

MIXED SIGNALS IN 2026 COMPLICATE BUSINESS PLANNING

Companies focus on short-term execution and AI integration in 2026

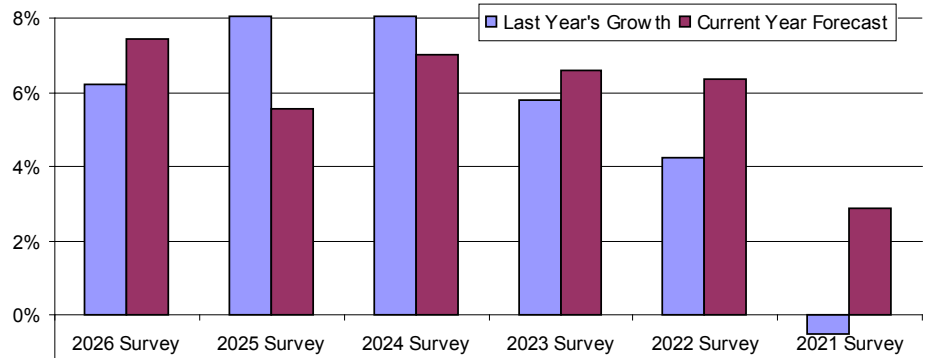
Business planning in 2026 and for 2027 and beyond in the environmental industry feels less like navigating a straight line to a carefully charted destination, and more like negotiating a meandering path in unpredictable seas.

The objectives are still clear: aging infrastructure must be renewed, energy systems must be modernized, climate risk must be gaged managed, air & water quality must be maintained, contaminated sites must be inventoried, prioritized and addressed, and industrial clients must continue to comply with permits and meet public expectations.

But the signals guiding the route are inconsistent. Economic growth is positive but uneven. Federal policy is shifting, but state and local regulatory programs remain active. Energy demand is rising, but the pace and composition of the energy transition remain contested. Infrastructure funding is still flowing, but project timing, permitting, labor availability and client confidence vary widely by market and region.

For environmental industry executives, the result in 2026 is a more tactical approach to strategic management. Firms are still investing, hiring, acquiring and expanding, but with more attention to backlog quality, contract discipline, margin protection, staff utilization and client-sector diversification — with a mostly cautious implementation of AI tools and systems in the background. Long-term planning objectives exist, but many are less emphasized given uncertainties in policy, the economy, geopolitics and upcoming election cycles.

Revenue Growth Rates: 2021 to 2026 EBJ Surveys



Inside EBJ: 2026 Environmental Industry Outlook

EBJ's Environmental Industry Outlook 2026 finds executives encountering some mixed signals on the market's direction, but overall optimism for continued growth. Results of EBJ's annual survey point to more varied performance amongst companies but clearing priorities on key clients, geographies, service categories and technology applications. Consensus data on the economy and the energy outlook complement EBJ's usual expert perspective and executive Q&As..... 1-20

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VERRILL STRATEGIC CONSULTING DISPENSES STRATEGIC ADVICE IN MASSACHUSETTS HOUSING AND RENEWABLE ENERGY MARKETS

Through **Verrill Strategic Consulting LLC** (Boston MA), Steven Davis provides strategy and team management of federal, tribal, state, and municipal zoning, land use, and environmental review. Services include pre-purchase due diligence, entitlements, right-to-build, construction, and operation approvals for new and expanding projects, as well as conversion of existing assets. To support these efforts, Steve also develops critical path method schedules and, if needed, formal permit management systems.

EBJ: How has business been so far in 2026 and what external factors have played into your short- or long-term business planning and strategy here in Q2 2026?

Steve Davis: Business in the first quarter of 2026 is down about 20% year over year. The Commonwealth of Massachusetts push for housing creation has caused me to focus more attention on residential projects and mixed use projects with a strong residential component.

EBJ: How would you rank which have been the largest or recently impactful drivers of your work as this federal ‘deregulatory’ transition evolves?

Davis: In addition to the Commonwealth’s housing push, many of my clients are responding to climate risk both in site selection and in project design. There also is much interest in clean energy developments, including land-based solar generation and battery energy storage systems.

EBJ: What legal precedents or SCOTUS decisions do you believe have had and/or will have the most impact on the market for environmental services?

Davis: The federal deregulation initiatives and decisions have had little effect on my business. The Commonwealth’s regulations have been largely unaffected.

EBJ: What have you found to be the most useful, productive or impactful application of AI platforms in the advisory profession—first, for you personally and second for your company or your team?

Davis: I currently use proprietary AI for regulatory research and am beginning to use it for document analysis and drafting.

EBJ: What is your opinion on sustainability and durability of the data center market in the near and short-term?

Davis: I have not been involved in any data center projects. As an observer, I think data center projects are a bubble that soon will be over.

EBJ: What areas has your company focused on in energy and power: planning & permitting, community outreach, design, implementation or infrastructure design and management?

Davis: Verrill Strategic Consulting provides permitting service for renewable energy projects, primarily land-based solar generation, and battery energy storage systems.

EBJ: What is your involvement in renewables, behind-the-meter distributed or independent power generation for private clients or government infrastructure?

Davis: Many of my clients are incorporating behind the meter roof-top solar generation into both residential and commercial projects. Some are even considering standalone power generation with battery storage using the grid essentially as backup power.

EBJ: Please review the EBJ Outlook Survey result summary tables and make some observations that occur to you on market rankings, forecast, long-term energy scenarios, rates, etc.

Davis: Given current market trends, inflation, and interest rates, I believe that the Average Company Gross Revenue Forecasts for 2026 and 2027 may be somewhat overstated—more like 5% than 6% or 7%. The market has turned downward in the last month or two.

For Market Driver Trends, my business plan focusses on Housing Demand and Development, Domestic Renewable Energy Production, and Climate Risk Management.

The Key Factors Impacting Renewable Energy Forecast feels about right, though the current oil price shock may improve the outlook for renewables both short- and long-term.

EBJ: What was your original inspiration to get into the industry in the first place, and what circumstances led to you taking on a senior management role?

Davis: I stumbled into environmental consulting in 1972 as a response to the worst civil engineering job market in decades. I was an MIT-trained geotechnical engineer and hit a wall looking nationwide for a position, any position. A friend suggested that I try “these new environmental consulting houses.”

I never looked back. Since I was an early entrant into the field, promotion was steady and rapid. And, in 1989, I formed my own company, then called Rackemann Strategic Consulting and now by merger Verrill Strategic Consulting. ■

Clients are responding to climate risk both in site selection and in project design. There also is interest in clean energy developments, including land-based solar generation and battery energy storage.
