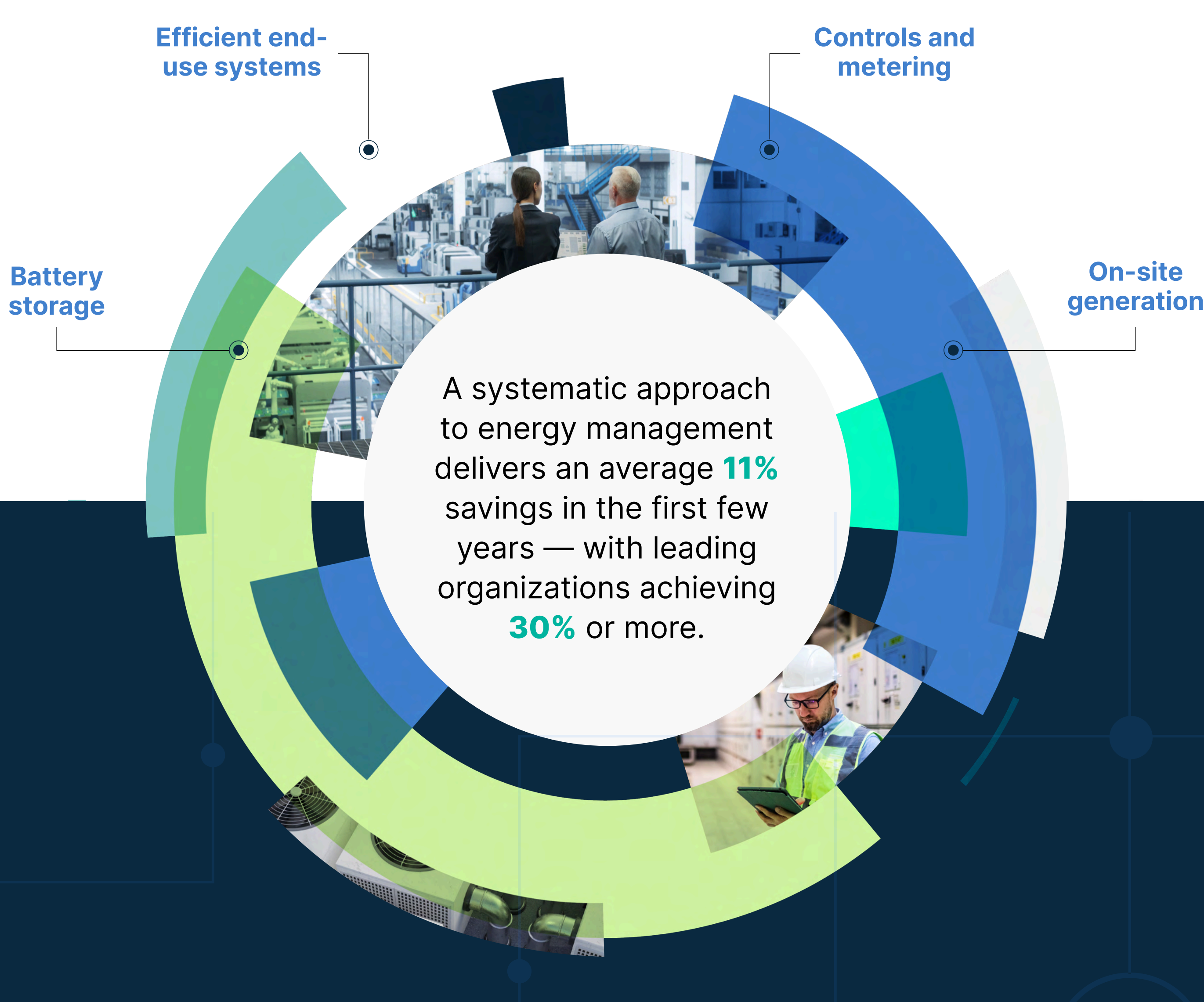
\$70B

in additional rate increases through 2028.

02

Modern infrastructure helps organizations control energy exposure

Leading industrial organizations are moving beyond individual building upgrades. By combining efficient systems, smart controls, on-site generation, and storage into a coordinated portfolio strategy, they're converting energy from an uncontrolled cost into a managed exposure.



