



NORTH AMERICA RENEWABLES MARKET UPDATE

March 2026

Renewables Market Update

As power prices increase and demand outweighs supply, renewables' advantages remain stable—but you must act now.

North American power markets are experiencing sustained pressure to increase prices, driven by rapid load growth from data centers, constrained supply pipelines, and rising volatility across wholesale markets. Policy developments, particularly the cancellation of renewable incentives, increased tariffs, and regulatory uncertainty around RECs, amplify these trends, raising costs across all generation sources. At the same time, the evolving state of the GHG Protocol and SBTi standards are reshaping how renewables and RECs can be used to meet Scope 2 goals.

Traditional alternatives such as gas, nuclear, and coal face long development timelines, escalating capital costs, or significant economic and environmental drawbacks, reinforcing the need for new capacity from renewables despite growing obstacles.

Renewable energy continues to offer structural advantages due to cost competitiveness, relative price stability, and speed to market. Because of these advantages, renewables will remain the preferred source for new energy even as the regulatory environment becomes more challenging. However, the cost of renewables will soon skyrocket, and the window of opportunity is closing as incentives phase out and project costs rise.

Organizations must adapt their renewable energy strategies by aligning internal stakeholders, reassessing portfolios, and deploying a broader mix of procurement mechanisms to secure value in an increasingly constrained and volatile market. Renewables are, and will remain, an organization's best tool—but time is running short to cost-effectively use it.

Energy Supply Management at ENGIE Impact

Renewables are just one pillar of our broader procurement strategy backed by data and expertise that leverages energy into competitive strategy.

Traditional Energy Strategy & Procurement

Leverage market intelligence and expertise to develop and execute a sourcing strategy that manages risk, achieves budget certainty, and drives down operating expenses.

Renewable Energy Strategy & Procurement

Develop and execute a sourcing strategy that complements your company's energy and sustainability goals in regulated and deregulated markets.

Rate Monitoring & Optimization

Optimize standard utility rates and tariffs to reduce operational expenses and gain a competitive edge.



1,000+ Clients
with over 1.4M accounts worldwide

\$3.4B
global energy spend under management

85+
energy and market experts on our team

200+
suppliers in our global network



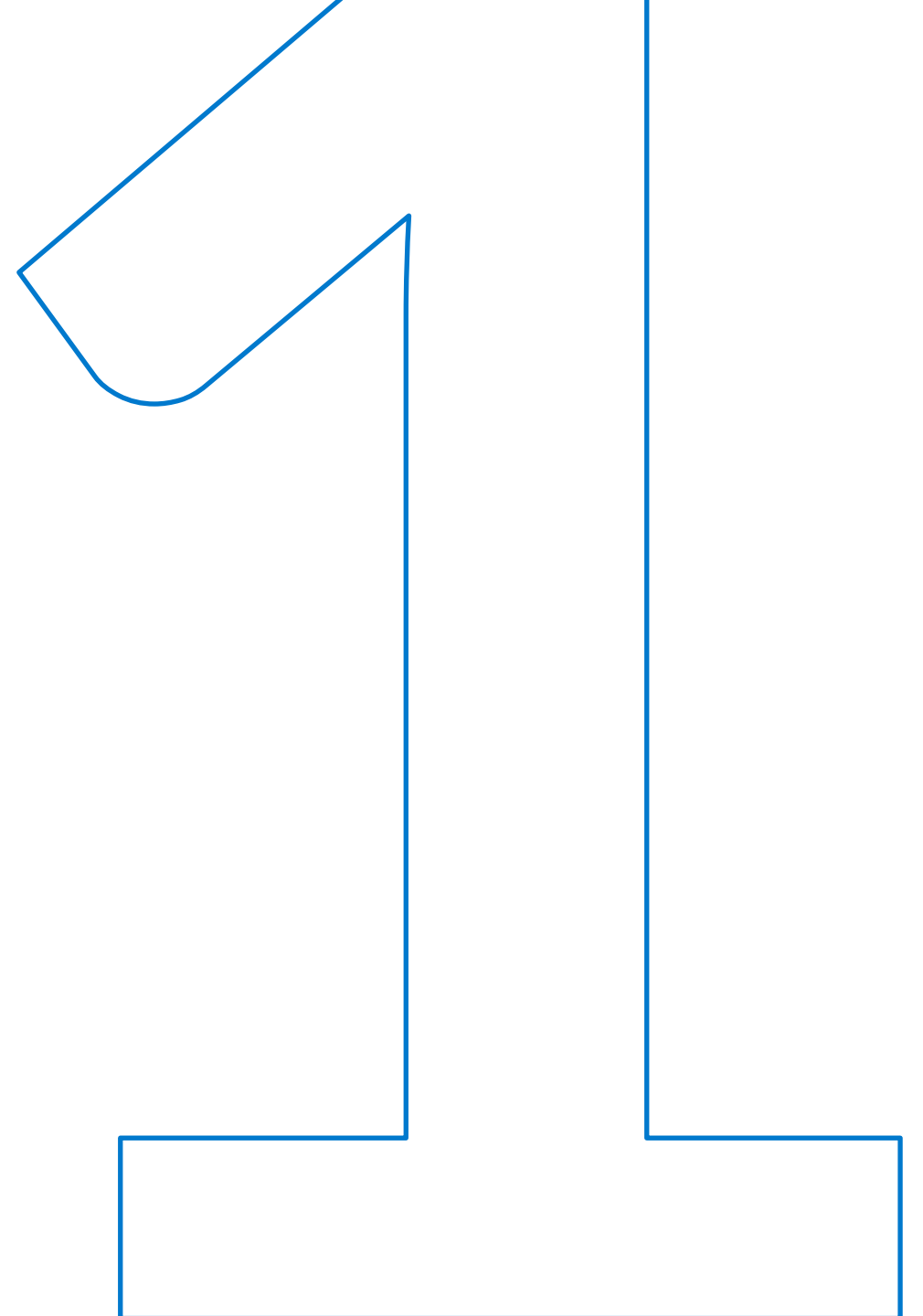
A Look Ahead...

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Market Fundamentals: Demand Growth & Price Pressures

- Data Center Demand & Electricity Prices
- Power Price Volatility



Market Fundamentals: Demand Growth & Price Pressures

Current RE Themes, Advantages, & Pressures

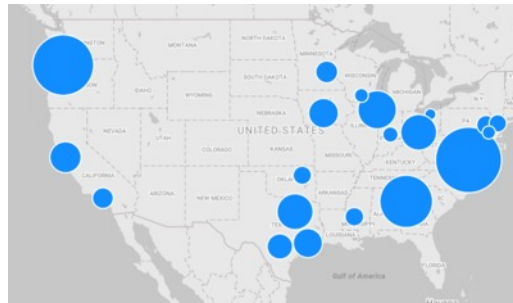
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Power Prices Increase as Supply Struggles to Keep Pace

Electricity costs and power price volatility are both increasing; meanwhile, supply is not keeping up with demand. For the first time in decades, U.S. demand is growing, primarily due to data centers. The current demand for data centers is expected to more than double by 2030, largely concentrated in the Southeast, Texas, and the western United States.

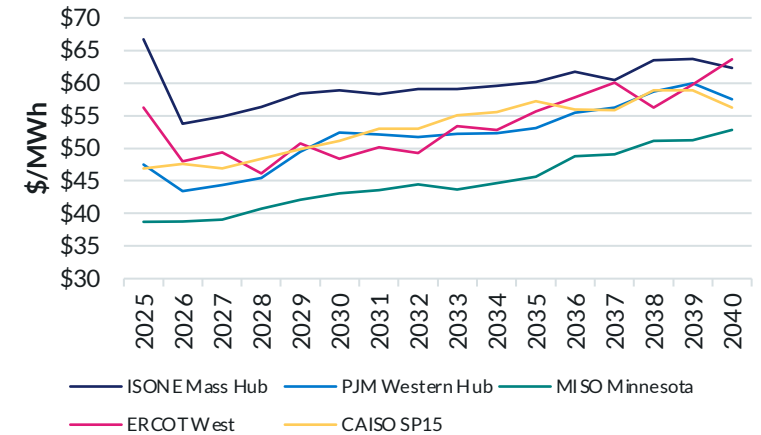


Several regional power markets face heightened reliability risks due to insufficient transmission and pipeline capacity, and regions surrounding data centers will see increased volatility and prices to electricity and natural gas.

