Beyond the Headlines: How Energy Executives Dealt with 2025 and See Growth and Risk in 2026

If the last year was a time of major disruption and shifting strategies for companies in the energy industry, 2026 may be the year when those organizations realize the rewards of managing through a volatile industry landscape.

Executive Summary

After a year that brought unpredictable tariffs (and their associated costs to raw materials and equipment), global economic shifts, and significant technology advancements, energy companies are optimistic about what's next. **For 2026, 90% anticipate growth for their company's financial outlook, according to a survey* of 300 U.S. energy executives conducted for Pathward.** Some of that growth may arise from stabilizing economic factors, new technological efficiencies, and data-center growth. Eighty percent of energy executives cite the boom in data centers as an influential factor in decisions and investments at their company.

As with other industries, the rise of artificial intelligence (AI) is having a major impact on future planning and investments. Despite broad consensus that the energy industry lags in AI deployment (94%), nearly two-thirds of executives (63%) believe their own organizations are ahead of their sector peers in adopting AI.

Looking ahead, executives cite navigating existing and potential tariffs (51%), implementing automation within operations (79%), and sustaining investment in renewable energies amid rollbacks on tax credits and rebates as key challenges.

Against this backdrop, growing energy demand and infrastructure expansion are increasing the industry's ability to drive national conversation and potentially leverage policy in their favor. An overwhelming majority (82%) believe the sector is better positioned to help shape U.S. energy policy today than it was a year ago.

Key Findings

90%

Predict financial growth for their company in 2026

82%

Believe the energy industry has a stronger ability to lead and shape U.S. energy policy than a year ago

80%

Cite data center growth as a strategic influence or primary driver of change, decisions, and investments at their company

51%

Anticipate existing or potential new tariffs will have an influence on their 2026 business planning

63%

Rank their company ahead of the curve compared to other energy sector companies in adopting AI

However…

94%

Believe the energy sector as a whole has a lot of work to catch up to other industries in deploying AI technologies

79%

Believe more than a quarter of their company's operations could be automated over the next three years

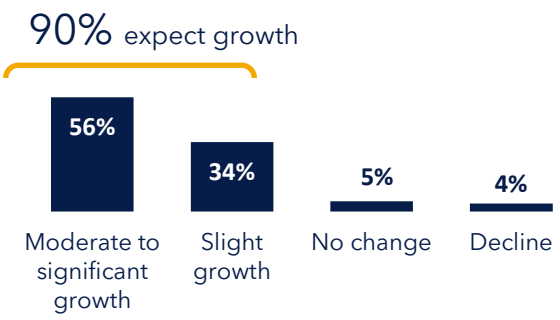
29%

Indicate it could replace more than half of their operations

2026's Bright Outlook After a Challenging 2025

After a year marked by global economic shifts and the effects of tariffs, energy executives enter 2026 with an optimistic outlook. Ninety percent expect their organizations to grow, and more than half (56%) expect moderate to significant growth.

Financial outlooks for 2026 are optimistic



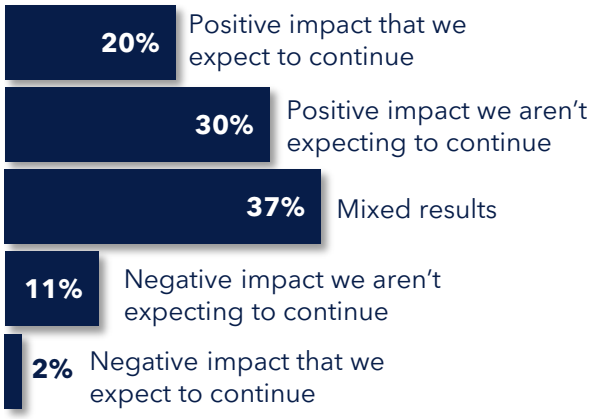
Part of that optimism derives from surging data-center development. This unprecedented growth has been accelerated by growing data consumption and infrastructure requirements for AI technologies.

Eighty percent of executives cite data center growth as a strategic influence for their company with over a third (35%) saying it is driving major change across operations, strategy, or revenue. The impact is more significant among companies generating non-fossil fuel energy (46%**) compared with those based on fossil fuels (31%).