03

Portfolio modernization captures value faster

Coordinating upgrades across facilities changes the economics — prioritizing where modernization creates the most value first and generating returns that fund and sustain programs at scale.



Site-by-site model

fragmented projects, slower progress, delayed value

Start time → Later

Time to impact → Staggered

Value captured → Delayed

vs



Portfolio model

coordinated roadmap, faster execution, earlier savings

Start time → Now

Time to impact → Accelerated

Value captured → Pulled forward

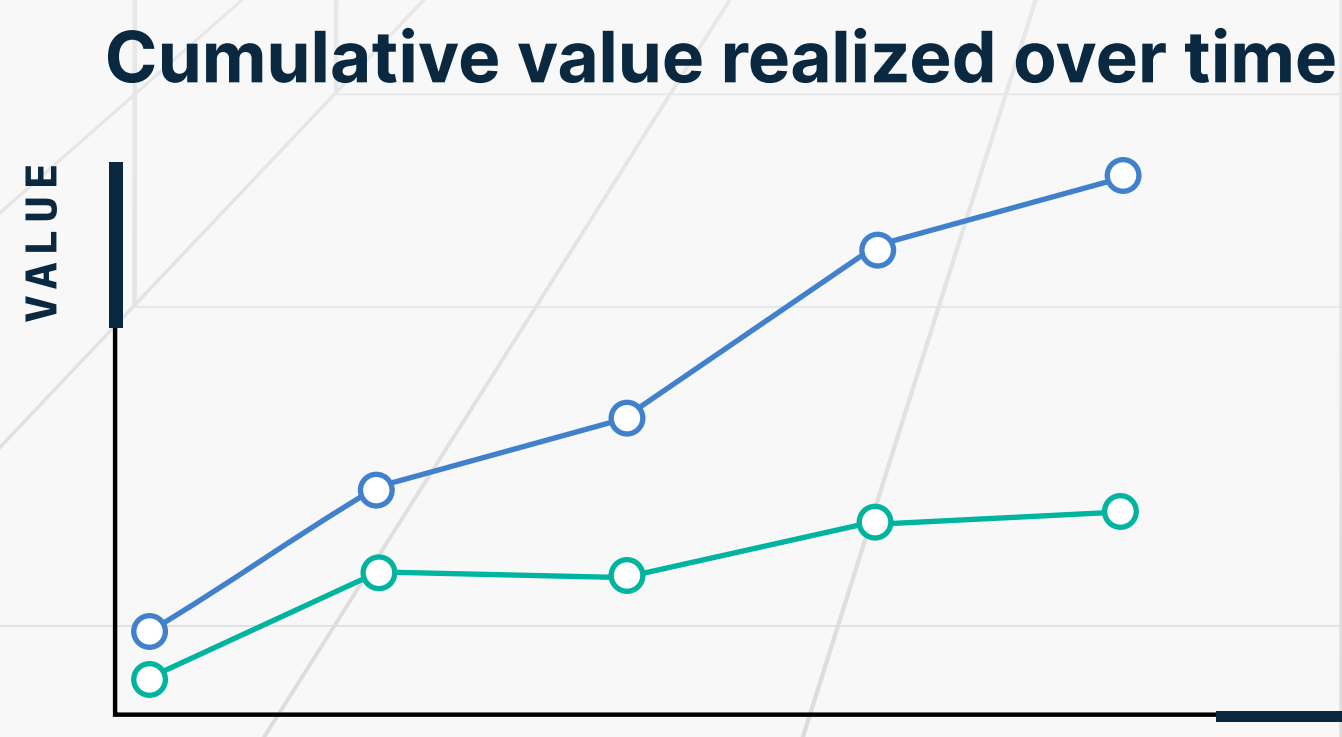
A coordinated portfolio approach can pull forward **millions in additional value** — and compress time to value by years compared to site-by-site execution.

04

The cost of waiting compounds with every quarter of delay

Most organizations aren't falling behind because they made the wrong decision — they're falling behind because they haven't made one. Every quarter of delay adds cost, defers savings, and compounds the gap.

