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Business Standby Generators: 2025–2026 in Review

Data centers are soaking up factory capacity, lead times are stretching, and used units are suddenly valuable. Here's what changed for commercial and industrial standby power, and what it means if you need a generator for your business.

By Steph Lane · Published November 14, 2026 · Data through mid-November 2026

+28%
Generac C&I segment sales, Q3 2026 ($553M)

$78B
Caterpillar record backlog, up 96% in a year

40–45 wks
Generac's large-generator lead time (some rivals 70–80)

$2B+
Generac's expectation for 2027 data center revenue

The short version

- **Data centers rewired this market.** Generac's commercial and industrial sales jumped 28% in Q3 2026, Caterpillar's power generation sales grew 30%, and Cummins posted record Power Systems results.
- **Waiting is the new cost.** New large standby generators are quoted at 40 weeks and up, and some makers are quoting well over a year.
- **Used and in-stock units are worth more.** When a new unit is a year out, a unit that can ship now tends to be worth more.
- **Prices are firm.** Tariffs raised input costs in 2025, relief is temporary, and the big makers are booked, so there's little pressure to discount.

2025: steady, with a rocket strapped to the side

If you only looked at the 2025 headline numbers, the commercial side looked like a normal year. Generac's C&I product sales grew 5% for the full year to $1.46 billion. But look at the fourth quarter: C&I product sales were up about 10% to $400 million, and the company said it was mostly from data center customers. That was the first clear sign of what was coming.

Meanwhile the home side had a rough year because outages were low. The two markets were moving in opposite directions.

2026: the data center squeeze

Every big maker reported the same story in October and November. Generac's C&I segment sales rose 28% to $553 million in Q3, with more than $100 million from data center products in the quarter alone. The company expects nearly $500

million of data center revenue for 2026, said it signed a long-term supply agreement with Amazon for backup generators (about $2.4 billion of initial deliveries across 2027 and 2028), and put its data center backlog at about $4.5 billion. It now expects data center revenue to well exceed $2 billion in 2027.

Caterpillar had its highest sales quarter ever. Power generation sales rose 30% to $3.42 billion, and total backlog hit a record $78 billion, up 96% from a year ago. Cummins Power Systems sales rose 15% to $2.3 billion at a 25.4% EBITDA margin.

Q3 2026 sales growth vs. Q3 2025

Each company reports power generation differently, so these are the closest like-for-like lines each one discloses.



Sources: Generac Q3 2026 10-Q; Caterpillar Q3 2026 results coverage (Manufacturing Dive, Utility Dive); Cummins Q3 2026 release. Cummins' line is its whole Power Systems segment.

The makers are spending to keep up. Generac says it is working to triple its large-generator production capacity. Rehlko began distributing its new KD Series generators in early 2026 and announced a new assembly facility in Kenosha, Wisconsin. None of it shows up on a dealer's lot in a hurry, because engine plants take years, not months.

What that does to lead times

On Generac's Q2 call in July, the CEO said large generator lead times at Generac were 40 to 45 weeks, and that some competitors were quoting 70 to 80. One

distributor's 2026 estimates for new standby diesel give you a sense of the shape: small units wait a few months, and the big frames wait about a year or more.

New standby diesel generators: typical lead time, 2026

One distributor's estimates, not manufacturer quotes. Your numbers depend on brand, voltage, enclosure and tier.

SIZE	TYPICAL LEAD TIME
25–400 kW	12–26 weeks
500–600 kW	12–30 weeks
750–1,000 kW	12–39 weeks
1,250–3,250 kW	52–70 weeks

Source: Global Power Supply, "Generator Lead Times in 2026," based on its project data across major manufacturers. Another dealer, Generator Source, says factory orders for 2,000 and 3,000 kW units are stretching into late 2027. Switchgear and transformers can add to the wait.

Why this matters to a small business: a 50 or 100 kW generator for a restaurant, clinic or small plant doesn't compete directly with a hyperscale campus. But it shares factories, engines and alternators with it, and when the big orders get priority, everyone feels the ripple.