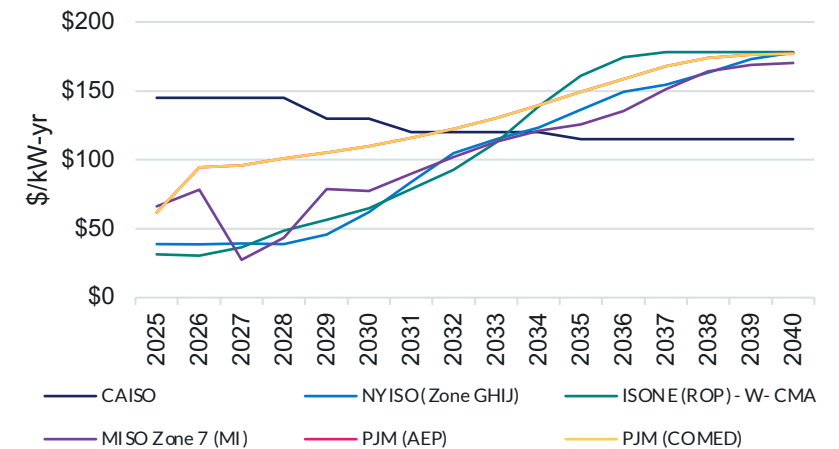
The impacts of structural growth are being exacerbated by policy changes. According to a variety of forecast estimates, the One Big Beautiful Bill Act (OBBBA) will drive wholesale power prices 25–75% higher over the next 10 years ([WoodMac](#), [WoodMac](#), [Energy Innovation](#)). One Clean Energy Buyers Association ([CEBA](#)) study estimates **OBBBA will drive double-digit energy price increases in 19 states.**

- Maine would be the highest increase at 19% for C&I.
- The sectors who will be hit hardest include iron, steel, chemicals, cement, aluminum, and metals.

WoodMac Power Price Forecast



WoodMac Capacity Price Forecast



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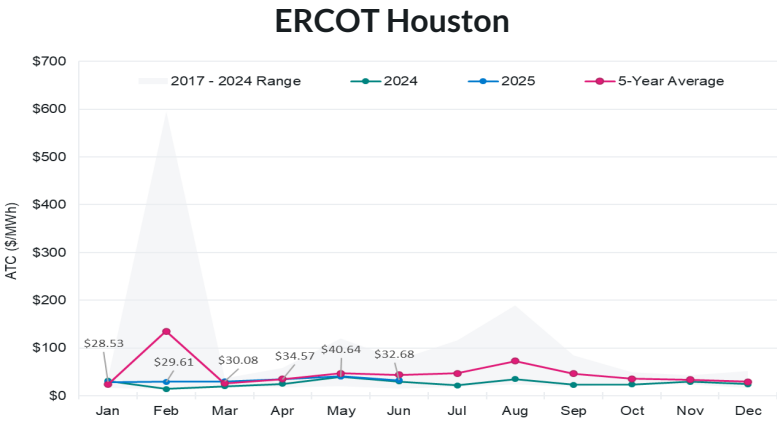
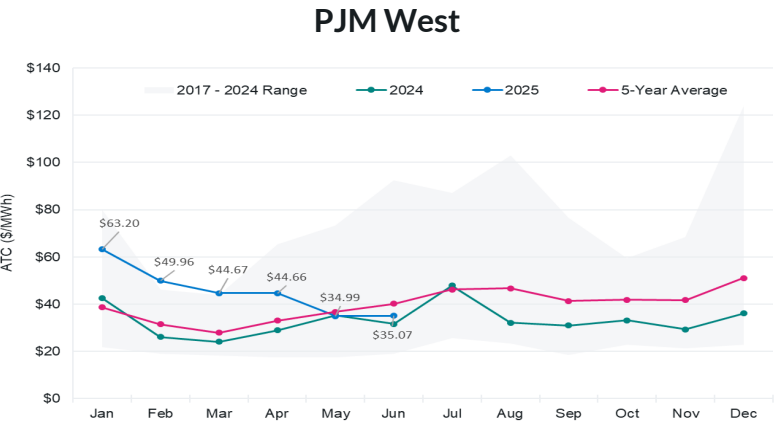
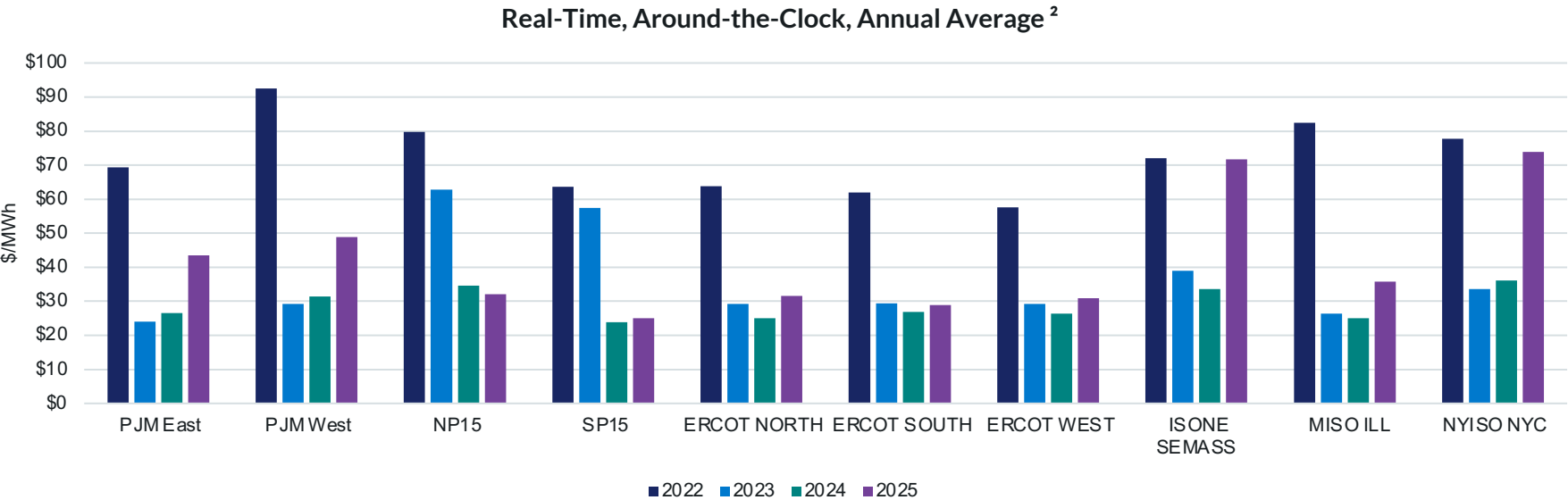
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Power Price Volatility Increases



1. WoodMac Power & Renewables Outlook, 2H2025 2. S&P Cap IQ



Current Renewable Energy Themes, Advantages, & Pressures

- Current Renewable Energy Themes
- Continued Renewable Energy Structural Advantages
- Corporate Sustainability Commitments Under Pressure



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Challenges Facing Non-Renewables

Purchasing renewable energy is going to get more expensive and more complicated due to major policy changes. However, this comes at a time when non-renewable energy sources face their own headwinds and escalating prices. Renewables will continue to be the primary source of new generation because they will retain their cost and deployment advantages over other sources.

