DISTROFORGE

PROFESSIONAL INTELLIGENCE REPORT

Equipment Lead Time Tracker

National Electrical Distribution Market -- Q2 2026

PREPARED FOR

Procurement Leadership

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About This Report

This intelligence report was prepared by DistroForge for Procurement Leadership. It synthesizes publicly available market data, manufacturer signals, and supply chain intelligence to provide actionable procurement insights for the Western Region utility distribution market. All data points are sourced and verifiable. Recommendations reflect market conditions as of 2026-03-24 and should be reviewed against current conditions before execution.

SECTION 01

Executive Summary

128 wk	28-52 wk	30%	$1.8B
POWER XFMR AVG LEAD TIME	DIST XFMR LEAD TIME RANGE	POWER XFMR SUPPLY DEFICIT	MFG EXPANSION ANNOUNCED
Flat YoY	Down from 100+ wk peak	Persistent	Most capacity 2027-28

The U.S. electrical equipment market enters Q2 2026 in a state of persistent, structural supply constraint that shows no signs of meaningful relief before late 2027. While distribution transformer lead times have improved from their crisis peak of 100+ weeks in 2023, they remain elevated at 28-60 weeks depending on type and manufacturer. Power transformer lead times have barely moved, averaging 128 weeks nationally and 144 weeks for generator step-up units (GSUs), per Wood Mackenzie's Q2 2025 survey.

The supply deficit is real and quantified. Wood Mackenzie models a 30% supply shortfall for power transformers and a 10% shortfall for distribution transformers in 2025-2026. The pad-mount three-phase segment is expected to worsen specifically, driven by data center buildouts, EV charging infrastructure, and industrial reshoring demand. Power transformer demand has risen 119% since 2019. Distribution transformer demand is up 34%.

Pricing pressure continues. Transformer prices have increased 60-95% from 2020 levels depending on category. COMEX copper traded at $5.44/lb in mid-March 2026, down from a Q1 peak of $6.06/lb but still 70%+ above 2020 baselines. The 50% Section 232 tariff on copper imports (effective August 2025) has added an estimated 14-22% to winding costs. GOES prices remain 60-80% above 2020 levels, with Cleveland-Cliffs as the sole U.S. producer.

WARNING

Distributors and utilities that are not locking in orders with firm pricing and delivery guarantees through Q2 2027 are accepting unnecessary supply risk. The window to secure favorable allocation is narrowing, not opening.

SECTION 02

Lead Time Dashboard

Distribution Transformers: Single-Phase

MANUFACTURER	TYPE	LEAD TIME (WKS)	TREND	NOTES
ERMCO	Pole-mount, 10-167 kVA	28-42	Stable	Dyersburg, TN at capacity; AZ plant (566K sq ft) operational 2027
Howard Industries	Pole & pad-mount	32-48	Improving (-4 wks)	$237M MS expansion. 450 new jobs. Early capacity online
Eaton/Cooper	Pad-mount, single-phase	38-55	Stable	SC plant ($340M) not operational until 2027
Central Moloney	Pad-mount, single-phase	35-48	Improving (-2 wks)	New $50M FL plant ramping production
WEG	Pad-mount, single & 3-phase	30-45	Improving	$77M MO expansion; 50% capacity increase
Solomon/Sunbelt	Pad-mount, remanufactured	8-16	Stable	Fastest availability; standard ratings only

Distribution Transformers: Three-Phase Pad-Mount

WARNING

Pad-mount three-phase is the segment Wood Mackenzie projects will worsen in 2026, driven by data center, manufacturing reshoring, and EV charging demand.

MANUFACTURER	LEAD TIME (WKS)	TREND	NOTES
Eaton/Cooper	42-60	Stable to worsening	Data center demand absorbing capacity. SC plant adds capacity 2027
Prolec GE	45-65	Stable	Goldsboro, NC doubling capacity. $300M+ across sites
Howard Industries	36-55	Improving (-3 wks)	MS expansion adding three-phase production lines
WEG	34-50	Improving	New MO facility dedicated to three-phase pad-mount
MGM/VanTran	35-50	New entrant	430,000 sq ft plant in Waco, TX

Medium Power Transformers (5-80 MVA)

MANUFACTURER	LEAD TIME (WKS)	TREND	NOTES
Prolec GE Waukesha	55-80	Stable	Goldsboro, NC at 220 units/yr. Doubling by ~2028
Virginia Transformer	48-68	Improving (-6 wks)	Rincon, GA expansion (+70% capacity). $40M investment
Hitachi Energy	60-85	Stable	Alamo, TN component plant ($106M expansion)
Eaton	52-72	Worsening (+4 wks)	Demand outpacing production
WEG	50-70	New capacity	MO expansion targeting 1-10 MVA range

