

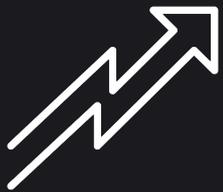
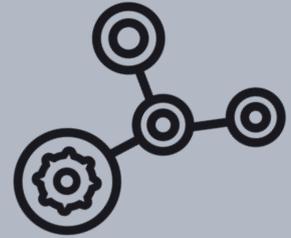


2026: Europe's power sector's trillion-euro challenge

Aging infrastructure

40% of Europe's distribution grids are over 40 years old

40
years
old



1.5-2%
Growth

Growth

Electricity demand expected to rise 1.5–2% annually from 2026 onward

Investment outlook

Grid investment needs could reach €584 bn this decade, with total needs reaching 3.5 trillion. This comes at a time when public finances are strained across Europe.

3.5
Trillion

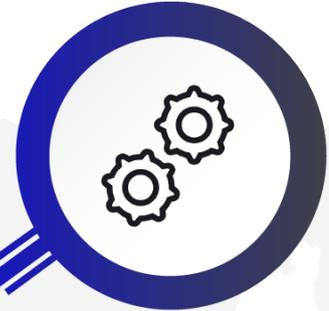


Electrification + Decarbonization = Greater Complexity & Opportunity

Europe's power sector in 2026: 4 trends to watch

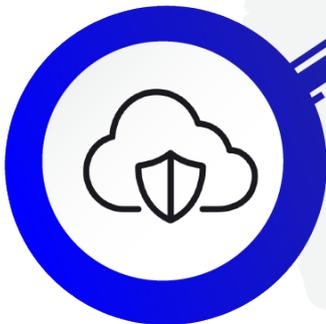
1. CapEx pressures vs. high debt

- Large-scale grid upgrades projected at hundreds of billions
- Sector debt already at €890B (+70% since 2020)
- Growing need for portfolio-level visibility and AI-driven project controls



2. Digitalization of DSOs

- 67% of utilities still rely on paper-based processes
- Digital twins emerging as a key tool for real-time grid modeling and outage prediction



4. Software & risk-based resilience

- Cyber threats targeting operational technologies are on the rise
- Utilities shifting toward automated restoration tools (FLISR) and ICS recovery platforms to speed recovery and reduce risk

3. Stabilizers: cross-border trade & nuclear

- EU pushing for 70% transmission capacity for cross-zonal trade
- Nuclear regains momentum with 14 reactors planned and 3 under construction

Octave provides enterprise software that helps organizations design, build, operate and protect critical industrial and infrastructure assets. Octave supports decisions across the full asset lifecycle where performance, safety and reliability matter and failure is not an option. Octave connects engineering, operational and safety workflows, enabling customers to convert complex operational data into decisions that improve performance, resilience and incident response across real-world environments. Octave has more than 7,000 employees in 45 countries. Learn more at octave.com and follow us on [LinkedIn](https://www.linkedin.com/company/octave).