

# Energy Traders and Utilities to See Increased Pricing Volatility on Renewables This Winter—New Report from Climavision

*The Seasonal Outlook Report Shows How a Warm Winter Punctuated by Cold Snaps, Low Precipitation and Weak Winds Will Affect Renewables; Other Energy Sources*

LOUISVILLE, KY, UNITED STATES, November 13, 2025 /EINPresswire.com/ -- [Climavision](#), the weather technology company whose AI-driven forecasting fills visibility gaps for global energy traders and utilities like CenterPoint Energy, has released its Winter 2025/2026 Predictive Seasonal Outlook for energy traders and grid operators. The three-month forecast provides an overview of upcoming weather patterns and climate shifts expected from December 1, 2025 to February 28, 2026, along with their critical impacts on the U.S. energy industry. The company, which uses an AI model to produce high-precision subseasonal and seasonal insights, urges the industry to prepare for a winter season with above-normal temperatures and decreased precipitation that will influence energy production and pricing across much of the United States. The complete report is available for download [here](#).

Leading into winter, the energy industry typically anticipates higher demand for heating, along with an increase in natural gas prices. Decreased daylight hours also reduce average solar energy output, while cold air density can lead to increased wind generation. For traders and utility companies, understanding how shifts in weather affect demand and output enables them to price accurately and address energy shortages and surpluses in advance. Utilities also rely on weather insights to ensure that grids remain resilient and operational the entire season. Climavision's newly released winter report provides an in-depth look into how this year's conditions will differ from—and look similar to—last year, across all zones: SPP, MISO North, PJM, NYISO, CAISO, Pacific Northwest, and ERCOT. Based on the company's [Horizon AI Seasonal to Subseasonal \(S2S\)](#) model—which goes beyond NOAA and other mainstream weather forecasting organizations—these predictions enable the energy industry to make informed decisions one month to over a year in advance.

Four key takeaways from the Predictive Seasonal Outlook include:

1. Above-average temperatures will reduce overall heating demand, but cold snaps will leave grids at risk. (Affected Zones: all regions, including ERCOT, MISO, SPP and NYISO)

Following a warm fall season, a warmer winter and stable heating season this year will continue

to lead to lower average levels of natural gas dependency across the country. However, in the Eastern United States, including NYISO, cold snaps will leave the region vulnerable to explosive gas price sensitivity.

Energy companies and traders should instead preserve natural gas storage above predicted levels of baseline demand to account for volatility spikes. These stores of energy can also hedge against potential late-season cooling, which could catch the industry off guard.

2. Weakened wind speeds will create risk of renewable energy underperformance, leading to volatility in wind-dependent regions. (Affected Zones: ERCOT, PJM, NYISO, ISO-NE)

Lower than normal wind speeds in the Eastern U.S. and parts of Texas will lead to decreased levels of wind power. Additionally, predicted cold snaps will result in one-day price swings, as weak winds fail to offset higher levels of demand.

Traders should anticipate large gaps between gas and electricity prices and occasional price spikes resulting from the shifts in production and rapidly cooling weather. Utility companies can plan to counteract lower wind power generation by strategically increasing stores of natural gas.

3. Strong solar irradiance will act as bulwark against decreased wind generation, offsetting some renewable risks. (Affected Zones: CAISO, ERCOT)

In Texas and the Midwest U.S., above-normal levels of solar irradiance will boost winter production. The increased levels of solar power will partially make up for lower wind generation, however, shorter daylight hours will cap levels, leading to modest gains.

Utility companies should plan to use solar power to balance surges in energy usage that result from sudden cold fronts. Traders should anticipate a greater focus on solar power as well, leading to potential price increases.

4. Drier conditions in the Southwest will lead to lower hydropower levels, while higher levels of precipitation in the Pacific Northwest will weaken gas demand. (Affected Zones: Pacific Northwest, CAISO, ERCOT)

Precipitation levels across the U.S. will be varied this winter—producing vastly different risks and opportunities. In the Southwest U.S., hydropower will be greatly diminished, leading to a higher reliance on natural gas. Solar power, which is predicted to increase in these regions, may help offset these shifts. In the Pacific Northwest, however, an unseasonably wet winter will lead to above-average levels of hydropower—weakening the demand for natural gas.

Traders should prepare for a cap on prices in the PNW resulting from excess hydropower and weakening gas demand. Utility companies in the Southwest should prepare to utilize higher

levels of gas, and solar power, to offset decreases in water power generation.

“Our fall outlook this year predicted a drier, warmer climate across the U.S., and for the energy traders and utility companies who operated in those regions, they’ve largely seen these shifts come to fruition so far,” said Chris Goode, CEO of Climavision. “We expect our winter outlook to deliver the same value. We’ve seen time and time again that when the energy industry has access to AI-enhanced NWP and long-term AI forecasts to supplement their in-the-moment data they’re able to drastically increase predictability, increase profitability and stay ahead of their competition.”

Climavision produced its Winter 2025/2026 Predictive Seasonal Outlook using its Horizon AI S2S weather model. Utilizing global data from the ERA5 dataset, the Horizon AI model processed a range of climate simulations based on real-world fluctuations. The model then created a three-month outlook tailored to the upcoming winter season based on these simulations.

#### About Climavision

Climavision brings together the power of a proprietary, high-resolution supplemental weather radar network with its cutting-edge Horizon AI forecasting technology suite to close significant weather observation gaps and drastically improve forecast speed and accuracy. Climavision's revolutionary approach to climate technology is poised to help reduce the economic risks of volatile weather on companies, governments, and communities alike. Climavision is backed by The Rise Fund, the world's largest global impact platform committed to achieving measurable, positive social and environmental outcomes alongside competitive financial returns. The company is headquartered in Louisville, KY, with research and development in Raleigh, NC, and a fleet maintenance office in the panhandle of Florida. To learn more, visit [www.Climavision.com](http://www.Climavision.com).

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