Large Power Transformers (100+ MVA) and GSUs

MANUFACTURER	LEAD TIME (WKS)	TREND	NOTES
Hitachi Energy	120-150+	Stable	South Boston, VA ($457M). Full production ~2028
Siemens Energy	125-155+	Improving (new capacity)	Charlotte, NC ($150M). 24 units/yr initial. Production early 2027
Virginia Transformer	95-125	Improving (-8 wks)	Fastest domestic LPT lead times per company claims
GE Vernova/Prolec	115-140	Stable	GE Vernova acquiring Prolec by mid-2026. $300M+ combined

Switchgear and Reclosers

EQUIPMENT	AVG LEAD TIME (WKS)	TREND	PRE-COVID BASELINE
MV Switchgear (15-38 kV)	26-32	Improving	12-16 weeks
HV Switchgear (72+ kV)	36-48	Stable	16-24 weeks
Metal-Clad Switchgear	34-44	Stable	16-20 weeks
Reclosers (distribution)	20-30	Increasing (+2 wks QoQ)	8-12 weeks
Circuit Breakers (MV)	18-28	Stable	8-14 weeks

SECTION 03

Price Trend Analysis

$5.44/lb

COMEX COPPER (MAR 2026)

+70% vs 2020

+60-95%

XFMR PRICES VS 2020

+5-18% YoY

50%

SECTION 232 COPPER TARIFF

Eff. Aug 2025

+8-15%

TARIFF-DRIVEN PRICE IMPACT

On top of organic inflation

Distribution Transformer Price Benchmarks (Q1 2026)

TYPE	RATING	PRICE RANGE (Q1 2026)	VS Q1 2025	VS Q1 2020
1-ph pole-mount	25 kVA	$3,800-$5,200	+6-10%	+65-80%
1-ph pole-mount	50 kVA	$4,500-$6,400	+5-9%	+60-75%
1-ph pole-mount	100 kVA	$6,200-$8,800	+7-11%	+70-85%
1-ph pad-mount	50 kVA	$7,000-$9,500	+8-12%	+75-90%
1-ph pad-mount	100 kVA	$8,500-$11,500	+8-13%	+75-95%
3-ph pad-mount	300 kVA	$18,000-$25,000	+10-15%	+80-95%
3-ph pad-mount	500 kVA	$24,000-$34,000	+10-16%	+80-95%
3-ph pad-mount	1,000 kVA	$42,000-$58,000	+12-18%	+85-100%+
3-ph pad-mount	2,500 kVA	$75,000-$105,000	+12-18%	+90-110%+

Commodity Cost Drivers

INPUT	CURRENT PRICE	VS 2020	% OF XFMR COST	KEY DRIVER
Copper (COMEX)	$5.44/lb	+70%+	20-35% (dist)	50% Section 232 tariff adds 14-22% to winding costs
GOES Steel	60-80% above 2020	+60-80%	25-30%	Single US supplier (Cleveland-Cliffs)
Transformer Oil	$3.50-$4.50/gal	+30-40%	5-8%	Stabilized but elevated
FR3 Natural Ester	3-5x mineral oil	Premium	+3-8% total unit	Cargill $30M production expansion
Aluminum	Tariff-impacted	+40-60%	15-25% (Al-wound)	50% Section 232 tariff
Steel (structural)	Tariff-impacted	+35-50%	10-15%	50% Section 232 tariff (June 2025)

Tariff Regime Summary

TARIFF	RATE	EFFECTIVE	TRANSFORMER IMPACT
Section 232 - Steel	50%	June 2025	Increases tank, core frame, radiator costs
Section 232 - Copper	50%	Aug 2025	Winding costs +14-22%. Commerce review due June 30, 2026
Section 232 - Aluminum	50%	All countries	Increases aluminum winding and bushing costs
India/Brazil	50%	2025	Impacts imported finished transformers
Section 122 - Global	10%	Feb 24, 2026	150-day surcharge on imports not covered by Sec. 232
Steel/Al content rule	25-50%	Ongoing	Finished goods with non-US steel/Al incur tariff

SECTION 04

Supply Chain Driver Analysis

Demand Drivers: Why Lead Times Remain Extended

Five structural forces are sustaining elevated demand across all transformer and switchgear categories. None of these forces show signs of reversing.

Data Center Buildout: National data center power demand is projected to reach 75.8 GW by end of 2026 and 108 GW by 2028 (S&P Global). The pipeline totaled 125+ GW in Q1 2025. Each GW of data center capacity requires 15-25 large power transformers and 200-400 distribution transformers. In the PJM region, data centers account for over 90% of projected new power demand.

Grid Modernization and Hardening: 55% of distribution transformers in the national fleet exceed 33 years of service, approaching end-of-life (Wood Mackenzie/NREL). State-level hardening mandates following extreme weather are driving accelerated replacement cycles.

