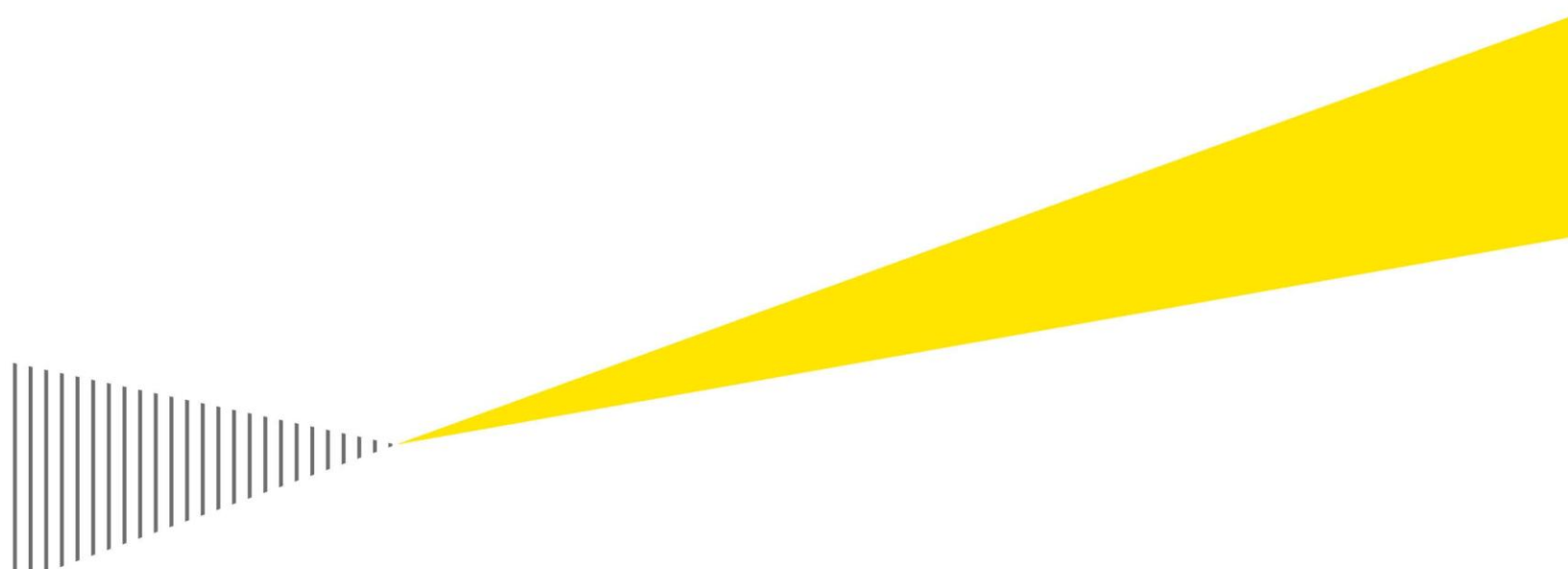


Economic contribution of the electric power industry in the United States, 2025

Prepared for the Edison Electric Institute

October 2026



Building a better
working world

Executive summary

The US electric power industry generates, transmits, and distributes electricity to nearly all 342 million Americans across all 50 states and the District of Columbia. The industry's economic footprint extends beyond its own operations to its suppliers and to the businesses where its workers and its suppliers' workers spend their earnings. In 2025, the industry supported millions of jobs and billions of dollars in wages and tax revenue, and directed significant capital investment into generation, transmission, and distribution infrastructure. The Edison Electric Institute (EEI) commissioned EY to quantify that economic contribution, and this report presents the findings.¹

6.9 million jobs supported nationwide	\$647 billion in wages and benefits for American workers	\$1.4 trillion in GDP – about 5% of the US economy	\$256 billion invested in the power grid in 2025
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Key findings

- ▶ **Nearly 5 cents of every dollar in the US economy was supported by the electric power industry.** In 2025, the total economic contribution of the electric power industry in the United States was an estimated 6.9 million workers earning \$647 billion in wages and benefits and generating \$1.4 trillion of gross domestic product (GDP).
- ▶ **The electric power industry invested over \$250 billion in 2025.** These investments went toward building and upgrading power plants and power lines, adding battery storage, and protecting the grid against severe weather and other risks.
- ▶ **Electric companies offered a path to a high-wage job without a four-year degree.** Electric power industry workers without a four-year degree earned a median wage 123% higher than all US workers with the same level of education.
- ▶ **The electric power industry supported over \$90 billion in state and local taxes.** Property taxes were the largest share of taxes paid, reflecting the extensive power plants, lines, and substations involved in the industry's operations.

How the industry contributes to the economy

- ▶ **Operations of running the power system.** Generating electricity and delivering it to homes and businesses directly employs workers and supports jobs at hundreds of thousands of contractors and suppliers, as well as additional jobs across the economy as these workers spend their earnings. This is the largest source of contribution: 2.9 million jobs, earning \$296 billion in wages and benefits, and supporting \$792 billion in GDP.

¹ This economic contribution includes two components: first, the economic activity supported by electric power company operations, capital expenditures, and financial payments, including the ripple effects through supply chains and worker spending of earnings across the broader economy; and second, electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure economic activity. This analysis does not estimate the broader economic activity that access to electricity makes possible for households and businesses. That is, this analysis measures the industry's operational and financial footprint, not the economy's dependence on reliable electric service.

- ▶ **Capital investment to build and upgrade the grid.** The industry requires significant physical infrastructure including hundreds of thousands of miles of high-voltage transmission lines, millions of miles of local distribution lines, and tens of thousands of power plants and substations. Investments remain at historically high levels as demand for electricity grows, aging equipment is replaced, new generation and storage resources come online, and the grid is hardened against extreme weather.
- ▶ **Electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure to help customers manage and customize their energy usage.** Approximately 1.2 million Americans work in electricity-related energy efficiency (such as energy auditors, HVAC and lighting technicians, and insulation installers). Roughly 250,000 install and maintain rooftop solar, battery storage, and microgrids at homes and businesses and approximately 3,000 build and maintain electric vehicle charging stations.
- ▶ **Returns to the debt and equity investors who finance grid infrastructure.** Grid infrastructure can operate for decades, so its construction is financed through a mix of long-term debt and equity. In 2025, the industry paid \$47 billion in interest to bondholders and other lenders and \$34 billion in dividends to shareholders and cooperative members. This analysis estimates the economic activity supported when domestic recipients of these payments, including retirees and pension fund beneficiaries, spend that income. It does not include the economic activity of banks or any other financial intermediaries that may facilitate these payments.