Gas plants take many years to build, and the cost to build them is increasing. Lead times for gas turbines are stretching into 2032, when just a year ago they were 4–6 years (~2030). Turbine manufacturers—including Siemens, GE Vernova, and Mitsubishi—are reluctant to expand their production capacity, still reeling from the period of gross overbuild in the early 2000s that left the sector with unused capacity. The turbine industry is also exposed to global supply chains and vulnerable to U.S. tariffs ([CapIQ](#)).

Costs of new natural gas plants are skyrocketing. They've reached an estimated \$2,400/kW, which is double the price it was in mid-2023 ([CapIQ](#), [Wall Street Journal](#)).

New-build nuclear projects are not slated to come online before 2030. Several new-build nuclear projects have been announced, but they are based on small modular, which is not currently a commercial technology. Target dates for most of these projects are at least six years out. Some repowering projects are in progress, but their numbers are limited ([DataCenterFrontier](#), [WorldNuclearNews](#), [UtilityDive](#)).

Coal-fired generation is returning to the grid—at heavy economic environmental costs. The [U.S. Department of Energy \(DOE\)](#) issued emergency orders directing several utilities in Arizona, Michigan, and Pennsylvania to keep certain plants running past their planned retirement dates, causing them to operate coal plants at economic losses.

Utilities, public utilities commissions, grid operators, and states' attorney generals have all opposed this directive, as it forces utilities to take losses and increases consumer costs. Moreover, grid stability does not require these plants ([Michigan Attorney General](#), [Arizona Corporation Commission](#), [Utility Dive](#), [RTO Insider](#)).

Coal plants have been granted the following waivers for environmental rules:

- Exemption from the Mercury & Air Toxics Standard and fly ash disposal requirements.
- Relief from environmental and worker safety rules at coal mines.
- Loan guarantees for coal plant upgrades.

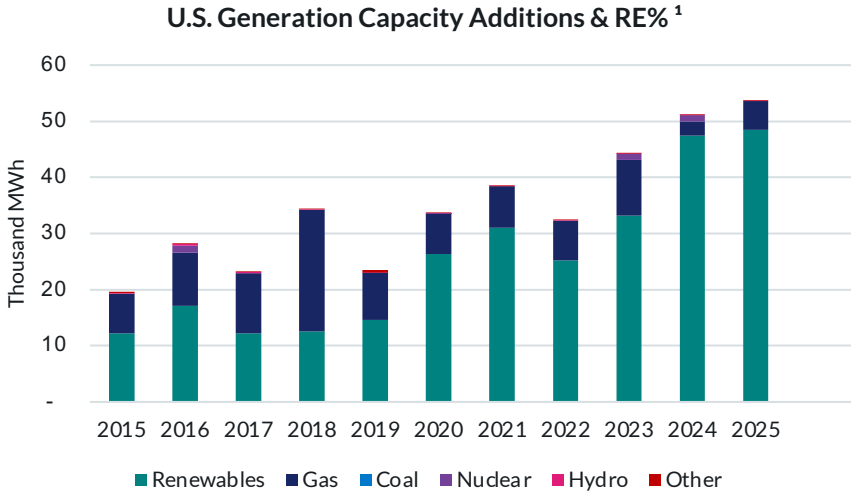
The federal government is also challenging the constitutionality of state climate and energy-related laws ([Utility Dive](#), [White House](#)).

Renewables Prices to Increase But Retain Advantages of Other Resources

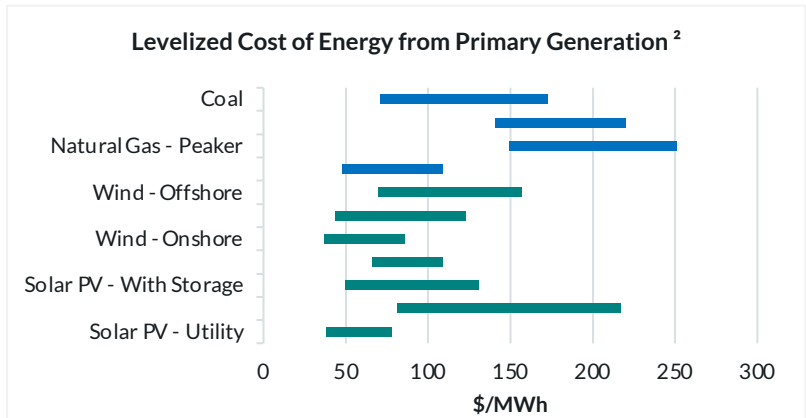
Though the political environment has turned decidedly hostile toward renewables and climate efforts, making renewables more expensive and harder to build, renewables have been, and are expected to be, the majority source of new capacity.

Compared to a variety of different energy sources, renewables give buyers an advantage due to their relatively low price, cost stability, and ability to rapidly deploy.

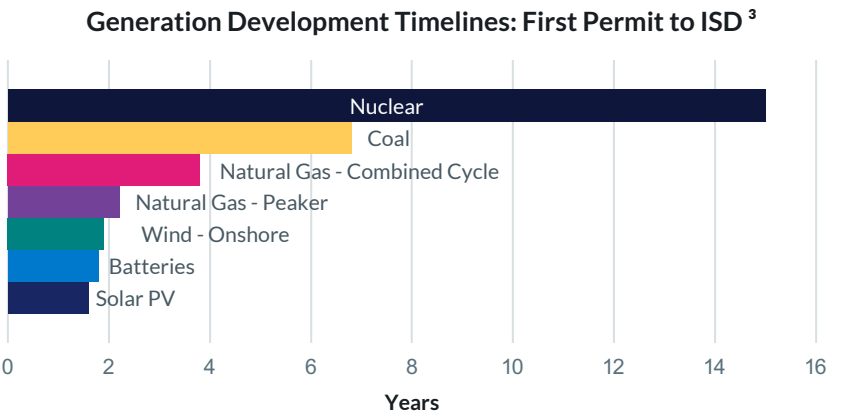
Due to policy changes, renewable buyers will need to move quicker than before. Tighter market conditions and ticking clocks on remaining incentives instill urgency on buyers. The window for procuring renewables is open, but buyers must prepare to enter the marketplace, develop sophisticated and flexible sourcing and contracting strategies, and transact swiftly.



Renewables are the vast majority of new generation.



Renewables are the lowest cost source of generation.



Renewables are the fastest source to develop.

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Two Biggest Current Renewable Energy Market Themes

1

**The likelihood of rising
costs due to federal
policy headwinds.**

The U.S. Congress' decision to pass the One Big Beautiful Bill Act (OBBBA) will lead to renewable energy cost increases, driving overall power prices higher. OBBBA ends several key tax credits that will result in renewables' costs increasing by 30% or more. Federal tariffs—both targeted and blanket—increase renewables supply costs. In addition, the federal government is leading an effort, which a handful of states and localities are currently replicating, to hinder renewables permitting.

Use of unbundled, national RECs for emissions reductions claims are under tight scrutiny and will likely be subject to changes. A series of proposed changes to the Greenhouse Gas Protocol (GHGP) and the Science Based Targets Initiative (SBTi) could restrict how RECs can be used to support Scope 2 emissions reduction claims, altering REC purchasing and pricing. Several state attorney generals and the federal government are also claiming the use of RECs are illegal.

2

**Potential restrictions on
using RECs to reduce
reported GHG emissions.**

U.S. energy demand is growing for the first time in over 20 years, and substantial growth rates are projected for the next decade, primarily to power data centers. The problem is that current generation cannot support this growth without new sources of energy added to the grid. All non-renewable sources face substantial cost and logical disadvantages, so renewables will continue to lead the way. But these policy headwinds will result in higher energy prices for all users.



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Corporations with sustainability commitments are changing their public tactics, adopting one of three strategies.

- Retreat from commitments.
- Stick with their goals but less publicly.
- Double down on commitments.