Used and surplus: the pressure valve

When new gear is a year out, buyers look at what already exists. Generator Source, a used and surplus dealer, says factory orders for the largest units are stretching into late 2027, which pushes buyers toward machines that can ship now. That tends to firm up prices for low-hour units in popular sizes (roughly 500 kW to 2 MW), while older units with no records or rental history trade lower.

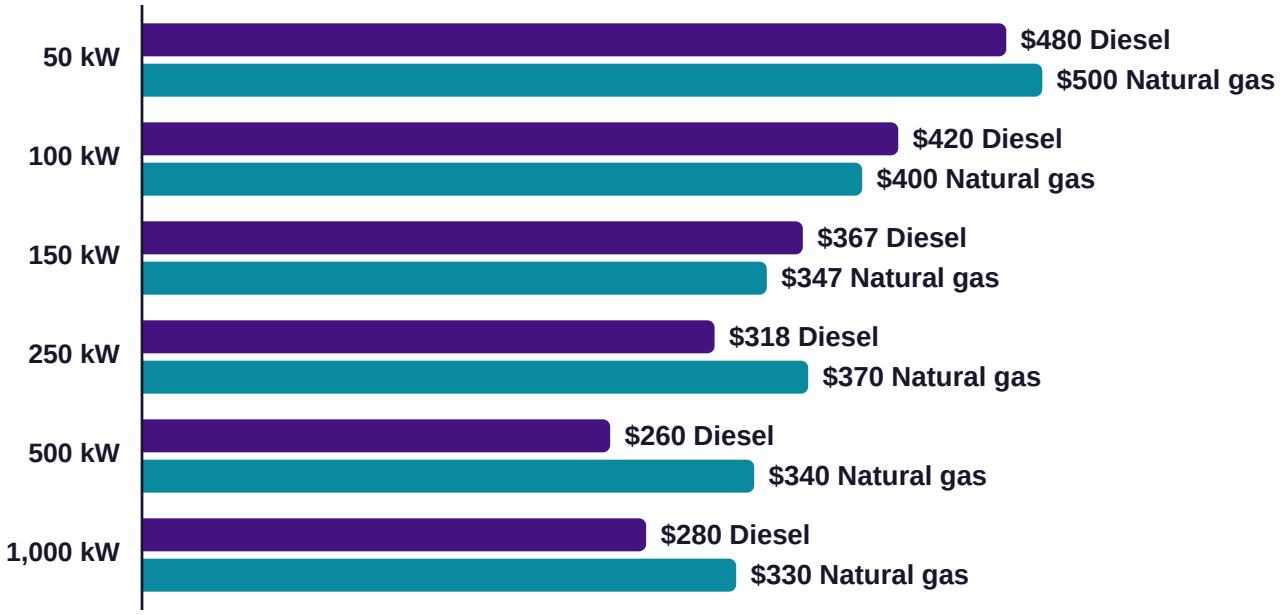
Used value depends on hours, age, maintenance records and whether the unit has been load tested. Ask for all of it, and have a licensed technician look over anything you buy. If you want a starting number for a specific unit, our Price a Gen tool gives an estimate from hours, age and condition.

What commercial generators cost

For stationary generators above about 100 kW, manufacturers mostly don't publish prices, GenTrak estimates new, zero-hour value from manufacturer and dealer pricing. Those estimates are in our catalog. At the low end, price per kW is high because there's a fixed cost in the controls, enclosure and alternator. It flattens out once you get past 150 kW.

Estimated new price per kW, Generac industrial standby

GenTrak estimated fair market value, genset only (no transfer switch, freight or installation). Accuracy about ±20–30%.



Diesel: SD050, SD100, SD150, SD250, SD500, SDMD1000. Natural gas: SG050, SG100, SG150, SG250, SG500, SG1000. Diesel and gas are within about 6% of each other at 50–150 kW. From 250 kW up, the gas units run roughly $50–80 more per kW.

Brand differences at 500 kW are small. Our estimates put the Generac SD500, the Cummins C500 D6e and the Kohler 500REOZJC within about 2% of each other, around $130,000 to $132,500, which tells you the real difference is availability, service coverage and spec, not sticker price.