Table E-1. Total economic contribution of the US electric power industry, 2025

Category	Jobs	Wages and benefits	GDP
Operations	2.9m	\$296b	\$792b
Capital investment	2.4m	\$207b	\$348b
Energy efficiency, DER & EV infrastructure	1.4m	\$131b	\$229b
Dividend and interest payments	0.2m	\$12b	\$23b
Total	6.9m	\$647b	\$1,392b

Note: Estimates for operations, capital expenditures, and dividend and interest payments are derived from an input-output model and include direct, indirect, and induced effects. Estimates for energy efficiency, distributed energy resources, and electric transportation infrastructure reflect economic activity in these electricity-related sectors based on data from the US Department of Energy's US Energy and Employment Report. GDP includes wages and benefits. Figures are rounded.

Source: EY analysis.

Who makes up the industry

The industry spans five types of organizations, collectively referred to as “electric companies” in this report:

- ▶ **Investor-owned utilities.** For-profit companies owned by shareholders.
- ▶ **Electric cooperatives.** Not-for-profit utilities owned by the customers they serve.

- ▶ **Municipal and state electric companies.** Utilities owned or operated by cities, states, or other local governments.
- ▶ **Federal electric companies.** Utilities owned or financed by the federal government.
- ▶ **Independent power producers.** Companies that own or operate power plants and sell electricity but are not utilities.

In addition to the direct operations of these companies, the report estimates the broader economic activity generated when electric companies purchase goods and services from suppliers and when workers and investors spend their earnings. It also includes workers in electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure as classified by the US Department of Energy's (DOE's) US Energy and Employment Report (USEER).

About the numbers

This report quantifies the economic contribution of the electric power industry through three measures:

- ▶ **Jobs.** Total headcount with full-time and part-time workers each counted as one job.
- ▶ **Wages and benefits.** Employee cash compensation and benefits and income earned by self-employed individuals.
- ▶ **GDP.** The industry's contribution to the production of all final goods and services in the United States. Wages and benefits are part of GDP, so the two figures should not be added together.

Estimates for operations, capital expenditures, and financial payments are produced using an input-output model, which is widely used in economic contribution analyses. Estimates for energy efficiency, distributed energy resources, and electric transportation are based on data from the DOE's USEER.

Contents

I. Introduction	1
II. Economic contribution of the US electric power industry	3
III. Operations of electric companies	5
IV. Capital expenditures of electric companies	7
V. Dividend and interest payments of electric companies.....	8
VI. Electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure	9
VII. Economic activity nationally and by state	10
VIII. Characteristics of electric company workforce	13
IX. State and local tax contribution	14
X. Caveats and limitations.....	15
Appendix. IMPLAN input-output model	16
Endnotes.....	17

Economic contribution of the electric power industry in the United States, 2025

I. Introduction

EY was commissioned by the Edison Electric Institute (EEI) to estimate the economic contribution of the US electric power industry in 2025. Specifically, this report quantifies the jobs, wages and benefits, and gross domestic product (GDP) supported across four areas: (1) operations of electric companies, (2) capital expenditures of electric companies, (3) dividend and interest payments by electric companies to shareholders and bondholders, and (4) economic activity in electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure. This analysis does not estimate the broader economic activity that access to electricity makes possible for households and businesses. Estimates are produced using an input-output model widely applied in economic contribution analyses, supplemented with data from the US Department of Energy's (DOE's) US Energy and Employment Report (USEER).

Overview of the US electric power industry

Operations

The US electric power industry generates, transmits, and distributes electricity to nearly every home, business, and institution across the United States. The industry spans five types of organizations, all referred to as “electric companies” in this report:¹

- ▶ **Investor-owned utilities.** For-profit companies owned by shareholders.
- ▶ **Electric cooperatives.** Not-for-profit utilities owned by the customers they serve.
- ▶ **Municipal and state electric companies.** Utilities owned or operated by cities, states, or other local governments.
- ▶ **Federal electric companies.** Utilities owned or financed by the federal government.
- ▶ **Independent power producers (IPPs).** Companies that own or operate power plants and sell electricity but are not utilities.

Together, these segments serve nearly 342 million Americans across all 50 states and the District of Columbia.

These operations directly employed approximately 517,000 workers across all segments, and this workforce earned wages and benefits well above the national averages at every education level.² About 56% of jobs are in distribution roles, such as line workers and meter readers; 37% are in generation roles such as plant operators or technicians; and 8% are in transmission roles, such as engineers and substation electricians (figures here and throughout the report are rounded).³ The industry's purchases from suppliers, along with household spending by workers in the industry and its supply chain, support additional jobs, wages and benefits, and GDP across the US economy.

