accenture

Navigating Resiliency

Key Insights for the Utilities C-suite

The current situation for Utilities companies

Risks for inflation, GDP decline, and recession are increasing, leading to higher household costs and consumer anxiety.

0.8–2.8%	High	30%+	$4,900
Potential increase in US inflation	Risk of recession in the US	Utilities companies can face up to a 31%+ increase in the cost of their foreign inputs	Potential additional yearly costs for US households

Sources: Accenture Ready for resilience: how to navigate the new tariff landscape, April 2025

Top CEO concerns

Input cost pressures – US imports of electric infrastructure, renewables and batteries have increased dramatically over the past decade; tariffs will create upward pressure prices on all infrastructure, fuel and other input costs. These increases will challenge utilities to meet their capital program budgets, will drive delays in input sourcing, will catalyze the repositioning of upstream suppliers, and may lead to a less favorable regulatory environment.

Recession risk – Depending on their final form, tariffs may lead to economic contraction and broad price increases. These dual pressures may drive affordability impacts, relative decreases in energy demand growth and long-term earnings uncertainty

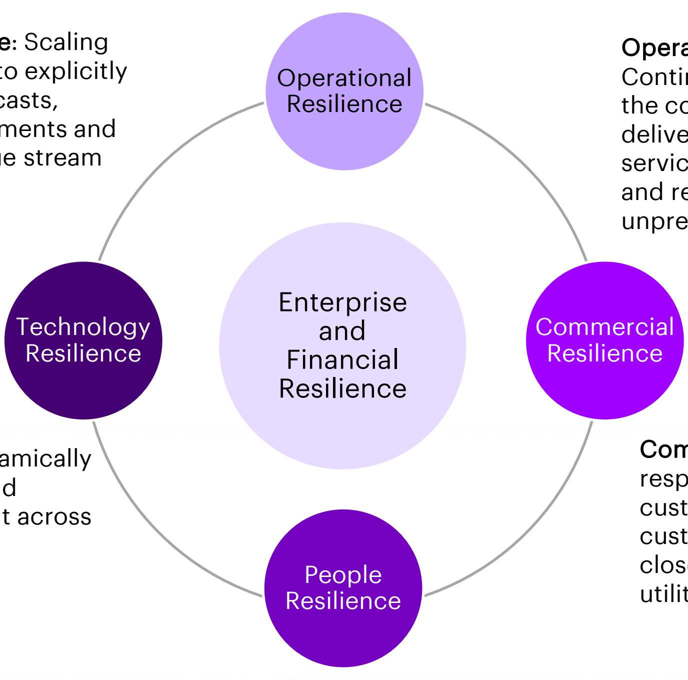
C&I load growth– Utilities have been planning for massive C&I load growth, fueled by increasing AI demand and domestic manufacturing, which is expected to increase.

What makes a resilient enterprise?

Resiliency will be the key differentiator for companies who can navigate this uncertain economic and policy environment – this covers commercials, operations, people, and technology. Every Utilities company will need to excel in scenario planning, predictive analysis, pricing strategies, supply chain optimization, people development, digitalization and automation.

Technology Resilience: Scaling data and technology to explicitly understand load forecasts, supply chain developments and unlock additional value stream opportunities.

Operational Resilience: Continuing utilities leadership in the communities they serve, delivering energy as an essential service that is affordable, reliable and resilient in a time of unprecedented demand growth.



People Resilience: Dynamically building, motivating and evolving the right talent across the operating model.

Commercial Resilience: Act as responsible energy partners for customers, including vulnerable customers, enabling them to closely manage energy usage and utility bills in a time of uncertainty.

Resilience for competitive advantage today and tomorrow

Resilience across these dimensions is the key to responding to the uncertain economic and policy environment ahead. Consider no regret moves that will yield value regardless of how the tariff environment evolves.

	What to do Now	What to do Next
Enterprise & Financial Resilience	Refocus investments toward domestic renewable projects with lower geopolitical risks and clearer regulatory frameworks	Enhance transparency in financial forecasting to stabilize investor relations and reduce market volatility
Operational Resilience	Secure long-term contracts with suppliers to enable service of industrial load at predictable prices	Explore nearshoring and reshoring initiatives to decrease exposure to geopolitical disruptions and tariffs.
Commercial Resilience	Enhance capabilities to enable customers to act to lower their bills through DSM, EE and other programs	Innovate regulated and unregulated product offerings to align with emerging local energy initiatives
People Resilience	Foster workforce agility and morale through clear communication, policies and role-specific upskilling	Establish attractive career pathways emphasizing stability, growth and proactive management of sector-specific risks
Technology Resilience	Implement advanced analytics and AI-driven predictive capabilities for rapid response to tariff and supply chain disruptions	Accelerate deployment of automation to enhance productivity and offset rising operational costs

To learn more about how to turn resilience into a competitive edge visit:

https://www.accenture.com/us-en/insights/strategy/navigating-new-tariff-landscape-economic-impact