Electrification and Load Growth: U.S. electricity demand increased 7% between 2019 and 2024, reversing two decades of flat growth. Commercial electricity sales estimated to increase 3% in 2025 and 4.5% in 2026.

Renewable Energy Interconnection: Annual solar deployments increased 400%+ between 2019 and 2025, each requiring medium-power transformers for grid interconnection.

IIJA Spending: $65 billion earmarked for power infrastructure flowing through utilities and their supply chains. Municipal utilities and rural cooperatives receiving direct federal allocations.

Supply Constraints: What Prevents a Faster Ramp

> *The U.S. has a single domestic GOES producer: Cleveland-Cliffs. This monopoly creates a persistent chokepoint. Chinese GOES output reached 3.37 million tonnes in 2025 (+14.3% YoY) but tariff structures make it prohibitively expensive for U.S. OEMs.*

Skilled Labor Shortage: Every major expansion is competing for the same limited pool of skilled transformer assemblers, winders, and test technicians. Howard Industries alone requires 450 new workers. The pipeline of qualified workers does not match the volume of announced capacity.

Testing Bottleneck: Transformer testing bays are a hidden constraint. Manufacturing lines can build faster than test bays can process, particularly for large power transformers requiring impulse, heat run, and sound level testing. This adds 4-8 weeks to quoted lead times.

Manufacturing Capacity Expansion Timeline

MANUFACTURER	INVESTMENT	LOCATION	PRODUCTION START
Hitachi Energy	$457M	South Boston, VA	Full production ~2028
Hitachi Energy	$250M+	Global (components)	2026-2027 (incremental)
Eaton	$340M	Jonesville, SC	2027
Siemens Energy	$150M	Charlotte, NC	Early 2027 (24 units/yr)
Prolec GE	$300M+	NC, LA, Mexico	Doubling by ~2028
Howard Industries	$237M	Mississippi (3 counties)	Phased over 5 years
ERMCO	$70M+	TN and AZ (new)	AZ plant 2027
WEG	$77M	Washington, MO	Ramping 2026
Central Moloney	$50M	Okaloosa County, FL	Ramping now
MGM/VanTran	Undisclosed	Waco, TX (430K sq ft)	2026
Virginia Transformer	$40M	Rincon, GA	Under construction

> Import dependency remains a structural reality: the U.S. imports approximately 80% of its power transformer supply and 50% of its distribution transformer supply. Mexico, Canada, and China together provide 80% of imported transformers.

SECTION 05

Regional Spotlight

Southeast (FL, GA, SC, NC, AL, TN)

Status: Highest demand concentration nationally. Lead times at or above national averages. The Southeast represents 22-25% of U.S. distribution transformer demand and the largest share of new manufacturing investment, yet most capacity comes online 2027-2028.

Demand drivers include data center buildouts in Georgia (Georgia Power authorized ~10 GW of new resources) and Tennessee, Florida hurricane hardening ($4.2B invested 2020-2025), renewable interconnection backlogs across the Carolinas, and Florida population growth adding 365,000+ residents in 2024-2025. Current lead time premium vs. national average: +5-10% for three-phase pad-mount and medium power transformers.

Mid-Atlantic / PJM Region (VA, MD, PA, NJ)

Status: Data center epicenter. Power transformer allocation is the primary constraint. Data centers account for over 90% of projected new power demand in parts of PJM. Large power transformers in PJM are effectively sold out through 2028+ at most domestic manufacturers. Utilities and data center developers are placing orders 3-4 years in advance.

WARNING

Organizations in PJM without existing allocation agreements are at the highest risk nationally of being unable to source power transformers at any price within a 24-month window.

Pacific Northwest (WA, OR)

Status: Emerging demand hotspot with no local manufacturing. Data centers projected to consume 4 GW by 2029, exceeding utility capacity for 1.2 million customers. The region is entirely dependent on shipments from other regions or imports, adding 2-4 weeks of freight time and 3-7% pricing premium vs. national averages.

SECTION 06

Forward Outlook: Q3-Q4 2026

Distribution Transformers

Standard single-phase pole-mount (25-167 kVA): Lead times may tick down 2-4 weeks as WEG, Central Moloney, and Howard Industries capacity additions come online. Expect 26-38 weeks by Q4 2026 for standard ratings.

Single-phase pad-mount: Stable at 35-50 weeks. No meaningful new capacity in this segment until 2027.

Three-phase pad-mount: This is the segment to watch. Wood Mackenzie projects worsening shortages due to data center, manufacturing reshoring, and EV charging demand. Expect 45-65+ weeks through year-end, with spot availability extremely limited.