Capital expenditures

The electric power industry is highly capital-intensive. Its infrastructure includes hundreds of thousands of miles of high-voltage transmission lines, millions of miles of distribution lines, and tens of thousands of generators and substations.⁴ In 2025, the industry invested \$256 billion in capital expenditures, directed toward new generation capacity, transmission and distribution infrastructure, and energy storage.⁵ Several factors are sustaining capital spending at historically high levels: growing electricity demand, the need to replace and upgrade aging infrastructure, the integration of new renewable and storage resources, and efforts to strengthen the grid against severe weather.⁶

Interest and dividends

Much of this capital spending is financed through long-term debt, on which the industry pays interest to creditors. Investor-owned utilities and IPPs pay dividends to shareholders, and electric cooperatives return margins to their members through capital credit retirements. When bondholders, shareholders, and cooperative members receive these payments, a portion is spent on goods and services, supporting economic activity across the broader economy. In 2025, the electric power industry distributed \$34 billion in dividends to shareholders and cooperative members and paid \$47 billion in interest to bondholders and other creditors.⁷

Electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure

The electric power industry also supports a broader workforce that helps customers use electricity more efficiently, generates and stores power at customer sites, and builds infrastructure for electric transportation. DOE tracks these occupations in its annual USEER.⁸

- ▶ **Electricity-related energy efficiency:** Energy auditors, HVAC and lighting technicians, insulation installers, and the workers who manufacture and distribute high-efficiency equipment. Approximately 1.2 million Americans worked in electricity-related energy efficiency in 2025.
- ▶ **Distributed energy resources:** Workers who install, manufacture, and maintain rooftop solar, battery storage, combined heat and power, bioenergy, and microgrid systems at customer sites. Approximately 250,000 Americans worked in distributed energy resources in 2025.
- ▶ **Electric transportation infrastructure:** Workers who build and maintain charging stations for electric vehicles. Approximately 3,000 Americans worked in EV charging infrastructure in 2025.

These jobs figures reflect DOE's totals adjusted to isolate jobs tied specifically to electricity.

II. Economic contribution of the US electric power industry

The economic activity described in this report includes the following measures:

- ▶ **Jobs.** Jobs are measured as the total headcount of workers. For example, a company with three full-time workers and a company with two full-time workers and one part-time worker would each be measured as having three workers.
- ▶ **Wages and benefits.** Wages and benefits include employee cash compensation and benefits, as well as proprietors' income.⁹ Wages and benefits are components of GDP.
- ▶ **GDP.** GDP measures the industry's contribution to the production of all final goods and services produced in the United States.

The overall economic contribution of the electric power industry is measured as the sum of economic activity supported by (i) direct operations, (ii) purchases of goods and services, (iii) related consumer spending, and (iv) electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure jobs. For the first three components, results are organized by spending channel (operations, capital expenditures, and dividends and interest), which generates direct, supply chain, and consumer spending effects estimated through an input-output model.¹⁰ The fourth component draws on DOE jobs data on the energy workforce so as to include US power industry activity not otherwise captured. This analysis does not estimate the broader economic activity that access to electricity makes possible for households and businesses.

- ▶ **Direct operations.** The direct economic contribution of the electric power industry's operations consists of jobs, wages and benefits, and GDP at electric companies. Direct jobs and wages and benefits were primarily derived from the 2025 Quarterly Census of Employment and Wages (QCEW).¹¹ Direct GDP was derived from Bureau of Economic Analysis (BEA) data for the private electric power industry and utility financial statements for the public electric power industry.¹²
- ▶ **Purchases of goods and services.** Electric power companies purchase goods and services from US suppliers as part of their ongoing operations. These suppliers in turn purchase from their own suppliers, generating additional rounds of economic activity through the supply chain. Operational spending patterns are derived from input-output model industry accounts for the electric power sector. Capital expenditures, which were provided by EEI, generate a separate set of supply chain effects as equipment manufacturers, construction firms, and engineering companies purchase from their own suppliers.¹³
- ▶ **Related consumer spending.** Related consumer spending refers to the consumer spending supported by workers at electric companies, workers at suppliers of energy companies, the spending of dividend income by electric power industry shareholders, and the spending of interest income by electric power industry bondholders and other creditors. When these workers, shareholders, or bondholders spend their earnings at US businesses (e.g., grocery stores, retailers, restaurants), they support economic activity at those businesses. The earnings that these workers spend on food at a restaurant, for

example, support jobs at the restaurant and at farms, transportation companies, and other industries that are involved in the restaurant's supply chain in the United States. Dividend and interest payment data were primarily sourced from publicly available financial data and industry reports.¹⁴

- **Electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure.** DOE's USEER provides annual jobs estimates for the nation's energy workforce. USEER identifies energy workers through employer surveys regardless of how those businesses are classified under the North American Industry Classification System (NAICS). This matters because NAICS groups businesses by their primary activity, so many electricity-related workers fall outside the electric power industry as defined by NAICS. For example, companies that operate solar power plants are classified in the electric power industry, but contractors who install rooftop solar are classified as electrical contractors and fall outside it. To capture this activity, the analysis supplements the input-output results with three categories of DOE-defined energy jobs, adjusted to include only electricity-related jobs not already captured in the input-output analysis.¹⁵

III. Operations of electric companies

The economic contribution of the operations of electric companies includes the jobs, wages and benefits, and GDP supported by their direct operations (i.e., the direct operations of investor-owned utility companies, electric cooperatives, municipal and state electric companies, federal electric companies, and IPPs). These operations also support additional economic activity through the purchase of goods and services from US businesses and consumer spending by workers employed both directly by the industry’s operations and throughout its supply chain.

Operations of electric companies

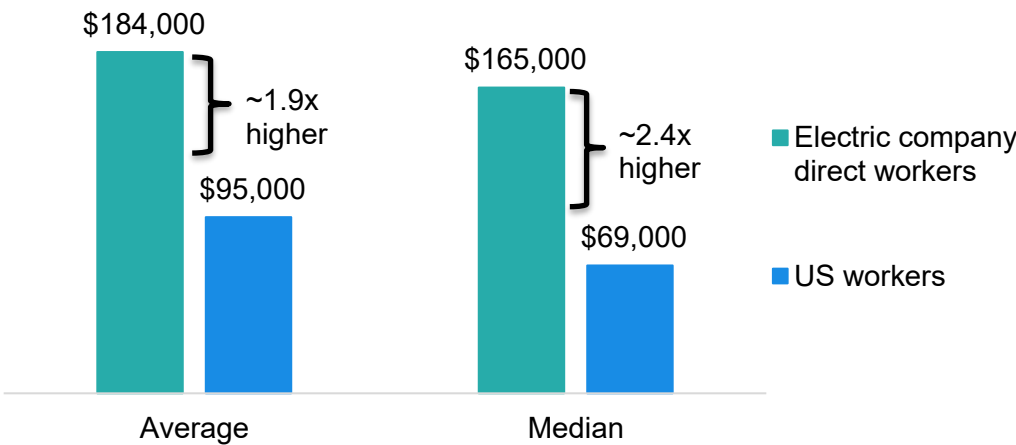
Electric companies directly employed 517,000 workers earning \$95 billion in wages and benefits and generating \$432 billion of GDP in the United States in 2025 (Figure 1). Figure 2 compares average and median wages and benefits for electric company workers with those of US workers overall.¹⁶ The average electric company worker earned approximately \$184,000 in wages and benefits, compared to a US average of \$95,000.¹⁷ Similarly, estimated median wages and benefits of an electric company worker were \$165,000, higher than the US median of \$69,000.¹⁸