Net-Zero Banking Alliance Votes to Disband

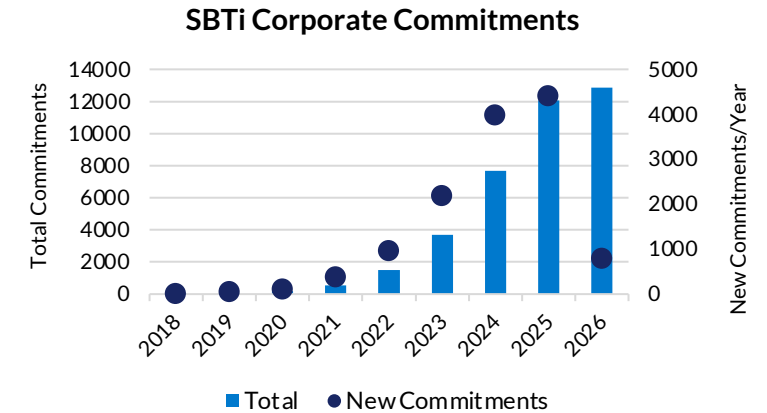
The Net-Zero Banking Alliance voted to discontinue operations in the wake of high-profile members stepping down. Formed in 2021 to align bank lending and investment activities toward net zero emissions by 2050, the Alliance's members represented 40% of the world's banking capital at its peak. After the 2024 election, Goldman Sachs was one of the first major companies to leave the Alliance, followed by [Barclays](#), BNP, Paribas, HSBS, and [UBS](#). However, Amalgamated Bank, Standard Charter, NatWest, and Deutsche Bank (the third largest bank in the Alliance) all publicly re-affirmed their commitments to remain members ([BNEF](#), [ESGToday](#)).

Major Global Businesses Stand By Their Sustainability Commitments

While there have been a collection of high-profile corporations retreating from sustainability, many more are quietly forging ahead.

[Harvard Business Review](#) surveyed 75 global companies—including 25 of the world's largest companies by market cap—and found that many businesses are increasing their sustainability goals.

In 2025, the number of companies pledging new commitments to [SBTi climate reduction targets](#) reached a new record. Over 4,400 global companies established new SBTi commitments in 2025, breaking the previous record for new annual additions by more than 10%. There are now close to 13,000 corporates that have committed to SBTi targets.



Harvard Business Review Respondents:

32%

are actively accelerating
timelines and/or
increasing targets

13%

have publicly
re-affirmed their
commitments

40%

are holding their
ground

13%

are pulling back from
previous commitments



Technology-Specific Market Updates & Evolving Standards

- Tax Credit Expirations
- Solar
- Large-Scale Wind
- Storage
- SBTi and GHG Protocol



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Tax Credit Expirations Will Drive RE Costs Up

The U.S. Congress' decision to pass OBBBA will ultimately drive overall power prices higher. The main impact from OBBBA is the cancellation of several key tax credits for renewable energy and manufacturing. Removal of such credits are expected to drive renewables costs higher by **30% or more**.

Renewables projects must meet one of two approaching deadlines to remain eligible for the Federal Investment Tax Credit before renewable costs go up.

Deadline 1: July 4, 2026

Projects <1.5 MW may achieve safe harbor status by deploying at least 5% of project costs. The project must then be placed in service by December 31, 2030.

Projects >1.5 MW must initiate "substantial construction" activities. Projects must then be placed in service by December 31, 2030.

Deadline 2: December 31, 2027

Projects must be placed in service by December 31, 2027.



"Without American Energy Credits, the system is restricted to traditional energy sources, making energy more costly to meet the demand and acts as a drag on the economy and stokes inflation."



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Solar Costs and Risks Increase

Policy Impacts on Solar

In response to OBBBA and other regulatory changes, solar prices are expected to climb. Orencia raised its assumed solar capex price for projects with a COD after 2025 **from \$1.10/W to \$1.40/W**. In June 2022, a two-year moratorium was issued on collection of duties on panels from countries subject to Anti-Dumping and Countervailing Duties. The U.S. Court of International Trade determined those waivers are not permissible. This ruling allows Customs & Border Patrol to **retroactively collect duties on imports from June 2022 to June 2024**. Between 71 GW and 88 GW of imports amounting to \$54B to \$67B may be collected (ProsperousAmerica, CapIQ, SolarWorld).

Cancellation Risks

A series of executive orders currently direct agencies to adopt a suite of rules subjecting renewable energy projects to tighter reviews, restrictions, and prohibitions of access to federal lands. The federal government is also revoking previous approvals for existing projects in some cases, meaning solar projects on federal lands risk cancellation.

The Bureau of Land Management (BLM) announced its cancellation of the Esmeralda Seven solar project in Nevada. The project's developers, including NextEra and Invenergy, planned to build **6,200 MW of solar capacity**, making it one of the largest installations in the world. The project would have been capable of **powering ~2M homes** in the Las Vegas area. BLM claimed the cancellation was due to a rushed initial review process (BNEF, PV Tech).



Impact on Clients

Clients should expect better prices today versus increased prices in the future. Pay greater attention to contract terms and conditions, as well as risk identification and mitigation for instances such as law changes, price fluctuations, and market swings.



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Large-Scale Wind Projects Risk Increase

Political measures to shut down offshore wind development impact renewables.

Revoked Permits

The Department of Interior (DOI) **revoked previously issued permits for the 2.2 GW Maryland Offshore Wind Project**, claiming the state of Maryland issued permits without conducting proper reviews—and that previous reviews and approvals underestimated the project's potential impact on search-and-rescue helicopters that would need to operate in the area in case of emergency ([Bloomberg](#)).

DOI's Bureau of Ocean Energy Management is considering **revoking permits for Massachusetts' 2.6 GW New England 1 & 2 offshore projects** ([CapIQ](#)).

Stop-Work Orders

DOI requested a federal judge issue a **stop-work order on the 2.4 GW SouthCoast Wind project** off the Massachusetts coast, also requesting to review previously issued permits to the project ([BNEF](#)).

DOE and the Bureau of Offshore Energy Management issued **stop-work orders in August 2025 for the 704 MW Revolution Wind project** off the Connecticut and Rhode Island coasts after a judge allowed construction to resume.

DOE and the Bureau of Offshore Energy Management claim initial construction permits failed to consider national security implications. Construction was reported to be **80% complete** just before the order was issued ([CapIQ](#)).

Other Measures

The Department of Transportation **revoked nearly \$700M in Port Infrastructure Development Program grants** allocated to projects supporting offshore wind development in California, Connecticut, Maryland, New York, and North Carolina ([CapIQ](#)).

The Department of Commerce is launching a Section 232 **investigation on imports of wind equipment** to determine whether there is a national security threat. Components may require tighter import rules, tariffs, quotas, or bans. [BNEF](#) estimates likely punitive actions could raise U.S. wind development prices by 10% to 15%.

Impacts on Investors

According to Orsted, political actions against offshore wind have rattled investor confidence, creating new challenges to financing the final tranche of its 924 MW Sunrise Wind project off the coast of New York ([CapIQ](#)).

In reaction to recent events, [BNEF](#) cut its 2035 U.S. wind forecast from 16.8 GW to 5.9 GW.

Impacts on Clients

Buyers beware that wind in particular currently faces political opposition. Expect power prices to increase in markets with plans to add offshore wind, and grid emissions in those markets will not improve as expected.



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Storage Costs Increase

OBBBA is expected to increase battery project costs.

In response to OBBBA, tariffs, and other regulatory changes, Orennia increased its assumed capex costs for utility-scale battery storage systems by 18%.

Without Tariffs*

A Chinese BESS system is
priced around

\$277/kWh

A U.S. produced system
is priced around

\$335/kWh

With Tariffs*

The Chinese system's
cost is close to

\$335/kWh

Under their new assumptions, a
U.S.-produced 100 MW/400 MWh
BESS needs to generate

\$12.21/kW per mo.
revenue to break even

*[Orennia](#)

Impacts on Clients

Addition of storage (typically, batteries) to an RE project can significantly boost project value, savings, and operations. Paired-storage project buyers should be prepared for price increases and seek to transact sooner rather than later.