At the light-commercial end, where some makers do publish prices, the spread is clearer:

Published prices, liquid-cooled natural gas standby

SIZE	MODEL	PRICE	BASIS
100 kW	Generac Protector RG10090C	$36,689	MSRP
100 kW	Kohler KG100R	$40,901	MSRP
100 kW	Briggs & Stratton 100kW NG	$43,139	Dealer retail
150 kW	Generac Protector RG15090C	$46,289	MSRP
150 kW	Kohler 150ERESC	$51,917	MSRP
150 kW	Briggs & Stratton 150kW NG	$59,232	Dealer retail

GenTrak catalog, Nov. 8, 2026. Generac and Kohler are manufacturer list; Briggs & Stratton are dealer retail, single-phase base. Generator only. Three-phase, enclosures, transfer switches and installation are extra.

Tariffs and why I don't expect price cuts

Caterpillar expects about $2.2 billion of tariff costs in 2026, not counting recoveries of IEEPA tariffs, and said about $600 million of that lands in the third quarter. It also reported favorable price realization. In February the Supreme Court ruled the IEEPA tariffs unlawful, but the Section 232 steel and aluminum tariffs are separate. Temporary changes effective June 8, 2026 lower the U.S.-metal-

content threshold for the reduced 10% rate from 95% to 85% and run through the end of 2027. That is relief at the margin, not a rollback. When demand is this strong and the makers are booked, I'd plan around flat to rising prices.

A few other things I'm watching

- **Natural gas.** Our catalog lists about 180 gas-fueled commercial and industrial models if you want to compare them with diesel.
- **Backup to on-site power.** Caterpillar's Q3 filing coverage mentions an agreement for up to 2.1 GW of gas generator sets for data center prime power. The line between standby and primary power is getting blurry.
- **Market size numbers.** IMARC sizes the global data center generator market at $8.18 billion in 2025, while MarketsandMarkets has it at $8.57 billion in 2026 growing to $9.79 billion by 2031. Methods differ, so use them for direction.
- **Backlog and 2027.** Generac expects its quoted lead times to normalize in the first quarter of 2027 after finishing a plant move, and says 2027 data center revenue should well exceed $2 billion. Its own filing also flags cancellation rights in some data center contracts, so a big backlog isn't all firm.

If you run a business and need standby power

- **Start the clock early.** Request quotes with delivery dates, and ask if the quote holds price. Allocation and escalation language is more common than it used to be.
- **Size it right.** Use our business planner to add up your loads, then compare real models in our 713 commercial and industrial listings.

- **Look at used and surplus** if you can't wait, but ask for hours, service records and a load test.
- **Plan for the rest of the system.** Transfer switches, switchgear, permits, fuel and freight can set your schedule. Our freight estimator gives a ballpark to your ZIP.

Price a used generator or size a new one

Check fair market value by hours and age, or add up your loads. Free, and we don't sell generators.

Price a used generator | **Size for my business**

Browse commercial generators

Sources

- Generac Q4 and Full-Year 2025 results
- Generac Q3 2026 Form 10-Q (SEC)
- What Generac said on its Q3 2026 call
- Generac Q2 2026 call highlights (Nasdaq)
- Cummins Q3 2026 results (Nov. 5, 2026)
- Caterpillar Q3 2026: highest sales quarter ever (Manufacturing Dive)
- Caterpillar Q3 2026 (Utility Dive)
- Caterpillar Q3 2026 Form 10-Q (SEC)
- Global Power Supply: generator lead times in 2026
- Generator Source: the 2026 energy crisis
- Rehlko: KD Series launch (Power Progress)
- Rehlko press releases (Kenosha, Wisconsin assembly facility)

- IMARC: data center generator market
- MarketsandMarkets: data center generators market
- Foley Hoag: Supreme Court strikes down IEEPA tariffs (Feb. 20, 2026)
- Plante Moran: Section 232 update (June 2026)
- GenTrak commercial and industrial generator catalog

GenTrak doesn't sell, broker, quote or install generators, and nothing here is financial, legal or electrical advice. Prices labeled "GenTrak catalog" come from our November 2026 generator table (manufacturer list prices where published, otherwise our estimated fair market value, typically ±20–30% for industrial units). Third-party figures are attributed to their source and some are analyst or distributor estimates, which can differ by publisher. A licensed electrician or dealer should confirm sizing and quotes before you buy.