

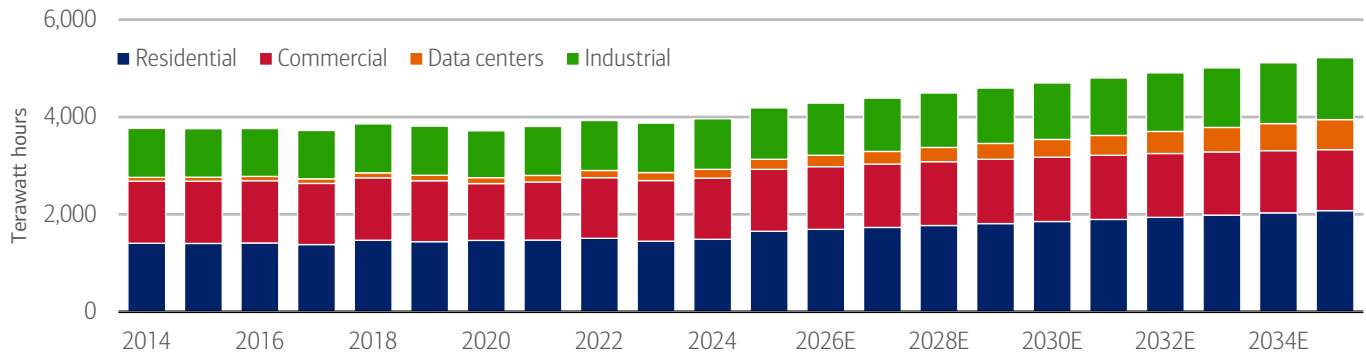
Institute Daily Insights

The US grid is seeing gigawatt-scale growth

14 August 2025

BofA Global Research expects US electrical demand to grow at a 2.5% compound annual growth rate (CAGR) over 2024-35E

US electrical demand (in terawatt hours per year) 2014-2035E



Source: BofA Global Research estimates, US Energy Information Administration

BANK OF AMERICA INSTITUTE

The US power grid is facing critical cross currents. And with energy demand surging, BofA Global Research estimates that US electrical demand will increase at a 2.5% compound annual growth rate (CAGR) through 2035 – compared to just a 0.5% CAGR from 2014-2024.

Why? While AI and data centers are at the forefront of recent discussion, increased building electrification in residential households is actually the largest driver of growing demand. The average US household would need 220% more electricity to be entirely electric.

Read more on this topic in Bank of America Institute's recent publication, [Power check: Watt's going on with the grid?](#)

Contributors

Liz Everett Krisberg

Head of Bank of America Institute

David Michael Tinsley

Senior Economist, Bank of America Institute

Disclosures

These materials have been prepared by Bank of America Institute and are provided to you for general information purposes only. To the extent these materials reference Bank of America data, such materials are not intended to be reflective or indicative of, and should not be relied upon as, the results of operations, financial conditions or performance of Bank of America. Bank of America Institute is a think tank dedicated to uncovering powerful insights that move business and society forward. Drawing on data and resources from across the bank and the world, the Institute delivers important, original perspectives on the economy, sustainability and global transformation. Unless otherwise specifically stated, any views or opinions expressed herein are solely those of Bank of America Institute and any individual authors listed, and are not the product of the BofA Global Research department or any other department of Bank of America Corporation or its affiliates and/or subsidiaries (collectively Bank of America). The views in these materials may differ from the views and opinions expressed by the BofA Global Research department or other departments or divisions of Bank of America. Information has been obtained from sources believed to be reliable, but Bank of America does not warrant its completeness or accuracy. These materials do not make any claim regarding the sustainability of any product or service. Any discussion of sustainability is limited as set out herein. Views and estimates constitute our judgment as of the date of these materials and are subject to change without notice. The views expressed herein should not be construed as individual investment advice for any particular person and are not intended as recommendations of particular securities, financial instruments, strategies or banking services for a particular person. This material does not constitute an offer or an invitation by or on behalf of Bank of America to any person to buy or sell any security or financial instrument or engage in any banking service. Nothing in these materials constitutes investment, legal, accounting or tax advice. Copyright 2025 Bank of America Corporation. All rights reserved.