

MGM Music Hall at Fenway Park
Boston, Massachusetts

THE
PULSE
INDUSTRY TRENDS & FORECAST

This is our 10th edition of The Pulse and we're happy so many have asked to expand our distribution list. If you'd like to have a discussion about a general topic you read about here, or have a specific situation you need help with, please let us know.

INDUSTRIAL OVERVIEW

The Northeast commercial construction market slowed in 2024 and into 2025, as compared to the past 5-6 years. The interest rate environment and the lack of large tenant activity across various market sectors is keeping most shovel ready developments from starting. The election cycle is behind us and although the Fed has not cut interest rates recently, it appears that the Fed is planning at least one, possibly two upcoming rate cuts. The markets have responded favorably to these proposed rate cut discussions.

The "stickiness" of the current interest rates, coupled with high construction costs and record vacancy rates have slowed the pace of new buildings coming out of the ground in the short term. We are starting to see new construction projects moving forward at a more regular pace. We have also seen an increase in office & tenant related projects as well as hospitality projects, such as restaurants.

A few markets continue to be a bright spot. Academic, medical, and large multi-unit residential projects are moving forward, and existing buildings are spending money on upgrades to their facilities. We are also seeing some smaller life science tenants beginning to invest in new spaces. We continue to be optimistic that the commercial construction market will gain further traction and will have more starts in the 4th quarter of 2025 and into 2026.

LEAD TIMES

Gaston has been tracking lead times on a quarterly basis since the pandemic. Most factories for commodities and system components for electrical equipment have returned to "normal / pre-pandemic" levels. This includes branch (smaller) panelboards, building transformers, busway, low voltage connectivity, fire alarm equipment, and building wire. Manufacturers of large switchgear (switchboards and substations) and generators are running at full capacity, but the high demand for these items is causing many lead times to remain extended.

Several manufacturers of distribution equipment (switchboards, panels, transformers, etc.) have increased their capacity and ability to build orders domestically – to more efficiently respond to the orders and to reduce shipping times. The manufacturers started construction of these additional facilities after the pandemic, and many are coming online soon if they are not online already. This expanded manufacturing capacity should continue to put downward pressure on overall lead times.

Data center projects continue to dominate the headlines in the construction news cycle, both domestically and globally. The rise of artificial intelligence (AI) and the computing power required to run cloud services in support of AI is incredibly large. These data centers require tremendous amounts of electrical power that is provided by switchgear and back-up power (generators). Because these large projects require switchgear and generators, our market sector is suffering through long lead times from factories.

Additionally, we are also seeing a very high demand for fiber optic cable that is being used in data center construction. Certain types and sizes of fiber optic cable have seen increasing lead times due to this strong demand.

Our goal with The Pulse is to share current market conditions with our customers and partners. This update is a snapshot of today and we implore you to reach out with questions should you have any.

**SWITCHGEAR LEAD TIMES,
ALTHOUGH EXTENDED, HAVE
CONTINUED TO IMPROVE IN 2025.**

Item / Material	Current Lead Times
Switchgear	
15KV Switchgear with Breakers	40 - 75 weeks
15KV Fusible Switchgear	25 - 40 weeks
Substation Transformers	50 - 65 weeks
Switchboards over 1200 Amps	30 - 55 weeks
Draw Out Breaker Switchgear	30 - 55 weeks
Distribution Panelboards	12 - 28 weeks
Branch Panelboards	4 - 16 weeks
Dry Type Transformers	2 - 10 weeks
Busway	16 - 45 weeks
Busplugs	12 - 30 weeks
Meter Sockets without Bypass	Stock - 18 weeks
Meter Socket with Bypass	Stock - 25 weeks
Large Disconnect Switches	10 - 18 weeks
Outdoor Padmount Transformers	12 - 50+ weeks
Generators	
1.25MW+	55 - 100+ weeks
500KW, 1MW with Enclosure	32 - 40 weeks
250KW - 400KW with Enclosure	24 - 34 weeks
<= 500KW with Enclosure	18 - 24 weeks
Automatic Transfer Switches	
Standard 600 Amps and Below	4 - 18 weeks
Standard, above 800 Amps	20 - 36 weeks
Any ATS with Bypass / Closed Transition	20 - 48 weeks
Miscellaneous Items	
Medium Voltage Cable	4 - 36 weeks
VFD with Bypass	4 - 30 weeks

Lead times listed in the table above are after release of material (after receipt of approved / stamped shop drawings).

Lead times vary between manufacturers, and this results in larger / wider ranges.

Lead times for large switchgear packages and generators will remain long for the foreseeable future.

Lead times for smaller generators (below 500KW) have improved since 2020 and are almost back to "normal" levels.

Low price should NOT be the only deciding factor for purchasing project materials when time is of the essence.

Generally, there are several factors that impact lead times – ask your Subcontractors if there is anything that can be done to improve them. Frequently, manufacturers can make subtle changes to their bill of material that can help expedite the process and fit into a "quick ship" category.

PRICING

**IF THERE WAS
A “WORD OF THE
YEAR” FOR 2025,
TARIFFS WOULD
MOST CERTAINLY
BE IT.**



The most common question we have fielded for the last 6 plus months is “what will the tariff impact be.” We have spent countless hours speaking with our vendors up and down the supply chain, and there is no specific answer.