Energy regulation changes that have been happening nationwide are also leading executives to view the energy industry as a stronger force to be reckoned with going into 2026. More than four out of five executives (82%) believe the energy industry has a stronger ability to lead and shape U.S. energy policy than it did a year ago, with just under a quarter (21%) feeling the ability to influence is significantly stronger than last year.

Headlines in 2025 focused on the cost and turbulence of global tariffs and trade. But for the energy industry, the narrative was more complex. Thirty-seven percent of executives reported mixed financial impacts, while half (50%) experienced positive ones. Positive outcomes were more common among companies with 1,000 or more employees (59%) than among small or mid-sized firms (46%).

Economic shifts of 2025 had varied impacts in energy

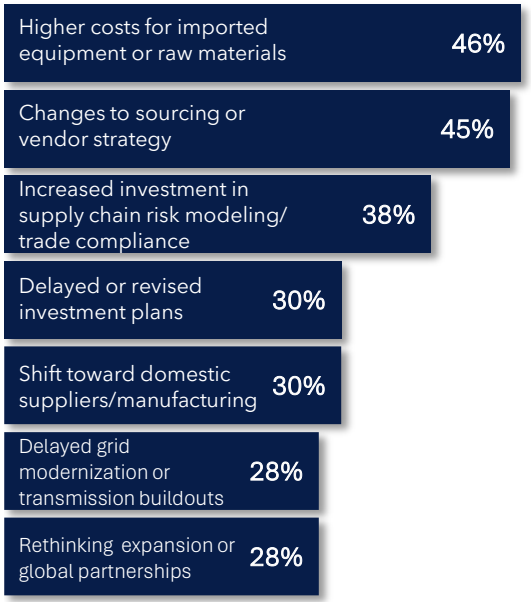


***Low base size; findings are directional.*

One strategy U.S. companies employed to manage economic volatility was to pivot their supply chains toward domestic partners. Eighty-three percent of energy executives reported shifting at least some material sourcing and supply-chain infrastructure to the U.S. in 2025. Large or enterprise companies were more likely to shift domestically (89%) than small or mid-sized companies (79%).

Tariffs also created meaningful challenges for energy companies, driving higher costs for imported equipment or raw materials (46%), changes to sourcing or vendor strategies (45%), and increased investments in supply-chain risk modeling and trade compliance (38%). Beyond near-term impacts, tariffs placed pressures on long-term strategic efforts: nearly a third (30%) delayed or revised investment plans due to tariffs, delayed grid modernization or transmission buildouts (28%), or rethought market expansion or global partnerships (28%).

Tariff-related impacts



Optimistic economic forecasts for 2026 do not negate complex challenges anticipated in the year ahead.

Spotlight

Renewables

One of the major challenges emerging from 2025 may also be a defining opportunity in 2026: renewable energy. Policy changes – including rollbacks to energy credits and elimination of electric vehicle tax credits – required tactical maneuvering for companies operating in these sectors.

Rather than abandoning planned renewable technologies, many energy executives found workarounds or adapted to these shifts. More than half sought alternative financing for renewable projects (54%) or increased investment as others pulled back (53%).

While some companies reduced near-term spending on renewable technologies (41%), more chose to pause initiatives with the intention to resume rather than cancel them (45%).

The takeaway is positive. Renewables remain very much part of the industry's long-term strategy.

Spotlight

Regulatory Impacts

Energy leaders saw regulatory changes across the industry in 2025 prompting many to reassess and adjust their planning. Updates included oil and gas compliance extensions, rollbacks on renewable subsidies, and actions to accelerate permitting in the industry.

The majority (62%) describe the impact of 2025 regulatory changes as a mix of benefits and disruptions. Large or enterprise companies were more likely to report beneficial effects (41%) than small or mid-sized firms (17%). Overall, just 10% of executives viewed regulatory changes as mostly disruptive or costly.

Regulatory reform has opened new opportunities for energy organizations, but its pace has complicated strategic planning – creating both challenges and advantages. For 36% of executives, regulatory changes have shortened their window for long-term strategy planning. However, 43% reported these changes have extended their planning trajectory – a trend more favorable to enterprise companies (65%) than small or mid-sized ones (53%).