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Renewable Energy Challenges: SBTi and GHG Protocol

Proposed changes to SBTi and the GHG Protocol may impact how RECs can be used.

SBTi

Currently, the draft for the second public consultation has been published.

Instead of combining targets for Scopes 1 and 2, set separate targets. Move to market-based accounting and achieve zero-carbon Scope 2 emissions by 2040.

All RECs must be from projects built within the last 10 years, matched to the same hour of energy use, and produced in the same region in which they are used (SBTi).

GHG Protocol

The deadline for public comments has already passed (Dec. 19, 2025).

RECs must drive additionality and are to be matched to the same hour of energy use and produced in the same region in which they are used.

A REC's CO₂ impact will be based on grid of origin, not of use.

RE Plan Strategies

Take the following steps to update your RE plan in the face of current challenges.

- 1 Align your team:** Get all stakeholders on the same page to keep abreast of issues and minimize delays/breakdown.
- 2 Bolster data collection** and granularity.
- 3 Look for options** to address your non-energy costs.
- 4 Review your existing portfolio** for grandfathering potential and to determine the impact of future derivatives from the project. Review to evaluate repowering opportunities as well, and assess change of law exposure (e.g., negative impact from retroactive tariffs or positive impacts from determination that current tariffs are illegal).
- 5 Review your prospective portfolio,** adjust contracts for changes of law exposure, and modify valuations for replacement RECs. Diversify your buying and purchase projects in collaboration with other offtakers or Scope 3 partners to gain better access to quality projects. Prioritize projects with reduced use of incentives (tax credits, grants, etc.).





Renewable Procurement Pathways

- RECs
- Community Solar
- PPAs
- VPPAs
- Tax Credit Transfers
- Onsite Solar



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National Green-e REC Price Increase and Rising Forward REC Prices

REC prices posted surprising declines through 2024, possibly due to historically large volume purchasers exiting in favor of self-generated REC projects, such as PPAs or onsite. Current forwards are priced favorably.



Impact on Clients

Proposed changes to GHGP and SBTi do not currently affect year-to-year purchasing.

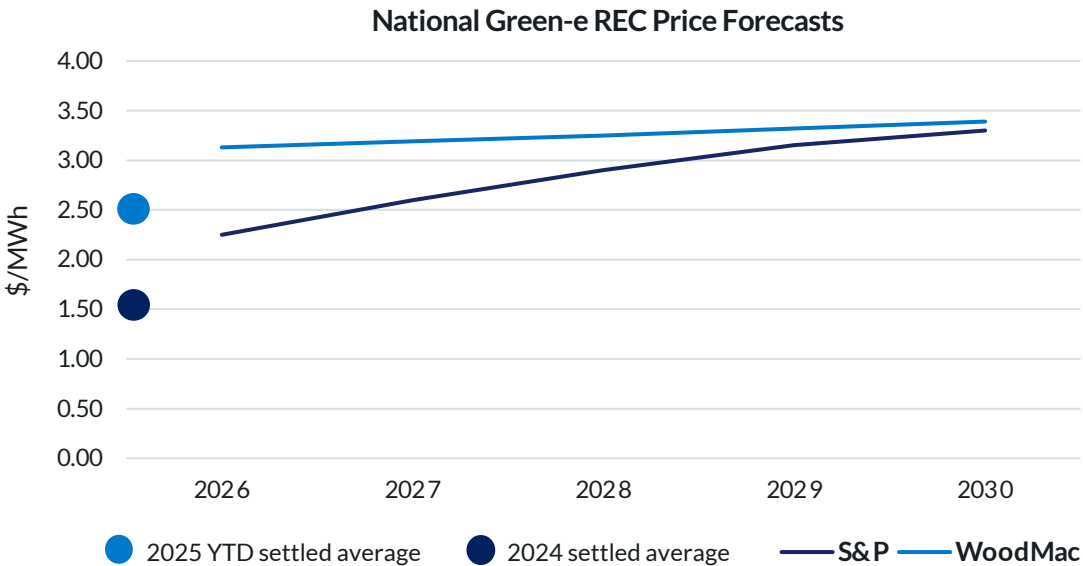
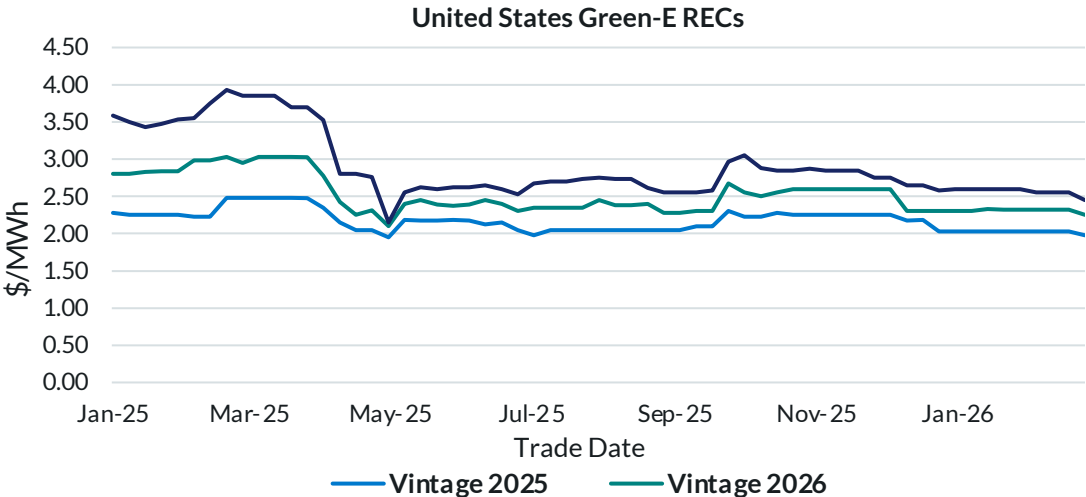
Despite 2024's REC price declines, national REC prices are expected to increase; supply additions may continue to be outpaced by demand growth.



Impact on Clients

Any purchase of a strip or futures contract should consider compatibility with potential changes to GHGP and/or SBTi.

Prices reflect solar and wind RECs. Data compiled from S&P Capital IQ via Evolution Markets, Tradition Financial Services, and Clear Energy Brokerage.



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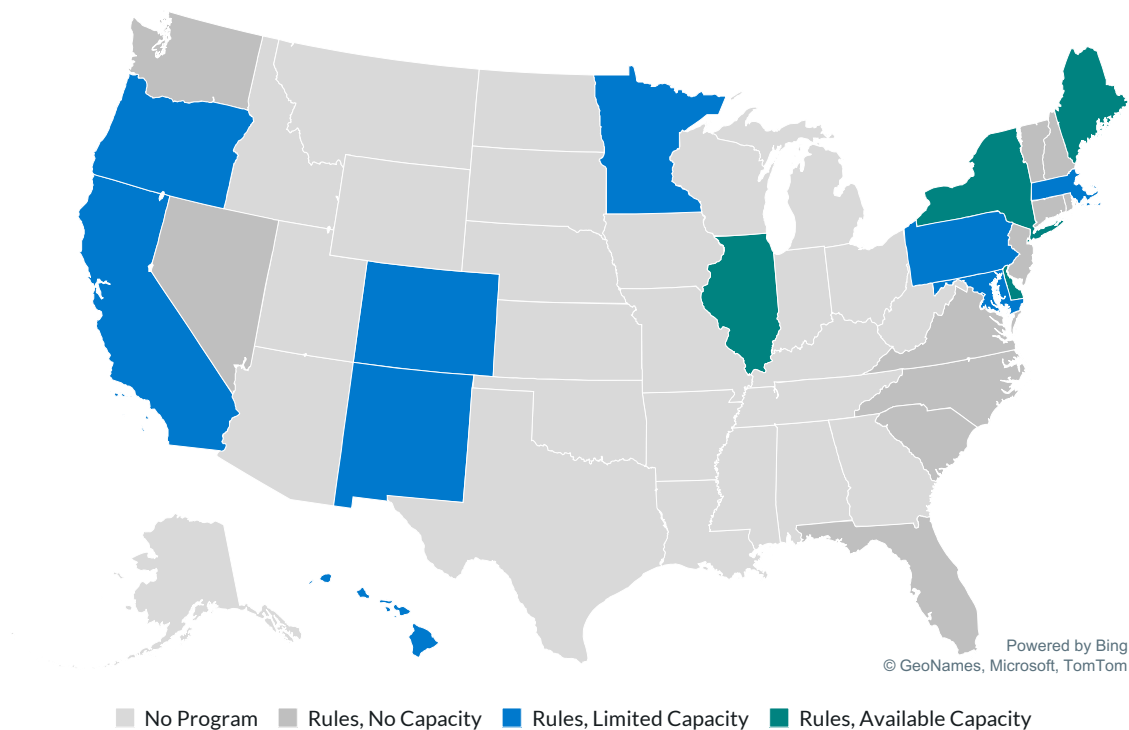
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Community Solar Programs

