

# Global Infrastructure Equity US Utilities Travel Diary

June 2025



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## Introduction

- Joseph Titmus, Managing Principal, Listed Infrastructure Equity, recently travelled to the US to meet with the management teams of our US utilities and visit assets.
- The primary purpose of the trip was to attend the American Gas Association conference attended by most of our US utilities, given many of the larger electric utilities also have some gas exposure.
- In addition, he also attended the offices of six of our other companies in the mid-Atlantic, South-east and California, and conducted two site visits. He had 26 meetings in total over the 13th to 25th of May.
- Timing of the trip was opportune given the back and forth on the tax bill, legislative developments in many states, ongoing debate on the impact of tariffs, all amidst growing power demand from data centres, electrification and the re-shoring of manufacturing.

NEE (FPL) substation, solar and EV charging installation  
(West Palm Beach)



EXC (BGE) LNG storage tank (Baltimore)



EXC (BGE) gas depot, EV charging station (Baltimore)



SRE (SDG&E) emergency operations centre (San Diego)



## Key takeaways

### Political developments

- The different versions of the tax bill were the focus of most meetings, though all companies felt they were well-placed to manage those impacts suggesting that the negative effects are more likely to be from 2029/30 and beyond, and more of an impact to affordability than profitability.
- State legislation was also in focus for most companies and across the board there were a number of positive developments. The focus of most of these bills was around either reducing regulatory lag for the utilities or encouraging data centre growth and economic development. Only New Jersey sounded negative, though with little details at this stage.

### Forthcoming investment opportunities

- Data centre demand remains front and centre, though we feel the effects remain somewhat subsided from last year's highs. Any available surplus capacity across the country has pretty much been absorbed and it seems there's a pause in new deals as utilities finalise tariffs / governments incentives and hyperscalers weigh up their next move.
- There is a lot of generation spend needed and whilst gas plants (peaking and baseload) are in most plans, they won't be delivered until the end of the decade at the earliest. Coal retirements may be delayed a year or two to facilitate this but otherwise we expect a lot more renewables. A little more discussion on small modular reactors than we expected, but no change to timing expectations for the mid 2030's.
- Companies are seeing plenty of other investment opportunities for the grid, particularly in transmission. Distribution requirements are significant also but given other needs this more programmatic spend is likely to get squeezed out and extended over longer time frames.
- Affordability is always a focus but we didn't think this was out of the ordinary (as compared to most of the sell-side feedback calling it out as the topic of the conference). Demand growth will help with this dynamic, sharing the costs over a large base, but in most areas the material loads are probably still 1-2 years away.

### A Regional Focus

- Access to gas is resurfacing as an issue, particularly for the potentially more constrained regions of the South East and New England. For the former 2030 seems to be the pinch point when additional pipeline capacity will be needed, whilst for the latter it will be hard without NY relaxing their current permitting approach.
- Growth in Texas remains strong and continues to provide plenty of upside to capex plans. The legislature also continues to be supportive of the industry despite some of the utility performance issues last year with a number of constructive bills that have received strong support so far.
- The Californian utilities continue to be focussed on improving the AB1054 wildfire insurance fund framework, though expectations were managed with this unlikely to be resolved until towards the end of legislative session on 12-Sep-25. We expect growth opportunities will remain plentiful with the utilities finding ways to work within the affordability constraints in the state.

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## Meet the Author



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