Figure 1. Direct economic activity at electric companies, 2025



Note: GDP includes wages and benefits. Figures are rounded.
Source: EY analysis.

Figure 2. Average and median wages and benefits: Electric company direct workers vs. US workers, 2025



Note: Figures are rounded.
Source: US Bureau of Labor Statistics and EY analysis.

Estimated economic activity at, and related to, operations of electric companies

Table 1 displays the estimated economic activity at, and related to, the operations of electric companies. Electric companies directly employed 517,000 workers earning \$95 billion in wages and benefits and generating \$432 billion of GDP in the United States in 2025. The purchase of goods and services related to the operations of electric companies supported an additional 701,000 US workers, \$82 billion in wages and benefits, and \$139 billion of GDP. Although some contractors may resemble direct employees, electric companies' spending on contractors is counted as a purchase of goods and services for this analysis. The consumer spending by workers employed both directly by the industry's operations and throughout its supply chain supported an additional 1.7 million jobs, \$119 billion in wages and benefits, and \$221 billion of GDP.

The total economic contribution of the operations of electric companies to the United States in 2025 was 2.9 million workers, \$296 billion in wages and benefits, and \$792 billion of GDP. For every worker directly employed by an electric company, an additional 4.6 jobs were supported across the broader economy through supply chain purchases and related consumer spending.

Table 1. Total economic activity at, and related to, operations of electric companies, 2025

	Direct operations	Purchases of goods and services	Related consumer spending	Total
Jobs	517k	701k	1,697k	2,916k
Wages and benefits	\$95b	\$82b	\$119b	\$296b
GDP	\$432b	\$139b	\$221b	\$792b

Note: Estimates are derived from an input-output model and include direct, indirect, and induced effects. GDP includes wages and benefits. Figures are rounded.

Source: EY analysis.

IV. Capital expenditures of electric companies

In addition to the economic activity supported by the electric power industry’s operations, electric companies invested over \$256 billion in capital expenditures in 2025 to upgrade infrastructure, add capacity, and increase grid resiliency. These investments support jobs, wages and benefits, and GDP in the construction and capital goods industries that carry out the work and generate additional economic activity through supply-chain purchases and consumer spending by workers supported by this investment.

Estimated economic activity related to capital expenditures of electric companies

The total economic contribution of the electric power industry's capital expenditures in 2025 was 2.4 million workers, \$207 billion in wages and benefits, and \$348 billion of GDP. On a per-dollar basis, every \$1.0 billion of electric power industry capital investment supported 9,400 US workers. Table 2 displays these results across three components: construction and capital goods industries (961,000 workers), their supply-chain purchases from other US businesses (537,000 workers), and related consumer spending by workers supported through this investment (906,000 workers).

Table 2. Total economic activity at, and related to, capital expenditures of electric companies, 2025

	Construction and capital goods industries	Purchases of goods and services	Related consumer spending	Total
Jobs	961k	537k	906k	2,403k
Wages and benefits	\$91b	\$52b	\$63b	\$207b
GDP	\$145b	\$85b	\$118b	\$348b

Note: Estimates are derived from an input-output model. GDP includes wages and benefits. Figures are rounded.
Source: EY analysis.

V. Dividend and interest payments of electric companies

Dividend and interest payments are another channel through which the electric power industry supports economic activity. In 2025, electric power companies distributed \$34 billion in dividends to US shareholders and capital credit retirements to cooperative members and paid \$47 billion in interest to bondholders and other creditors. When recipients spend these payments on US goods and services, they support additional jobs, wages and benefits, and GDP across the economy. The analysis does not include the economic activity of banks or any other financial intermediaries that may facilitate these payments.

Only the share of payments that accrue to US investors, which represents a majority of payments, is considered in this modeling.¹⁹ Of this domestic share, academic research suggests that approximately \$0.72 of every dollar of dividend income and \$0.56 of every dollar of interest income are spent on goods and services.²⁰ In addition, approximately 40% of the domestic share of investments are held in retirement accounts, meaning a portion of this income is not immediately available for consumption spending.

Estimated economic activity related to dividend and interest payments by electric companies

Table 3 displays the estimated economic activity supported by related consumer spending from electric companies' dividend and interest payments. Dividend payments supported 104,000 workers, \$7 billion in wages and benefits, and \$13 billion of GDP, while interest payments supported 74,000 workers, \$5 billion in wages and benefits, and \$10 billion of GDP. The total economic activity supported by related consumer spending from electric companies' dividend and interest payments to the United States in 2025 was 178,000 workers, \$12 billion in wages and benefits, and \$23 billion of GDP.

Table 3. Economic activity related to dividend and interest payments by electric companies in the United States, 2025

	Dividend payments	Interest payments	Total
Jobs	104k	74k	178k
Wages and benefits	\$7b	\$5b	\$12b
GDP	\$13b	\$10b	\$23b

Note: Estimates are derived from an input-output model. GDP includes wages and benefits. Figures are rounded.
Source: EY analysis.

VI. Electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure

In addition to the direct operations, capital spending, and financial distributions of electric companies, the electric power industry supports a workforce in electricity-related energy efficiency, distributed energy resources, and electric vehicle charging infrastructure. These workers install, manufacture, and maintain technologies that reduce electricity consumption or generate and store power at the point of use.

Electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure

Table 4 displays the estimated economic activity related to electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure. Electricity-related energy efficiency supported 1.2 million workers, earning \$106 billion in wages and benefits and generating \$184 billion of GDP. Distributed energy resources supported 250,000 workers, \$24 billion in wages and benefits, and \$45 billion of GDP. Electric transportation infrastructure supported approximately 3,000 workers, \$300 million in wages and benefits, and \$500 million of GDP. The total economic contribution of the electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure to the United States in 2025 was 1.4 million workers, earning \$131 billion in wages and benefits and generating \$229 billion of GDP.

Table 4. Total economic activity supported by electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure in the United States, 2025

	Electricity-related energy efficiency	Distributed energy resources	Electric transportation infrastructure	Total
Jobs	1,151k	250k	3k	1,404k
Wages and benefits	\$106b	\$24b	\$0.3b	\$131b
GDP	\$184b	\$45b	\$0.5b	\$229b

Note: Estimates reflect economic activity in these electricity-related sectors based on data from the US Department of Energy's US Energy and Employment Report. GDP includes wages and benefits. Figures are rounded.
Source: EY analysis.

VII. Economic activity nationally and by state

Table 5 summarizes the estimated total economic contribution of the US electric power industry to the US economy in 2025. In total, the electric power industry supported 6.9 million workers, earning \$647 billion of wages and benefits and generating \$1.4 trillion of GDP. The industry's operations supported 2.9 million workers earning \$296 billion in wages and benefits and generating \$792 billion of GDP. Capital expenditures supported 2.4 million workers, \$207 billion in wages and benefits, and \$348 billion of GDP. Dividend and interest payments supported 178,000 workers, \$12 billion in wages and benefits, and \$23 billion of GDP. Electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure supported an additional 1.4 million workers, \$131 billion in wages and benefits, and \$229 billion of GDP.

Table 5. Total economic contribution of the US electric power industry, 2025

Category	Jobs	Wages and benefits	GDP
Total	6.9m	\$647b	\$1,392b
Operations	2.9m	\$296b	\$792b
Capital expenditures	2.4m	\$207b	\$348b
Dividend and interest payments	0.2m	\$12b	\$23b
Energy efficiency, DER & EV infrastructure	1.4m	\$131b	\$229b

Note: Estimates for operations, capital expenditures, and dividend and interest payments are derived from an input-output model and include direct, indirect, and induced effects. Estimates for energy efficiency, distributed energy resources, and electric transportation infrastructure reflect economic activity in these electricity-related sectors based on data from the US Department of Energy's US Energy and Employment Report. GDP includes wages and benefits. Figures are rounded.

Source: EY analysis.

The distribution by state (plus the District of Columbia) of workers supported by the US electric power industry's direct operations is in Table 6. The states with the most jobs supported by direct operations are estimated to be (1) Texas (61,000 workers), (2) California (43,000 workers), (3) New York (36,000 workers), (4) Florida (24,000 workers), and (5) Illinois (19,000 workers).

Table 6. Direct economic activity at electric companies, by state
Jobs

United States	517k	Missouri	9k
Alabama	15k	Montana	3k
Alaska	2k	Nebraska	7k
Arizona	17k	Nevada	3k
Arkansas	7k	New Hampshire	2k
California	43k	New Jersey	7k
Colorado	10k	New Mexico	3k
Connecticut	4k	New York	36k
Delaware	2k	North Carolina	13k
District of Columbia	1k	North Dakota	3k
Florida	24k	Ohio	12k
Georgia	17k	Oklahoma	8k
Hawaii	3k	Oregon	5k
Idaho	3k	Pennsylvania	15k
Illinois	19k	Rhode Island	1k
Indiana	11k	South Carolina	11k
Iowa	6k	South Dakota	2k
Kansas	5k	Tennessee	16k
Kentucky	7k	Texas	61k
Louisiana	6k	Utah	4k
Maine	2k	Vermont	1k
Maryland	9k	Virginia	9k
Massachusetts	9k	Washington	15k
Michigan	17k	West Virginia	4k
Minnesota	13k	Wisconsin	8k
Mississippi	7k	Wyoming	2k

Note: Figures are rounded.

Source: EY analysis.

The distribution by state (plus the District of Columbia) of total workers supported by the US electric power industry is in Table 7. The states with the most jobs supported are estimated to be (1) California (841,000 workers), (2) Texas (730,000 workers), (3) New York (447,000 workers), (4) Florida (379,000 workers), and (5) Illinois (245,000 workers).

Table 7. Total economic contribution, by state
Jobs

United States	6,901k	Missouri	120k
Alabama	120k	Montana	26k
Alaska	21k	Nebraska	55k
Arizona	156k	Nevada	77k
Arkansas	67k	New Hampshire	28k
California	841k	New Jersey	144k
Colorado	133k	New Mexico	44k
Connecticut	76k	New York	447k
Delaware	22k	North Carolina	202k
District of Columbia	23k	North Dakota	31k
Florida	379k	Ohio	184k
Georgia	222k	Oklahoma	77k
Hawaii	24k	Oregon	80k
Idaho	33k	Pennsylvania	221k
Illinois	245k	Rhode Island	19k
Indiana	139k	South Carolina	99k
Iowa	69k	South Dakota	21k
Kansas	56k	Tennessee	153k
Kentucky	79k	Texas	730k
Louisiana	77k	Utah	70k
Maine	20k	Vermont	15k
Maryland	116k	Virginia	207k
Massachusetts	164k	Washington	184k
Michigan	194k	West Virginia	40k
Minnesota	135k	Wisconsin	135k
Mississippi	57k	Wyoming	24k

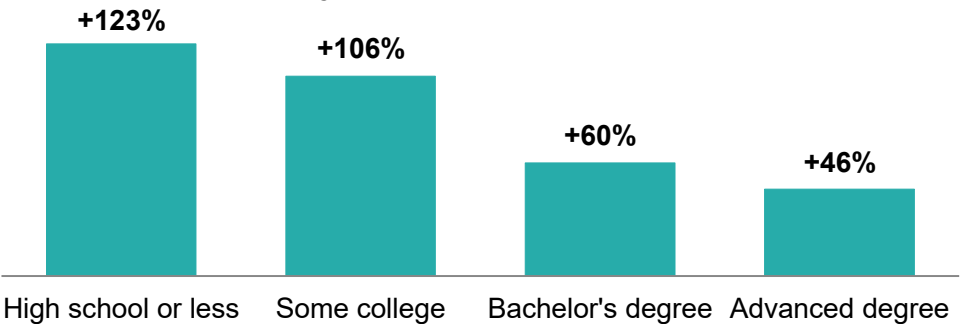
Note: Figures are rounded.
Source: EY analysis.