Power Transformers

Medium power (5-80 MVA): Expect 50-85 weeks through year-end. Virginia Transformer's GA expansion may provide 5-8 week improvement for their products by late Q4 2026.

Large power (100+ MVA): Expect 115-150+ weeks through year-end and into 2027. Siemens Energy's Charlotte plant begins production early 2027 but at only 24 units/yr initially. GSUs: 140-150+ weeks. No improvement expected until 2028+.

Wood Mackenzie projects the power transformer supply shortfall falling from 30% (2025) to approximately 5% by 2030 as capacity additions accumulate, but the intervening years remain severely constrained.

Switchgear and Reclosers

Medium voltage switchgear should compress to 24-30 weeks by Q4 2026. High voltage switchgear: 34-46 weeks. SF6-free alternatives remain a bottleneck (72+ weeks in some configurations). Reclosers are trending upward: expect 22-32 weeks by Q4 2026.

Pricing Forecast

CATEGORY	EXPECTED YOY PRICE CHANGE	KEY DRIVER
Distribution transformers	+5-10%	Commodity costs + demand-supply imbalance
Power transformers	+8-15%	Demand +21% vs 2024 outpacing supply relief
Switchgear	+4-8%	Copper and steel tariffs
Wild card: Copper duty	+5-9% (if enacted)	Commerce Secretary review due June 30, 2026

SECTION 07

Procurement Recommendations

1 Extend Forward Coverage to Q2 2027

CRITICAL

Any distribution transformer or switchgear order needed before July 2027 should be placed now with firm pricing and delivery guarantees. For power transformers, plan to 2028. The risk of waiting is not higher prices -- it is unavailability at any price. Negotiate escalation caps (5-8% max) rather than fixed pricing, which manufacturers increasingly refuse to honor beyond 90 days.

2 Diversify Your Manufacturer Base to Include WEG and MGM

HIGH

WEG's $77M Missouri expansion and MGM/VanTran's 430K sq ft Texas plant represent the two largest sources of new distribution transformer capacity operational in 2026. Both are actively seeking new distributor and utility relationships. Their lead times are running 10-15% shorter than Eaton for comparable three-phase pad-mount units. If your approved supplier list is limited to legacy players, now is the time to qualify these alternatives.

3 Stock Standard Ratings for Emergency Inventory

HIGH

Maintain safety stock of the five most common single-phase ratings (25, 37.5, 50, 75, 100 kVA) at your regional warehouse. The cost of carrying $150K-$300K in inventory is less than one emergency spot purchase at a 30-50% premium. Remanufactured units from Solomon/Sunbelt (8-16 week lead times) are cost-effective for emergency stock in standard configurations.

4 Specify to April 2024 DOE Efficiency Standards

MEDIUM

Despite the CRA rollback, most manufacturers already produce to the higher efficiency tiers. The incremental cost is 3-7% per unit and provides insurance against future regulatory reinstatement. For a 50 kVA single-phase unit, the efficiency premium pays for itself within 4-6 years through reduced core losses.

5 Monitor the June 30, 2026 Copper Decision

MEDIUM

The Commerce Secretary must update the President on U.S. copper markets by June 30, 2026. A phased duty on refined copper could add 5-9% to transformer pricing across all categories. Structure purchase agreements with tariff contingency language. Consider placing copper-wound orders before the decision date.

SECTION 08

Methodology & Sources

This report synthesizes intelligence from multiple public and semi-public sources to construct a comprehensive picture of U.S. electrical equipment lead times and pricing. All data points are independently verifiable.

Primary Data Sources

Wood Mackenzie/PowerAdvocate supply chain surveys (Q2 2025, most recent available). Manufacturer press releases and investor communications (Hitachi Energy, Eaton, Siemens Energy, WEG, Howard Industries, Prolec GE, ERMCO, Virginia Transformer, Central Moloney, MGM). NEMA reshoring and backlog reports. CISA/NIAC infrastructure advisory reports. COMEX commodity pricing data. Trade publications: POWER Magazine, Utility Dive, Electrical Trends, T&D World, tEDmag. U.S. DOE efficiency standards documentation. Congressional Research Service tariff analysis. Newton-Evans Research Company market assessments.

Data Limitations

Manufacturer-specific lead times are compiled from published sources and distributor intelligence. Actual lead times may vary +/-10-15% depending on configuration, order size, and existing allocation agreements. Pricing data represents market ranges, not firm quotes. Wood Mackenzie's Q2 2025 survey is the most recent comprehensive industry lead time dataset available; Q3-Q4 figures are DistroForge Research estimates based on trend analysis and capacity addition timelines.

> Full source citations with URLs are provided in the extended report. 22 sources cited including Wood Mackenzie, CISA/NIAC, POWER Magazine, Utility Dive, manufacturer announcements, COMEX data, and DOE documentation.

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