Auto Physical Damage

Plugged-In: EV Collision Insights Q2 2026

August 20, 2026
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Among repairable claims, the gap in average severity between battery electric vehicles (BEVs) and gasoline-powered automobiles narrowed to a record low, although BEVs remain more costly to repair. In the United States, average severity was $5,684 for BEVs compared to $5,022 for plug-in hybrid electric vehicles (PHEVs), $5,033 for mild hybrid electric vehicles (MHEVs) and $4,955 for vehicles with an internal combustion engine (ICE). A similar trend emerged in Canada with severity of $6,645 (CAD) for BEVs, $6,227 (CAD) for PHEVs, $6,080 (CAD) for MHEVs and $5,411 (CAD) for ICE automobiles.

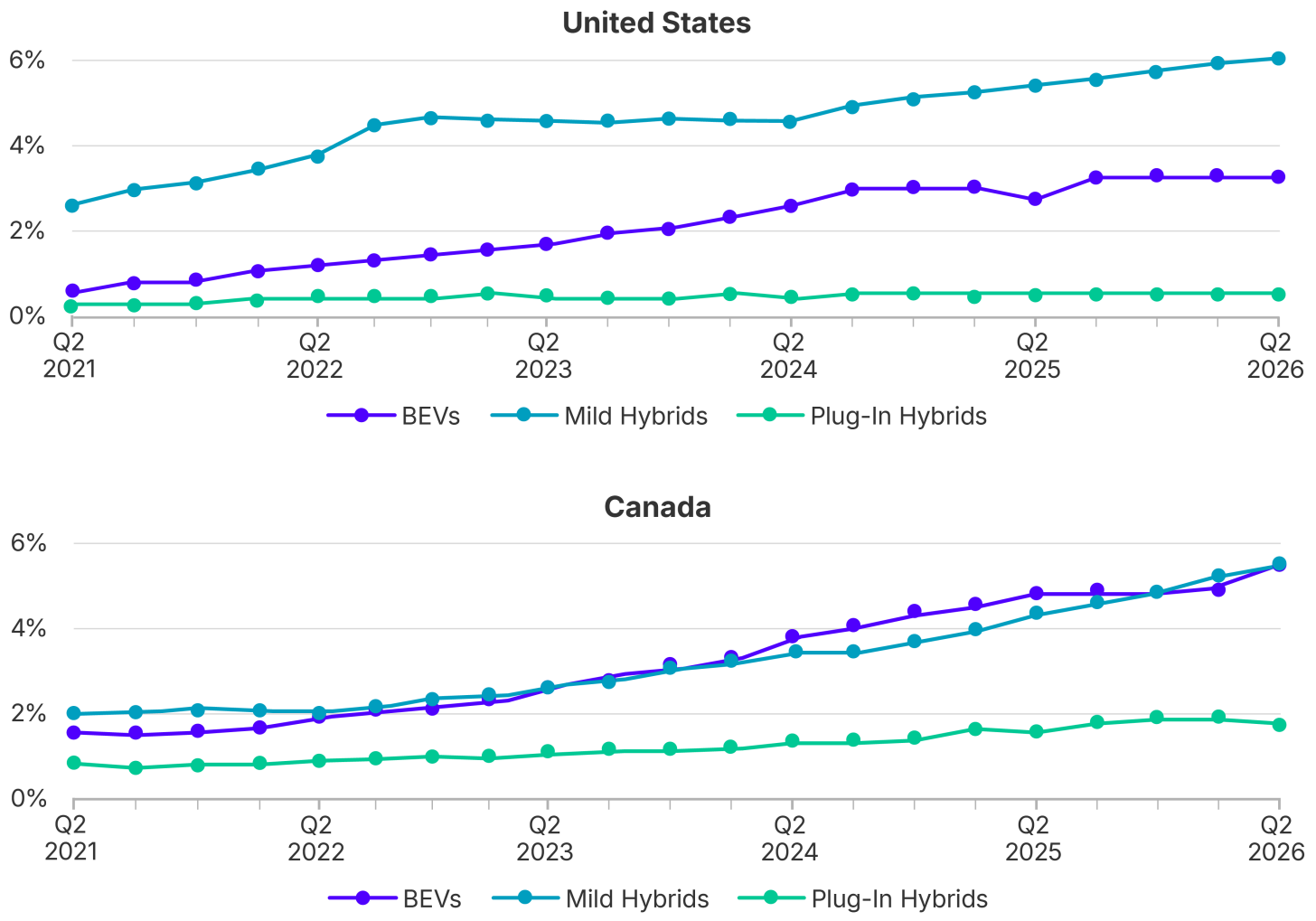
Historically, BEVs generate higher repair costs due, in part, to more complex, interconnected systems. However, Q2 data shows a difference in average repairable severity of just $729 between BEVs and ICE vehicles in the U.S. and $1,234 (CAD) in Canada across all model years. If this trend persists, it may indicate that a combination of higher total loss frequency and a maturing electric vehicle fleet are bringing repair costs across powertrain types closer to parity.

Average Repairable Severity United States and Canada Q2 2026

While the narrowing severity gap is an encouraging trend, evolving geopolitical and trade conditions could place renewed pressure on repair costs in the months ahead. Conflict in the Middle East has increased uncertainty surrounding energy markets, global shipping routes and aluminum supplies, potentially affecting the cost and availability of replacement parts. At the same time, tariffs and review of the United States-Mexico-Canada Agreement (USMCA) are continuing to influence where vehicles and parts are manufactured and sourced. As automakers and suppliers adjust production and distribution strategies, collision repairers and carriers could experience greater variability in parts pricing, availability and delivery times. These developments are particularly relevant for BEVs, which are more dependent on OEM replacement parts than ICE alternatives and typically have fewer parts repaired versus replaced.