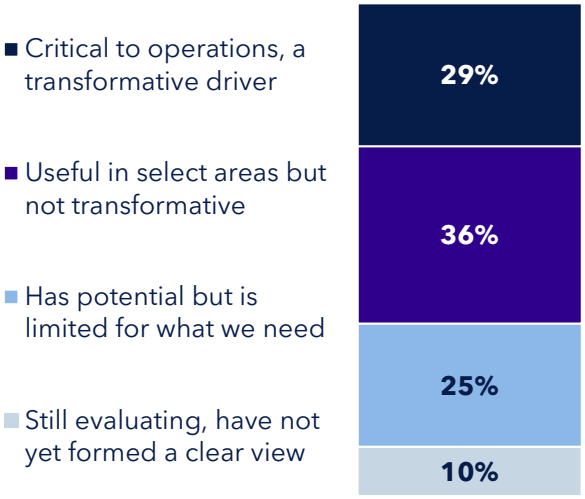
Regulatory changes impact strategic planning timelines

The Path Toward AI

Even as energy executives almost unanimously believe their sector as a whole is lagging on AI adoption, they see significant potential in AI-driven technology.

As automation, robotics, and agentic AI technologies quickly evolve, about two-thirds of executives (65%) expect AI will be useful for their company's operations in the next 12 months, including more than a quarter (29%) who indicate it will be critical to their operations.

AI will play a pivotal role for many in 2026



Large, enterprise-sized energy companies are even more bullish on AI's potential. At these organizations, 42% of executives view AI as critical to operations over the next 12 months and as a transformative driver of business value, compared to just 21% at small or mid-sized companies.

A striking disconnect exists within the sector's view on AI adoption. Executives largely perceive their own companies are ahead of the curve with nearly two-thirds (63%) suggesting they lead peers in AI adoption. This sentiment is stronger among large/enterprise (70%) though still common among small or mid-sized companies (59%). In fact, only 11% of executives admit their organization is behind.

Yet 94% of executives feel the energy industry lags in AI deployment against other industries. This may pinpoint a gap between individual/organizational confidence and collective concern. Energy companies are embracing AI, but the sentiment is that there haven't been enough successful pilots-to-production or widespread deployment yet to take advantage of what AI could offer.

> 94% believe the energy industry has a lot of work to catch up on other industries when it comes to deploying AI technologies

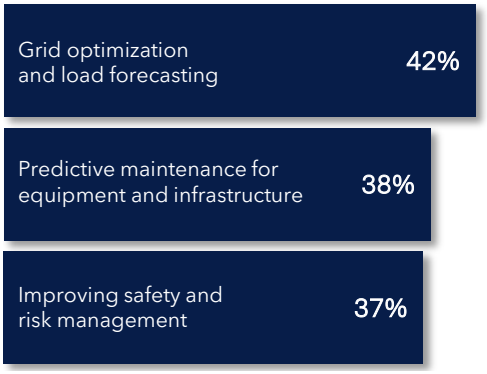
For now, the energy sector is in the early stages of AI adoption, and their priorities on these industry-specific applications reveal where the technology could deliver the most value. When asked to rank their top three use cases, leaders cited grid optimization and load forecasting (42%), predictive maintenance for equipment and infrastructure (38%), and improving safety and risk management (37%).

Predictive maintenance for equipment and infrastructure (47%) is the most commonly cited use case deemed among the most valuable for executives who feel their company is on par with, or behind the curve in AI adoption compared to others in the sector. Fewer who indicate their company is ahead of the curve report this (33%).

AI investments are expected to increase by an average of 19% in the next 12 months

Turning these use cases into reality will require increased investment. Nearly all executives (89%) plan to increase AI spending in the next 12 months, with an average projected rise of 19%. More than a quarter (26%) expect their investments to grow by over 20% during that period.

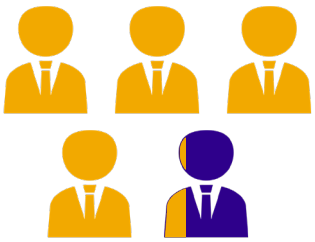
Most valuable use cases for AI



How soon those investments become profitable or create value remains to be seen, but executives are confident these investments will pay off: 81% expect their company to see measurable ROI from AI. Nearly a third (30%) anticipate aggressive capital recovery within 12 months, while half (50%) expect a longer timeline.