Cumulative value realized over time

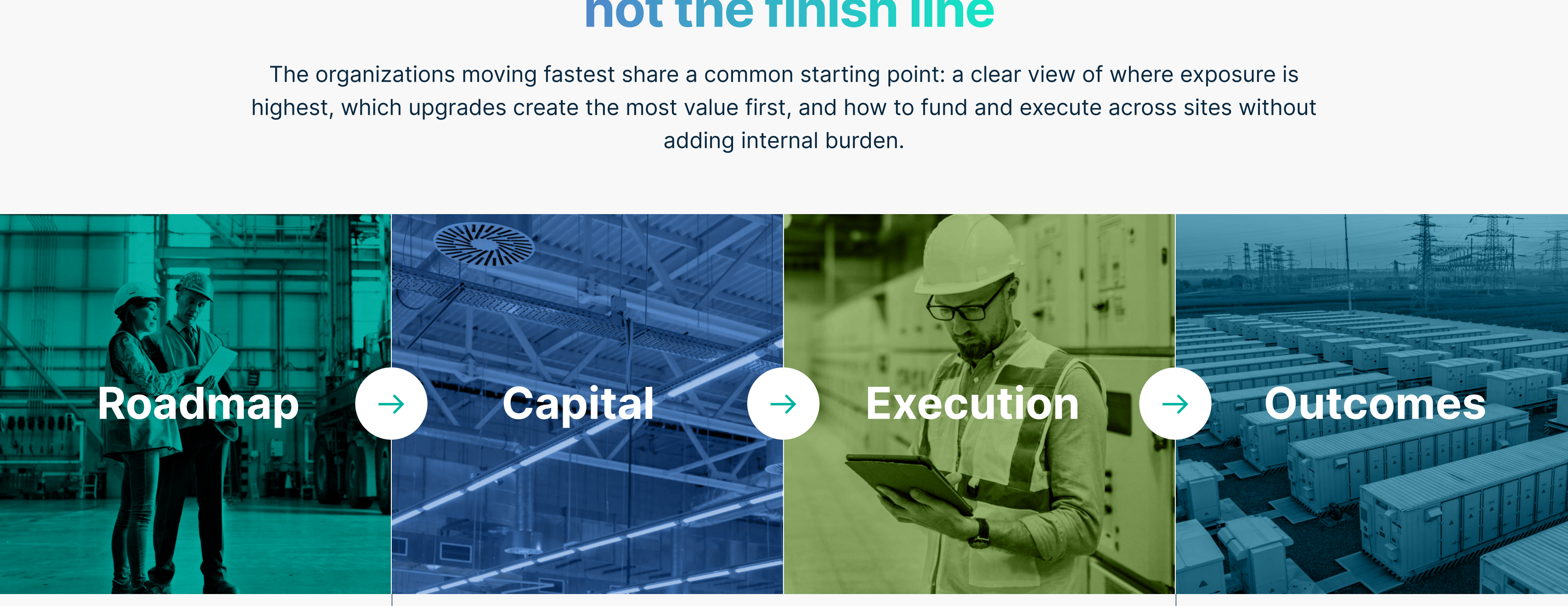


Nonresidential construction and equipment costs have risen **40%** since 2020 — meaning delayed projects often cost more to execute today before capturing a single dollar of savings.

05

The roadmap is the starting point, not the finish line

The organizations moving fastest share a common starting point: a clear view of where exposure is highest, which upgrades create the most value first, and how to fund and execute across sites without adding internal burden.



Organizations with a coordinated modernization roadmap capture value a full year faster than those managing upgrades site-by-site.

Is your current approach built for the new energy reality?

Higher project costs, aging infrastructure generating ongoing maintenance spend, and savings that modernization would have captured — all moving further out of reach with every quarter of inaction.

See the five moves forward-looking organizations are making.

[Download the guide →](#)

Data Sources

- 17x electricity demand growth. Source: [IEA Global Electricity Review](#)
- 35% rate increase. Source: [U.S. Energy Information Administration](#)
- \$70B+ rate increases. Source: [Center for American Progress, Electric and Natural Gas Utility Rate Hikes Tracker \(Dec. 2025\)](#)
- Cost of Waiting Graph: Redaptive illustrated example
- Value Capture - "A Full Year Faster": Independent customer analysis by Bain & Company
- 11% avg / 30%+ savings. [IEA — Energy Management Case Studies](#)
- 40% increase. [AGC analysis of BLS Producer Price Index data](#); BLS PPI