VIII. Characteristics of electric company workforce

Electric companies offer a path to a high-wage job without a four-year degree. The average electric company employee earned approximately \$184,000 in wages and benefits, compared to a US average of \$95,000. The estimated median wages and benefits were \$165,000, well above the US median of \$69,000. Figure 3 displays the median wage premium electric company workers earn relative to comparable US workers by educational attainment. Workers with a high school diploma or less, about a quarter of the workforce, earn a median wage approximately 123% higher than the comparable US worker. Workers with some college comprise 34% of the workforce, the industry’s largest group, and earn 106% more than their national peers. Bachelor’s and advanced degree holders earn 60% and 46% more, respectively.²¹

Table 8 displays the age distribution of industry employees: 6% are 24 or younger, 73% are in the core working ages of 25 to 54, and 22% are 55 or older and nearing retirement. About 77% of workers are men and 23% are women. By race, 73% of workers identify as White alone, 8% as Black or African American alone, 5% as Asian alone, and 10% as two or more races, with the remaining identifying as some other race, American Indian or Alaska Native, Native Hawaiian, or Other Pacific Islander. Approximately 8% of workers employed directly by electric companies are veterans, indicating that the industry provides career opportunities for tens of thousands of former service members nationwide. In addition, approximately 6% of direct electric company employees identify as having a disability.²²

Figure 3. Median wage premium relative to comparable US worker, by educational attainment



Note: Figures are rounded.
Source: ACS 1-year Estimates Public Use Microdata Sample (2024) and EY analysis.

Table 8. Age distribution of electric company employees

Age	Percent
16-24	6%
25-34	24%
35-44	27%
45-54	22%
55-64	18%
65+	4%

Note: Figures are rounded.
Source: ACS 1-year Estimates Public Use Microdata Sample (2024) and EY analysis.

IX. State and local tax contribution

The US electric power industry supports state and local tax revenue through its commercial operations, its ownership of property, its suppliers, and worker-related consumer spending. Table 9 summarizes these taxes for 2025, which totaled approximately \$92 billion across all major state and local tax categories, including property taxes, gross receipts and excise taxes, sales taxes, individual income taxes, and corporate income taxes.

Electric companies themselves supported \$36 billion of state and local taxes in 2025. Approximately 40% (\$15 billion) were property taxes, and about one-fifth (\$8 billion) were gross receipts and corporate income taxes.²³ Supplier activity supported by electric companies supported an additional \$22 billion of state and local taxes, and consumer spending related to them supported another \$20 billion. Electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure supported an additional \$14 billion of state and local taxes.²⁴

Table 9. State and local taxes paid by, and related to, US electric companies in 2025

	Direct operations	Suppliers of electric companies	Related consumer spending	Energy efficiency, DER & EV infrastructure	Total
Total	\$36b	\$22b	\$20b	\$14b	\$92b
Property taxes	\$15b	\$6b	\$5b	\$4b	\$30b
Sales taxes	\$4b	\$8b	\$7b	\$5b	\$24b
Individual income taxes	\$2b	\$4b	\$4b	\$3b	\$13b
Excise and other taxes	\$7b	\$3b	\$3b	\$1b	\$14b
Corporate income and gross receipts taxes	\$8b	\$1b	\$1b	\$1b	\$11b

Note: Figures are rounded.

Source: EY analysis.

X. Caveats and limitations

Any modeling effort is only an approximate depiction of the economic forces it seeks to represent, and the economic modeling developed for this report is no exception. The estimates of the economic contribution of the electric power industry presented in this report are based on a multi-region input-output model of the US economy and the data and assumptions described elsewhere in the report. Although various limitations and caveats might be listed, several are particularly noteworthy:

- ▶ **Estimates are limited by available information.** The analysis relies on information reported by federal government agencies (e.g., the US Bureau of Labor Statistics, US Bureau of Economic Analysis) and other publicly available sources (e.g., financial statements, the IMPLAN model), as well as capital expenditure data provided by EEI. The analysis did not attempt to verify or validate this information using sources other than those described in the report.
- ▶ **Modeling the economic contribution of the electric power industry relies on government industry classifications.** Generally, this report relates economic activities to the operating profiles of various industries as defined by the NAICS to most effectively estimate the economic contribution of electric companies.
- ▶ **These estimates do not capture all economic value supported by the electric power industry.** For example, investments in transmission and distribution infrastructure reduce the frequency and duration of power outages, helping US businesses and households avoid significant disruption costs. These broader economic benefits fall outside the scope of input-output modeling.
- ▶ **The electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure estimates use a different methodology than the input-output model applied to the rest of the analysis.** The allocation of the jobs associated with this workforce to the electric power industry required assumptions about electricity's share of energy efficiency technologies and distributed energy's shares of different industries.
- ▶ **The results are a snapshot of 2025.** The analysis reflects the electric power industry's economic contribution based on its relationships with other industries and households in the US economy at a single point in time and does not estimate the effects of any future expansion, contraction, or other changes to the business.
- ▶ **The estimates reflect the electric power industry's economic contribution, not its economic impact.** A contribution analysis shows the gross economic activity associated with electric companies and their related activity. An impact analysis is different: it estimates the net change to the economy that would result from a specific event or policy change, accounting for how activity shifts between companies and industries as the economy moves to a new equilibrium. This report does not attempt the latter.