This topic is particularly relevant to the electrical trade – our products (lighting fixtures, lighting controls, switchgear, generators, fire alarm systems, etc.) are comprised of numerous components, frequently sourced from all over the globe. Even though a light fixture may be produced in North America, there are electronic components inside the fixture that come from Asia, wire from Chile, and supports/hangers that come from Canada as an example. It is very difficult to pinpoint how much of the product may be impacted by tariffs.

Some vendor / manufacturers added a 5-8% tariff charge to their quotes the minute the election was over – in anticipation of tariffs being imposed. Almost every other vendor / manufacturer has added a page long disclaimer on their proposals stating that any impact from tariffs are not included in their pricing – but that they reserve the right to revisit and add the tariffs if and when they are established.

What we are finding is that most of our vendor partners are doing their best to “lock in” pricing when we place an order. They are going back to the factories on our behalf to lock in the value, and to identify a release date as soon as possible, so the factories can acquire the materials needed as early as possible to complete the order and minimize any future volatility on the supply side. So far this approach has been working for us.

It appears as of this writing that the markets are gaining stability. Several countries have tariff agreements in place, and many others are in the process of being formalized now. We believe many manufacturers will make the adjustments necessary to accommodate these net tariff cost impacts, and that there should be less uncertainty going forward.

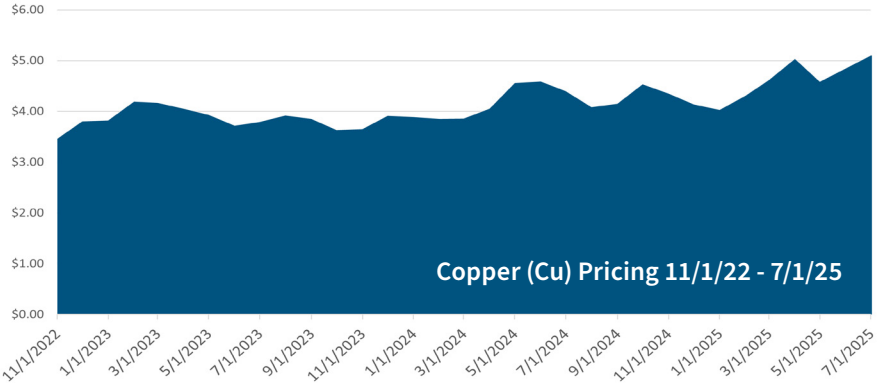
Copper - COMEX Market Price as of 9.25.25 is \$4.72 / lb

Since our last publication of the Pulse, the COMEX price for Copper (Cu) has experienced unprecedented volatility. Copper reached a new all-time high of \$5.95 in late July of 2025. Almost as quickly as the pricing jumped up, it fell back to within the “normal” range in August of 2025. The spot copper price as of this writing is around 11% higher that this same time last year.

This market volatility is being driven by tariff talks, supply chain disruptions, mining regulatory changes, shifting demand from major markets like China, changes in sentiment on green energy projects, and overall market speculation.

Copper is used in many products such as planes, automobiles, medical equipment, consumer electronics, and of course electrical equipment and components. The demand for copper remains strong, and almost every industry is impacted in some way by copper pricing.

End user pricing (building wire and bussing) has increased for contractors in 2025, about 10-12%. Although the Cu market appears to be stabilizing after the recent summer volatility, we have yet to see a decrease in cost to previous pricing levels. This is mostly attributed to continued tariff policy uncertainty and continued increased global demand.



Source(s): Southwire (www.industrial.southwire.com), MacroTrends (www.macrotrends.net/1476/copper-prices-historical-chart-data)

PRICING

**THE OVERALL
IMPACT OF
TARIFFS
BETWEEN THE
UNITED STATES
AND CANADA
IS STILL A
MOVING TARGET.
ONE THAT
WE'LL BE
WATCHING
CLOSELY.**

CONTACT US

This update is a snapshot of today and we implore you to reach out with questions should you have any.

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IBEW 103 and NECA contractors agreed to a 5-year labor agreement in which the work force will receive an \$18.75 raise over 5 years, which began in September 1, 2023.

This increase is an average of \$3.75 a year for five years.

Based on current total compensation, this increase is less than 4% of the 'total package' for an hourly journeyman per year.

When the price of copper rises, or the copper market becomes more volatile we see the increase in interest / demand for Aluminum as a cost saving hedge.

While aluminum used for building products is sourced from many parts of the globe, a significant amount of the aluminum products used in the electrical trade such as aluminum cable and aluminum conduit are produced and imported from Canada. The overall impact of tariffs between the US and Canada are still a moving target – we are watching this closely due to the significant impact it has on our commonly used material and components.

Aluminum - Market Price as of 9.25.25 is \$2,663 / mt

Aluminum (Al) wire and materials are used in the electrical industry in lieu of Copper (Cu) as a cost savings measure. Al is less expensive to purchase, and the delta between Cu and Al costs allows the end user to realize savings on their projects when substituting one for the other is feasible. This substitution is seen in transformer windings, feeder cables, and bussing for gear and panelboards.

Since our last publication of The Pulse, the market price for Al has increased 1-3%. End user pricing for Al wire has remained relatively stable during this same quarter.