Community solar opportunities are still abundant, with widespread offers of 5% to 17% savings on electric costs. These programs are available in certain investor-owned utilities in states with authorizing legislation; currently active markets include California, Colorado, Delaware, Illinois, Maine, Maryland, Massachusetts, Minnesota, New Mexico, New York, and Oregon. Rules and savings rates vary by utility program and market availability, and savings in active markets are expected to begin realizing in 2H 2026.



Impact on Clients

Robust opportunities are available to subscribers with investment-grade credit ratings. Large volumes of capacity are available in Illinois (primarily Ameren), New York, Maine, and small commercial accounts in Maryland.

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Current Community Solar Market Rates & Offers

Updated March 2026

State	Utility	Rate	Notes
CA	Southern California Edison	10% + project RECs	• Preference for portfolios with accounts in San Bernardino County • Need to bring enrollable accounts in other community solar states
DE	Delmarva	5%	• For small commercial (<60 kW)
	Ameren	5% to 10%	• 5% for non-Invest Grade (IG) subscribers • 10% for large load and IG • Immediate opportunity for up to 3 MWh at 10% for an IG-rated customer
IL	ComEd	5% to 10%	• Offers have fallen to 5% for large load (>20 kW) and/or non-IG • Select 10% opportunities available for IG and/or small commercial (<20 kW)
MA	Eversource, National Grid, Unitil	10%	• Subscription in blocks of 40 MWh, can subscribe to up to 5 blocks
MD	Baltimore Gas & Electric (BGE), Delmarva, Potomac Edison, Potomac Electric Power Co. (PEPCO)	5%	• For small commercial (<60 kW)
ME	Bangor Hydro District, Central Maine Power	10%	• For accounts <400 kW • Abundant capacity available for accounts <20 kW
	Maine Public District	18%	• Any rate code
MN	Xcel Energy	5%	• Enrolled site must be in a county immediately adjacent to host project
NY	National Grid	5% to 7%	• 5% for non-IG • 7% for IG
	New York State Electric and Gas (NYSEG)	5% to 7%	• 5% for non-IG • 7% for IG
OR	PacificCorp, Portland General	5% + project RECs	• For general commercial rate customers

Partners have indicated they expect projects to open in 2026 in New Jersey, New Mexico, Ohio, Oregon, and Pennsylvania.

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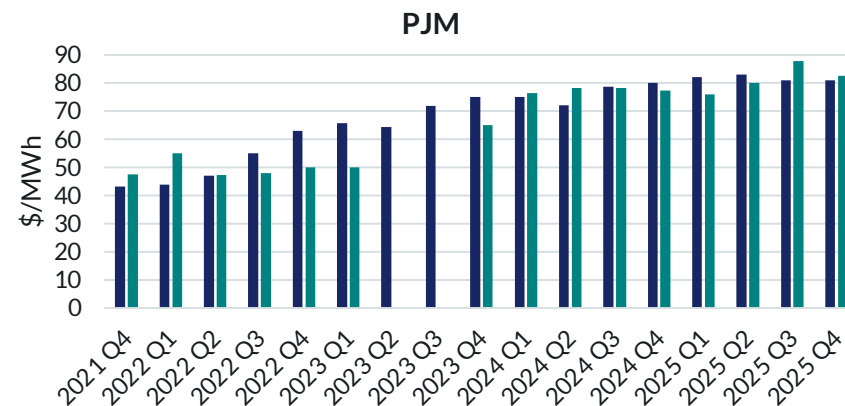
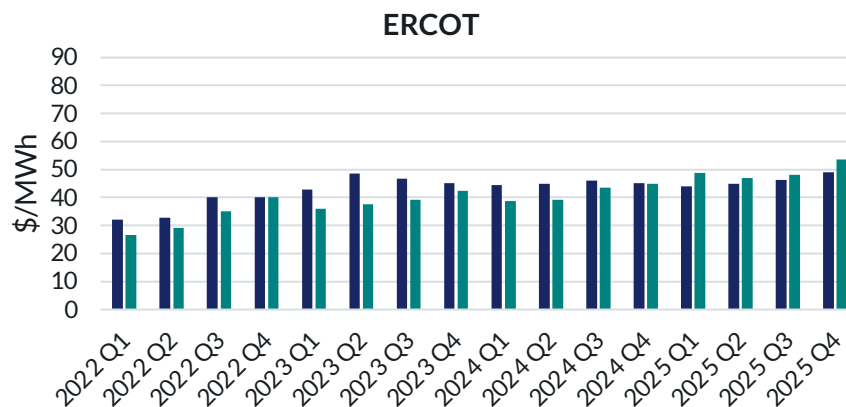
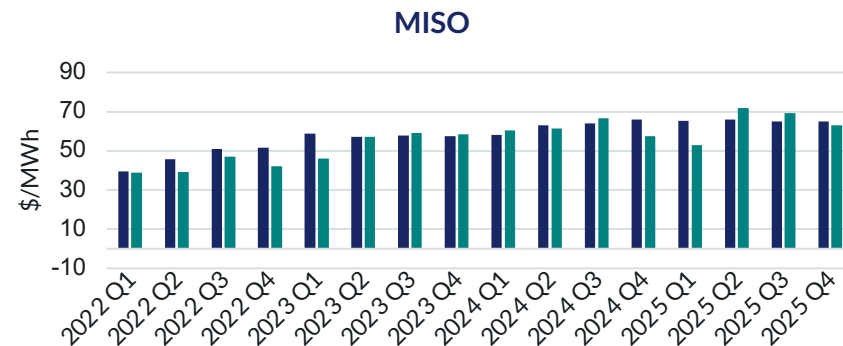
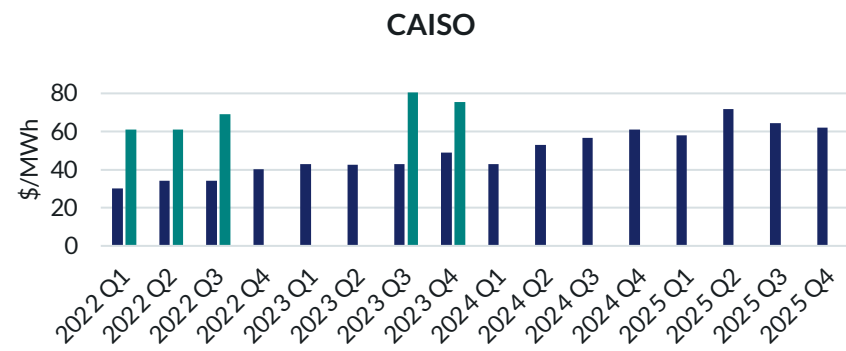
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Renewables PPA Prices Have Increased ~5% Y/Y



Wind Solar

Data compiled from LevelTen Energy and are the weighted average of the top 25% of offers reported to LevelTen.