Appendix. IMPLAN input-output model

This report uses an input-output model to estimate the electric power industry's economic contribution in 2025. The economic multipliers were estimated using the IMPLAN multi-region input-output model. Unlike many economic models, IMPLAN captures the interactions among more than 500 industries, allowing it to identify the specific industries related to the electric power industry's operations. IMPLAN is used by more than 500 universities and government agencies.

The multipliers in IMPLAN are based on the Leontief production function, which estimates the total economic requirements for every unit of direct output in a given industry. These requirements are derived from detailed inter-industry relationships documented in the input-output framework, which links commodity supply from one industry to commodity demand by another. The resulting multipliers capture all the upstream economic activity (or backward linkages) associated with an industry's production. Estimated dollars of demand are then translated into dollars of GDP, wages and benefits, and numbers of employees using industry averages.

The multi-region version of the model additionally captures how economic activity spreads across regions and how activity in one region generates further effects in others. It extends backward supply linkages beyond a single region's boundaries by using inter-region commodity trade and commuting flows, quantifying how a change in production or income in one region drives demand changes across many.

Endnotes

¹ Throughout this report, the term “company” is used as a general reference to all electric power industry companies, regardless of ownership structure or legal form.

² See endnote 11 for industry jobs total (517,000 jobs) calculation. See endnotes 16 and 17 for average wages and benefits calculations.

³ Shares of generation, transmission, and distribution jobs were calculated using six-digit NAICS jobs data from the Quarterly Census of Employment and Wages (QCEW). Figures are rounded.

⁴ Infrastructure data were sourced from the US Department of Energy, Office of Electricity, Achieving American Leadership in the Electric Grid Supply Chain (December 2024).

⁵ See endnote 13 for capital expenditure (\$256 billion) calculation.

⁶ Capital expenditure categories and drivers were sourced from the US Energy Information Administration, “Grid infrastructure investments drive increase in utility spending over last two decades,” Today in Energy (November 18, 2024), and the Edison Electric Institute, Industry Capital Expenditures-2025 Projection (October 2025).

⁷ See endnote 14 for dividend and interest payment calculation.

⁸ See endnote 15 for calculation of workers related to electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure.

⁹ Proprietors’ income includes the payments received by self-employed individuals and unincorporated business owners.

¹⁰ The economic activity related to purchases of goods and services from US businesses and related consumer spending was estimated by aligning each relevant dataset with the appropriate NAICS codes. These inputs were then analyzed using the Impact Analysis for Planning (IMPLAN) multi-regional input-output model of the United States to estimate the economic contributions supported through supply-chain purchases and consumer spending. IMPLAN captures economic relationships among more than 500 industries and reflects how economic activity in one state supports economic activity in other states through supply-chain linkages and consumer spending.

¹¹ QCEW data were pulled at the state and national level for NAICS 2211. To capture wages and benefits, QCEW wages were multiplied by the ratio of employee compensation to wages and salaries for the utilities industry, as reported by the Bureau of Economic Analysis (BEA). Utilities industry employee compensation data were sourced from the Bureau of Economic Analysis (BEA) table 6.2D, “Compensation of Employees by Industry,” and utilities industry wages and salaries data were sourced from BEA table 6.3D, “Wages and Salaries by Industry.”

¹² GDP for the private electric power segment, which covers investor-owned utilities and IPPs, was sourced from BEA national account data. GDP for the public electric power segment was calculated as the sum of GDP for federal electric utilities and municipal and state electric companies. Federal GDP was calculated from the financial statements of the Tennessee Valley Authority (TVA), the Bonneville Power Administration (BPA), and the Western Area Power Administration (WAPA). For municipal and state electric companies, the analysis calculated the average ratio of GDP to wages and benefits for a sample of these utilities. It then applied that ratio to their total wages and benefits.

¹³ EEI provided capital expenditure data by each industry segment nationally and at the state level for 2024. Capital expenditures of investor-owned utilities, IPPs, and federal electric utilities were grown to 2025 using 2025 capital expenditure data from company financial data. Capital expenditures of electric cooperatives were grown to 2025 using historical capital expenditure growth rates from cooperative segment reports. Capital expenditures of municipal and state electric companies were grown to 2025 using a conservative growth rate.

¹⁴ Dividends paid for investor-owned utilities and IPPs were sourced from S&P Capital IQ. Cooperatives return excess margins to members by retiring capital credits, which are treated as dividend payments in this analysis. Capital credit retirements were sourced from cooperative segment reports and supplemented with publicly available financial data. To estimate total capital credits retired annually (i.e., total distribution payments to members), the analysis used cooperative segment reports. To supplement this approach, the annual reports of a sample of cooperatives were analyzed to estimate the average amount of capital credits retired per dollar of revenue and per customer. Total revenue and customers of the cooperative industry are available from the EIA. The estimated ratios were then applied to total revenue and customers, respectively, to estimate the total capital credits retired for the cooperative industry. This supplemental analysis yielded results similar to the data available in the cooperative segment reports. Federal electric and municipal and state electric companies do not pay dividends or make similar cash distributions.

Interest payments for investor-owned utilities, IPPs, and federal electric companies were sourced from S&P Capital IQ and publicly available financial data. Interest payments for cooperatives and municipal and state electric companies were estimated using publicly available financial data from a sample of utilities in each segment. The annual reports of a sample of cooperatives and a sample of municipal and state electric companies were each analyzed to estimate the average amount of interest paid per dollar of capital expenditure. Total capital expenditures for each segment were provided by EEI and modified as described in the above endnote. The estimated ratios for each segment were then applied to total capital expenditures to estimate total interest payments for cooperatives and municipal and state electric

companies. This approach was also applied to investor-owned utilities, where reported interest payments are available, and produced consistent results.

