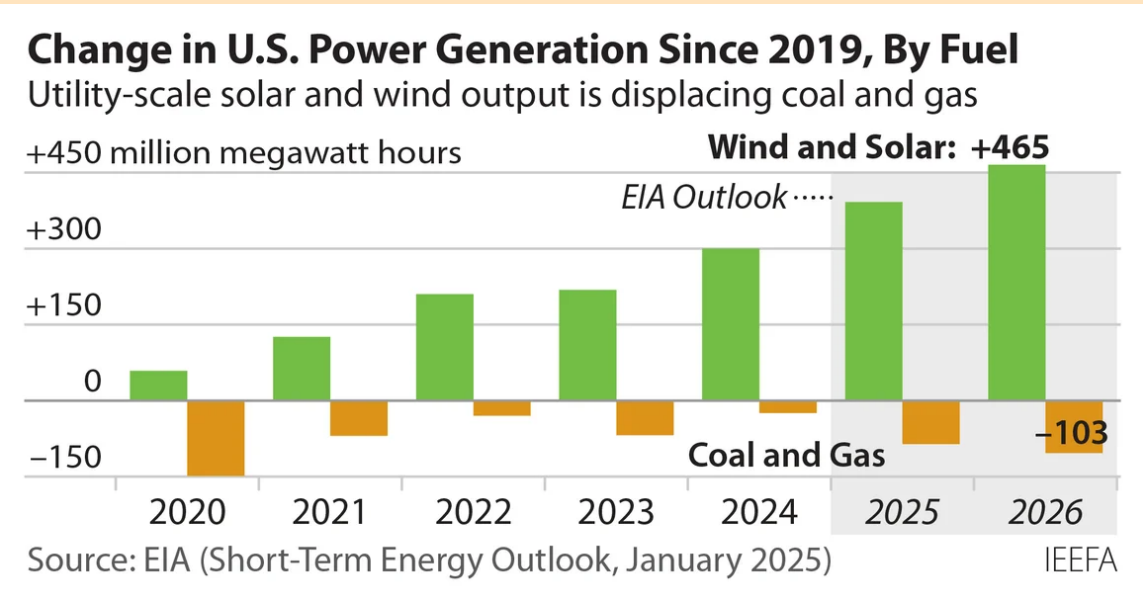


The energy transition is well underway in the U.S. electricity market.

Surge in renewable generation has continued to cut into the market share of coal and gas.

Electricity demand is on the upswing in many parts of the United States, but the transition to renewable energy is moving even faster. The ongoing move away from coal generation has been remarkably consistent - in 2024 renewables out-generated coal on 294 days. But it is not just coal - the combined share of electricity generation by coal and gas recently fell below 60% and is continuing to decline, pushed downward by the rapid increase in renewable energy production.

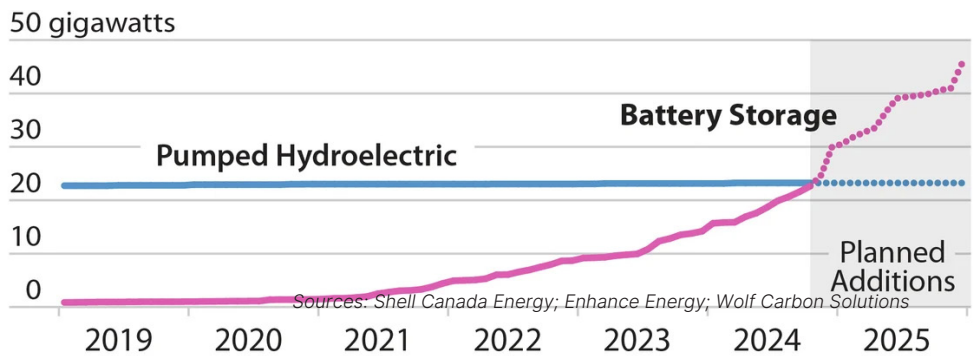


Battery storage accelerates the transition.

Battery storage resources are already having a dramatic impact on how some of the biggest electric markets operate across the U.S. because of their ability to be charged with low-cost renewables and then deliver that power to the grid when it is needed most, during morning and evening peak demand periods.

Battery Storage Soars, Overtaking Pumped Hydro

Total time-adjusted storage capacity, monthly



Source: EIA Electric Power Monthly; IEEFA estimates using EIA data IEEFA