Impact on Clients

Near-term prices may moderate as developers rush to move projects forward before federal tax credits expire.

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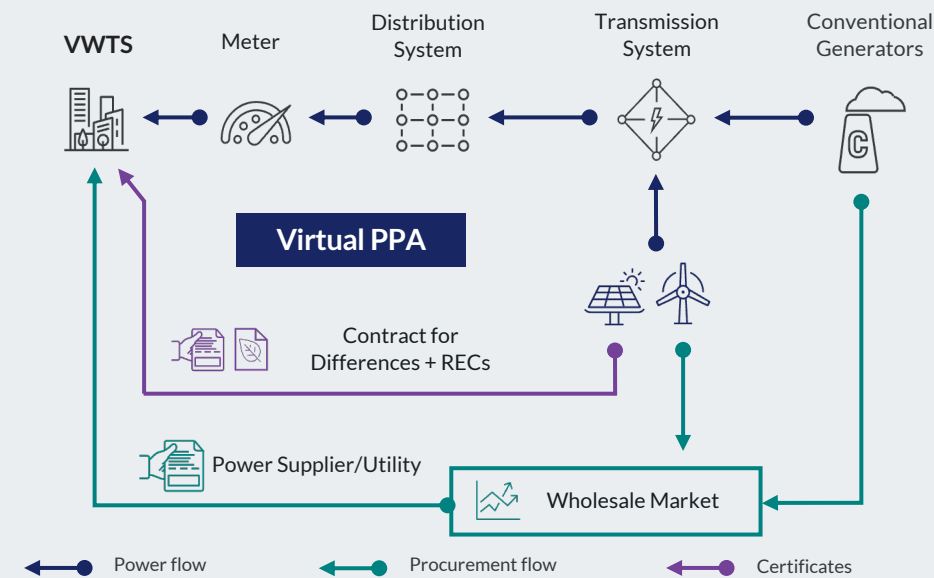
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VPPAs Are Becoming More Accessible to Smaller Loads

How VPPAs Work

VPPAs are an option to procure high-quality RECs at potentially favorable prices, as well as to act as an energy hedge. First, the buyer continues to purchase power from local utilities and retail suppliers. The buyer then guarantees the developer a price for RE produced, called the "strike price." The developer responds by providing the buyer with high-quality project RECs for RE produced and then sells renewable power into the wholesale market. If the wholesale market prices are above VPPA strike price, the developer pays the buyer the difference. If the whole market prices are below VPPA strike price, the buyer pays the developer the difference.



Impact on Clients

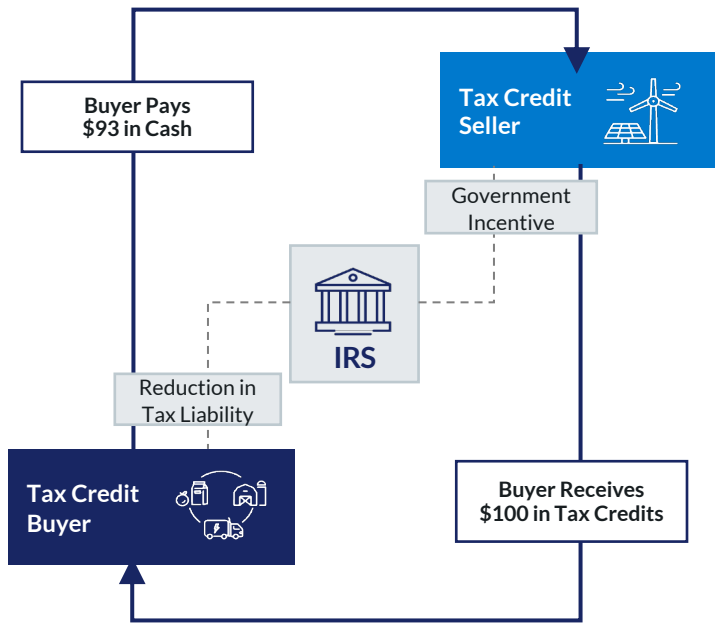
Smaller projects are increasing in availability. While historically, VPPAs targeted buyers seeking ~150,000 MWh or more, we are now seeing offers for as little as 25,000 MWh.

Corporate Taxpayers Can Reduce Their Federal Taxes By 6%–12%

Clean Energy Tax Returns

Clean energy tax credits are still currently available and are suited to corporates with current federal income tax of \$10M or higher. Clean energy projects that can meet certain near-term deadlines can still qualify for credits, which are selling for \$0.88 to \$0.96 on the dollar. Most developers are offering insurance, indemnification, and coverage of legal fees, though deals are moving more quickly at about six weeks.

Illustrative Example of a Tax Credit Transfer



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Onsite Solar

Benefits

With high visibility and potential for long-term energy cost reductions and hedging, onsite solar can be a cost-saving sustainability option under specific conditions. Solar produces the highest-quality RECs—additional, locational, and temporal—and offers a variety of developmental and funding options. When paired with storage, economics and performance are also enhanced.

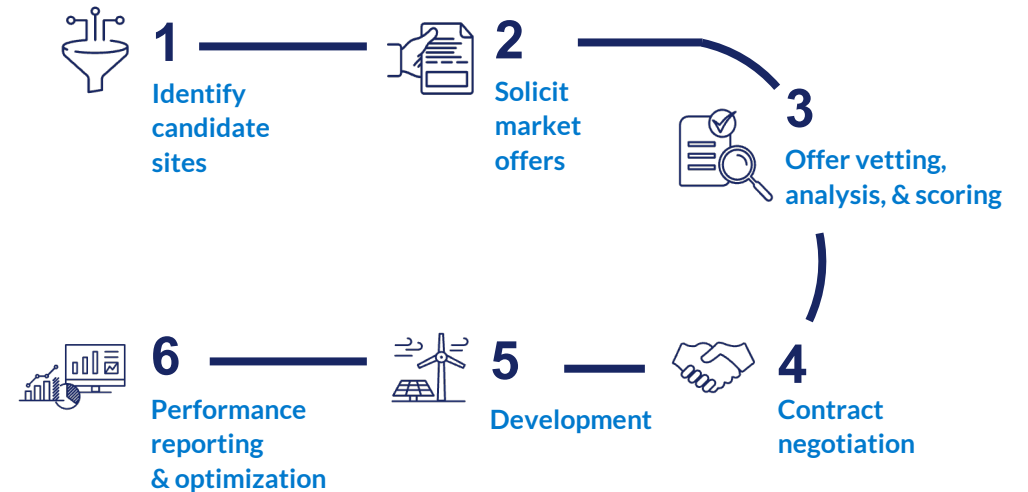
Considerations

Suitability is location-based and depends on a wide range of variables, including region, market prices, interconnection rules and availability, utility rules and net metering, building and site suitability, and more. Projects must also move quickly to capture 30% federal investment tax credits.

Contracting and coordinating with utility can be complex with onsite solar, and the terms can be between 10 and 20 years. Onsite solar is not highly impactful to Scope 2 reductions and typically requires credit support or is better suited to investment-grade rated entities.

ENGIE Impact's Onsite PV Assessment & Development Service

ENGIE Impact accesses the benefits of onsite solar while carefully considering the current RE landscape. First, we identify candidate sites and solicit market offers. We then offer vetting, analysis, and scoring, which leads to contract negotiation and development. We keep the loop going with performance reporting and optimization. ENGIE Impact has recently completed projects with sub-10-year paybacks in California, Illinois, Massachusetts, Maryland, Minnesota, Ohio, Pennsylvania, and Texas.