Regardless of timing or application, AI remains a key focus for energy executives.

More than 4 in 5 believe they will recoup their AI investments



Spotlight

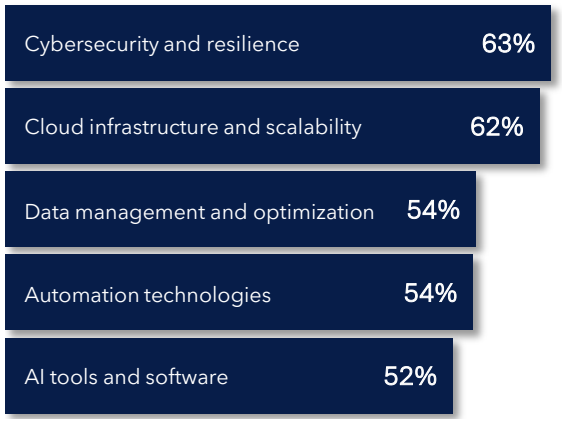
Other Technology Investments

While AI dominates the discussion, it's not the lead within technology investments in this industry, with AI tools and software ranking only 52%.

For 2026, executives cited the following spending priorities: cybersecurity and resilience (63%); cloud infrastructure and scalability (62%); data management and optimization (54%); and automation technologies (54%) with automation a more common top investment category for large or enterprise companies (66%) than small or mid-sized ones (47%).

While AI isn't captured as the top line item, it will be increasingly integrated into investments within data management, automation, and future cybersecurity solutions.

Top Tech Investments for 2026



Challenges Ahead

The same forces opening up opportunities for energy companies – economic reforms, emerging technologies, and regulatory shifts – will also test energy executives in 2026. While conditions may be less volatile than 2025, obstacles remain.

Tariffs

Unpredictable tariffs aren't going away. More than half (51%) of executives expect existing or new tariffs to influence their company's 2026 planning, though only 14% anticipate major reshaping. Nearly a third (32%) have accounted for tariffs in their plans.

51% anticipate tariffs will influence their business planning in 2026

Technology

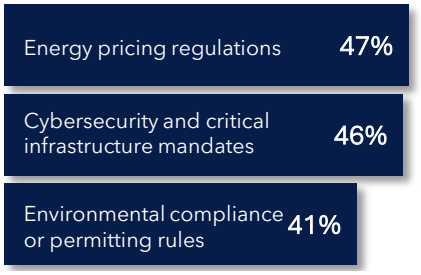
AI will continue to dominate the conversation and investment agenda. As the technology evolves from chatbots into advanced machine learning, executives see direct applications for automation and robotics. Nearly four in five (79%) believe that more than a quarter of their company's operation could be automated within the next three years, including 29% who expect it could replace more than half of manual processes.

Regulation

The regulatory landscape remains fluid. What worries executives late at night about future regulations? Top concerns among executives for 2026 include pricing regulations (47%), cybersecurity and critical infrastructure mandates (46%), and environmental compliance or permitting rules (41%).

Energy executives expect financial growth in 2026. But that success will likely depend on how well executives can respond to trade, technology, and regulatory challenges.

Regulatory concerns keeping executives up at night



Conclusion

After a rocky 2025, energy executives enter 2026 with optimism. Growth will not come without its challenges as energy companies continue to deal with tariffs, respond to regulatory and policy shifts, and sustain momentum for renewable technology.

AI will drive investments, specifically in automation, but companies will also prioritize cybersecurity, cloud infrastructure, and data management. The biggest opportunity? Positioning for influence as energy executives believe their sector is better equipped than a year ago to drive U.S. energy policy during an era of transformational change. They're ready for it and their companies are poised to meet the moment.

*Methodological Notes

The Pathward Survey was conducted by Wakefield Research among 300 U.S. energy executives, with a minimum seniority of vice president, at companies with a minimum of five employees, between October 20 and October 31, 2025, using an email invitation and an online survey.

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results. For the interviews conducted in this particular study, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 5.7 percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.