¹⁵ The USEER estimates that 2.4 million Americans worked in energy efficiency in 2025; however, that number spans all fuel types. Since this report focuses on the electric power industry, EY developed electricity-share factors for each of USEER's 23 energy efficiency technology categories using end-use consumption data from three federal surveys (Residential Energy Consumption Survey (RECS), Commercial Buildings Energy Consumption Survey (CBECS), and Manufacturing Energy Consumption Survey), then applied the shares to each of the 23 technologies jobs totals. To remove double counting with the economic-contribution analysis, EY removed the small share of jobs already captured through electric power industry spending on utility-run efficiency programs. To do this, EY sourced electric utility energy efficiency program spending from the EIA and used that figure to estimate the number of energy efficiency jobs already captured in the electric power industry's economic contribution and divided that by an estimated electricity-related energy efficiency industry output. That share was multiplied by the total electricity-related energy efficiency jobs before removing double counting. After prorating, there were approximately 1.2 million electricity-related energy efficiency jobs in the United States in 2025. For distributed energy resources, EY identified five technology sectors within USEER that are substantial and relevant to distributed energy: solar, battery storage, combined heat and power, bioenergy, and microgrids. Because USEER's totals for these technologies include utility-scale activity already captured elsewhere in this analysis, each was prorated to isolate the distributed energy share using jobs data from the Interstate Renewable Energy Council and public capacity data. After prorating, there were approximately 250,000 distributed energy jobs in the United States in 2025. For electric vehicle charging infrastructure, USEER publishes an estimate of approximately 3,000 jobs, which were incorporated directly.

¹⁶ The average is calculated as the total QCEW wages and salaries scaled up to employee compensation divided by the total number of electric power industry workers.

¹⁷ Average wages and benefits per worker in the United States were calculated by dividing total all-industry wages from the QCEW by total all-industry QCEW jobs. The QCEW wages include only wages, so they were scaled up to include benefits. The scaling ratio is total compensation of employees for domestic industries (BEA Table 6.2D, "Compensation of Employees by Industry") divided by wages and salaries for domestic industries (BEA Table 6.3D, "Wages and Salaries by Industry").

¹⁸ QCEW publishes only mean wages, so median wages were estimated. The ratio of median to mean wages was calculated for the electric power industry and all industry workers from IPUMS microdata and applied to the QCEW mean wage to produce an implied median. All wage figures in this report include benefits.

¹⁹ For investor-owned utilities and IPPs, the domestic share of dividends was based on shareholder data from S&P Capital IQ. Capital credit retirements are treated as entirely domestic. For interest, the share of debt held by foreign bondholders and creditors was estimated for each segment based on national financial accounts data and industry research. Interest payments were adjusted to exclude interest paid to foreign bondholders, using a domestic share specific to each ownership type. For investor-owned utilities and IPPs, the foreign share was calculated as US corporate bonds held by the rest of the world divided by total corporate and foreign bond liabilities, and reported interest payments were multiplied by the domestic share (1 minus the foreign share). For federal electric companies, the foreign share was calculated as agency and GSE bonds held by the rest of the world divided by total agency and GSE bonds, and the domestic share was applied to federal interest totals. For municipal and state electric companies, the foreign share was calculated as foreign holdings of long-term state and local government bonds divided by total state and local government bonds outstanding, and the domestic share was applied to interest totals. For cooperatives, a sample of financial statements was used to divide debt among government lenders, private for-profit lenders, and dedicated cooperative lenders. Interest on debt held by private for-profit lenders was assumed to have the same domestic share as investor-owned utilities and IPPs, and interest on debt held by dedicated cooperative lenders was assumed to be entirely domestic. The cooperative domestic share was then calculated as a weighted average: corporate bond domestic share multiplied by the share of debt held by private for-profit lenders, plus 100% multiplied by the share of debt held by dedicated cooperative lenders.

²⁰ See Baker, Nagel, and Wurgler (2007), "The Effect of Dividends on Consumption," *Brookings Papers on Economic Activity*, No. 1, pp. 277-291.

²¹ Wage, veteran, and disability are based on the US Census Bureau's 2024 American Community Survey (ACS) 1-year Public Use Microdata Sample (PUMS). The electric power worker sample includes workers in the electric power generation, transmission, and distribution industry (ACS industry code 0570) who were civilian employed and reported positive wage and salary income. All estimates were weighted using ACS person weights. Wage and salary income was converted to 2024 dollars using the ACS income adjustment factor. Educational attainment was grouped into four categories: high school education or less, some college or associates degree, bachelor's degree, and advanced degree. Weighted medians, 25th and 75th percentiles, and means were calculated for each group. The wage premium is the difference between the electric power industry median and the median for all US workers with the same education level, using the same sample criteria across all industries.

²² Veteran, disability, gender, race, and age characteristics are based on the electric power worker sample described in the above endnote. Veterans were identified using the ACS military service variable as workers who had served on

active duty in the past but were not currently serving. Workers whose only service was active-duty training in the Reserves or National Guard were not counted as veterans. Workers with a disability were identified using the ACS disability recode. Gender is based on the ACS sex variable, race on the ACS detailed race recode, and age on reported age at the time of the survey.

²³ Taxes paid by investor-owned utilities and IPPs, including the break-out by tax type, were estimated using data from S&P Capital IQ. Taxes paid by federal electric companies, including the break-out by tax type, were estimated using the annual reports of the TVA, BPA, and WAPA. Taxes paid by cooperatives were estimated using cooperative segment reports and supplemented with publicly available financial data. Taxes paid by municipal and state electric companies were estimated using publicly available financial data from a sample of utilities in the segment. The annual reports of the sample were analyzed to estimate the average amount of state and local taxes paid per dollar of revenue. Total revenue for the segment was sourced from EIA data. The estimated ratio of taxes paid per dollar of revenue was then applied to the segment's total revenue to estimate total state and local taxes paid by municipal and state electric companies. The break-out by tax type for cooperatives and municipal and state electric companies was estimated using data on taxes paid by type from investor-owned utilities.

²⁴ Taxes paid by suppliers, taxes related to consumer spending, and taxes related to electricity-related energy efficiency, distributed energy resources, and electric transportation infrastructure were estimated using EY tax models.