Against this backdrop, the percentage of U.S. repairable claims involving BEVs remained unchanged at 3.32% last quarter. Mild hybrid claims, however, reached a new all-time high of 5.83%—a 26% year-over-year increase. Similarly, second-quarter new automobile sales reflected the same divergence, with hybrids remaining the primary source of electrified-vehicle growth. This was led by Toyota, Hyundai and Kia and an expanding lineup of 49 models across all manufacturers, giving consumers even greater choice. In contrast, General Motors reported a 33% year-over-year decline in BEV sales, including a 25.9% drop for its electric Silverado truck, while Tesla's sales were projected to decline by more than 20%. As hybrid adoption grows, auto insurance and collision executives can expect an increase in demand for underwriting and repairing a broader range of electric vehicles.

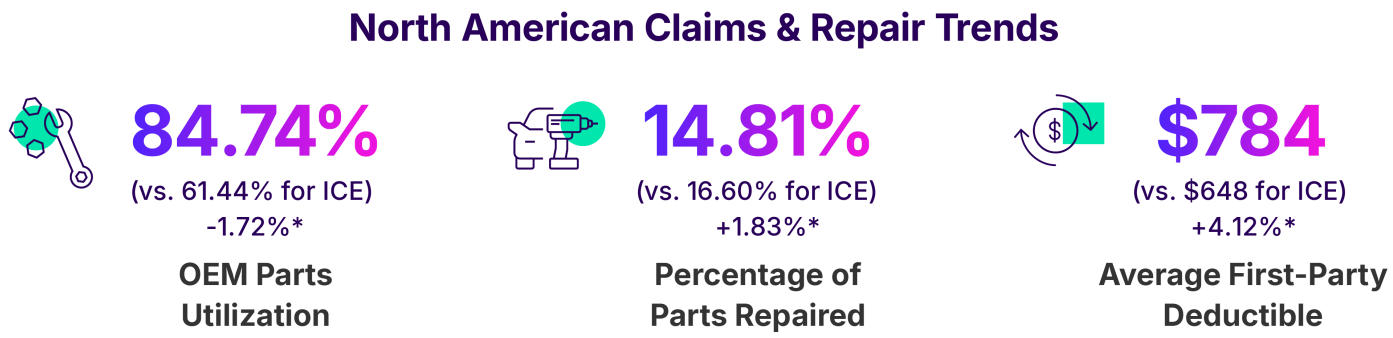
Percentage of Repairable Claims by Electrified Powertrain



Source: Mitchell International, Inc.

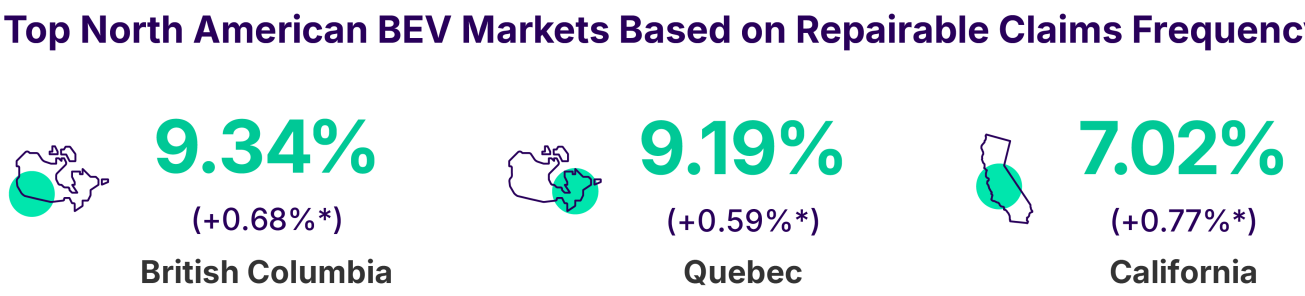
In Canada, BEV claims and sales growth are on a much different trajectory. After a brief pause in growth in 2025, the BEV share of repairable claims hit a record high of 5.42% in Q2 while MHEVs accounted for 5.52% and PHEVs accounted for 1.85%. That reflects a 12.4%, 27.5% and 27.6% year-over-year increase, respectively. Canadian sales of new electric vehicles also rebounded significantly this year, climbing 20.8% in the first four months compared to the same period in 2025 as high gas prices and the restoration of government incentives made zero-emission alternatives more financially attractive to cost-conscious consumers. According to J.D. Power, 34% of new car shoppers surveyed indicated they were somewhat or very likely to purchase a BEV as their next automobile, up from 28% the previous year. While cost is no longer a significant barrier to adoption

thanks to high fuel prices and sales incentives, other factors such as range anxiety, limited charging infrastructure and cold-weather performance still are.



Source: Mitchell International, Inc.

By the Numbers



Source: Mitchell International, Inc.

Top Five BEVs by Percentage of Repairable BEV Claims

United States		Canada	
Tesla Model Y	31.02% (+1.68%*)	Tesla Model Y	23.29% (+0.68%*)
Tesla Model 3	25.27% (-0.18%*)	Tesla Model 3	22.79% (+1.30%*)
Ford Mustang Mach-E	4.18% (-0.14%*)	Ford Mustang Mach-E	5.16% (-0.54%*)
Hyundai Ioniq 5	3.48% (+0.14%*)	Hyundai Ioniq 5	4.45% (-1.10%*)
Tesla Model S	3.40% (-0.57%*)	Hyundai Kona EV	4.08% (-0.63%*)

Source: Mitchell International, Inc.

*Difference between Q2 2026 and Q1 2026.

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