Policy Landscape Overview

- International Policy
- U.S. Federal Policy
- U.S. States and Local Policy



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International Policy

International RE policies are currently undergoing various changes.

Australia

Following Labor's landslide victory in the May 2025 parliamentary election, Australia's climate and clean energy programs are expected to be preserved.

Canada

Long-time advocate of national climate/renewable policies Mark Carney was elected Canadian prime minister. He campaigned on a variety of programs to enhance Canada's adoption of renewables and adherence to climate targets. Meanwhile, Alberta has adopted another set of rules that will increase RE project costs. Renewable projects will be required to deposit a portion of project costs into an escrow account for end-of-life decommissioning costs. Between now and 2027, the rules apply to all projects. These rules come just months after adoption of new permitting restrictions already driving a marked slowdown in new project development ([Alberta Department of Environment & Protected Areas](#), [PVBuzz](#)).

China

In May, China installed 93 GW of solar—more new solar capacity in a single month than any other country did in all of 2024—26 GW of wind power, and 4.6 GW of thermal power ([Bloomberg](#)).

Europe

The European Commission issued clearer guidance on the delayed implementation of the Corporate Sustainability Reporting Directive, noting it will not take effect until 2028 ([EnergyScan](#)).

France

France is currently considering a moratorium on new renewables. According to ENGIE SA, the proposal places nearly \$6B of renewables projects at risk ([Bloomberg](#)).

India

To counter the impact of tariffs imposed on India by the United States, India reduced sales tax on RE equipment by 50%, intending to accelerate India's already aggressive buildout and targets for domestic development and consumption ([BNEF](#)).

Japan

Sanae Takaichi, who campaigned on a platform of energy security that emphasizes a nuclear renaissance, was elected Prime Minister of Japan in October 2025. While she opposes utility-scale solar projects and claims that prior governments over-emphasized renewables, she intends to adhere to Japan's prior climate targets ([Reuters](#)).

Mexico

Public disclosure of sustainability metrics are now in force in Mexico. Publicly-traded companies on Mexican stock exchanges are required to annually report to the National Banking Securities Commission details of a company's climate-related risks, opportunities, spending, and mitigation measures. Mexico's rules are closely modelled on International Financial Reporting Standards ([JonesDay](#)).

Poland

Karol Nawrocki was elected president of Poland in June 2025 on a campaign to aggressively roll back national environmental, energy, and emissions standards.

South Korea

After campaigning on an aggressive climate and RE platform, Lee Jae-myung was elected president of South Korea, pledging to divert the country's focus toward renewables while remaining open to nuclear. Jae-myung affirmed commitment to South Korea's 2030 reduction goals and pledged to completely retire coal use in the country by 2040. To support renewables, he plans to push a major infrastructure enhancement and buildout effort and offer incentives to local communities that house RE projects. Jae-myung also plans to streamline national permitting and national rules to facilitate third-party PPAs ([BNEF](#)).

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U.S. Federal Policy

U.S. federal RE policies are currently undergoing various changes.

Congress

The House passed the [GRID Act](#), which instructs grid interconnect queue managers to move dispatchable power projects up in the queue ([UtilityDive](#)). House Democrats introduced [HR 5862](#) to restore the RE investment and production tax credits that were repealed by HR 1 / OBBBA. The bill has been referred to the House Ways & Means committee ([Rep. Mike Thomson \[D-CA\]](#)).

DOI

Directed by Executive Order 14315, "Ending Market Distorting Subsidies for Unreliable, Foreign-Controlled Energy Sources," DOI announced cancellation of all incentives for wind and solar development on federal lands and increased permitting requirements ([WhiteHouse](#), [Politico](#), [AP](#)), impacting 3.5 million acres of offshore wind energy areas. Any and all RE projects on federal lands must now be approved by the Secretary of the Interior, and agencies now have the ability to deny leasing fee reductions for renewable projects. This change eliminates services to support permitting, increases requirements for stakeholder engagement, and increases migratory bird study requirements.

EPA

The Environmental Protection Agency (EPA) has initiated a process to rescind the "Greenhouse Gas Endangerment Finding," the foundation and justification for all rulemaking around GHG emissions ([EPA](#)). Adopted in 2009, the Finding determined GHGs are a threat to human health and authorized the EPA to develop rules around emissions under the Clean Air Act. Rescinding the Finding enables the EPA to cancel rules that have been enacted since the Finding was adopted.

In addition, the EPA is proposing to end the [Greenhouse Gas Reporting Program \(GHGRP\)](#), the mandatory reporting program that covers nearly 50 source categories with more than 8,000 reportees. In its notice, the EPA claimed compliance with the program is too expensive and generates minimal regulatory value. Canceling these GHG reporting requirements will not apply to the oil and gas sector; rather, this sector is directed to report under the Clean Air Act. Note that natural gas distribution system operators will be exempt from reporting requirements. The EPA's public comment period will extend to November 3, 2026.

SEC

Republican appointee Commissioner Uyeda, who initially voted against the Securities and Exchange Commission's (SEC's) adoption of the Corporate Climate Disclosure Rule and opposes its implementation, remarked that SEC's decision not to defend the rule in court doesn't end the court case. Several public interest groups are committed to defending the rule, so the court process will likely play out ([SEC](#)).

When asked if SEC could rescind the rule, Commissioner Uyeda said it is possible but not preferred. He believes rescinding the rule would cause too much strain on staff resources; a court ruling is better as it establishes precedent and would help better define SEC's rulemaking limits, as well as those of other agencies.

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California

The full Assembly in California has voted to pass a bill that creates a standalone solar program for the state: [Assembly Bill 1260](#). Facility sizes would be capped at 5 MW. The total program size is proposed to be no more than 5 GW or run for seven years, whichever comes first. These rules would apply to all electric service providers and community choice aggregators.

Colorado

The Public Utilities Commission (PUC) in Colorado adopted measures to enable state utilities to streamline/expedite renewables development. Following the governor's executive order directing state agencies priorities deployment of clean energy projects to offset adversarial federal policies, PUC's directives to utilities grant them more flexibility in cost recovery requests, favorable timelines for permitting review, and increased procurement targets ([CapIQ](#)). In response, [Xcel Energy](#) has issued proposals to PUC, asking to amend its community solar program. These proposals include an increase of system sizes up to 5 MW or 10 MW if sited on preferred locations; an increase in subscription limits, allowing individual subscription up to 120% of load or 200% for directly billed customers; a reduction of individual subscription sizes so that a single subscriber may hold no more than 40% of total project capacity; and the establishment of a reservation standard so that a minimum of 51% of total capacity must be reserved for income qualified subscribers.

Connecticut

The governor of Connecticut signed a bill requiring the state to become net zero by 2050. This effort accelerates the state's previous target of 80% reductions from 2001 baseline by 2030. House Bill 5004 directs the state's Department of Energy & Environmental Protection to publish guidelines and monitoring ([Cap IQ](#)).

ERCOT

[ERCOT](#)'s formal review of Summer 2025 credits solar growth as the main contributor to ultra-low volatility, citing solar growth and mild weather as more than enough to offset bullish impacts of load growth and an abnormally high volume of thermal outages. ERCOT has also initiated a rulemaking process to create an Energy Attribute Certificates (EACs) market: [NPRR 1264, Creation of a New Energy Attribute Certificate Program](#). This program aims to "update and modernize ERCOT's EAC framework and lay the foundations for a voluntary, market-driven EAC system available to all generation types." This program would be available to all resources, with RECs considered a subset. EACs would be third-party certifiable and feature tags for hours of creation, location, and resource type. These would be tradable and warehoused on platforms managed by ERCOT or an authorized third-party contractor ([CEBA](#)).

Georgia

Georgia Power agreed to support integration of community solar projects as settlement against accusations that they were deliberately obstructing community solar by issuing unrealistic system size limits and obstructive program rules ([PVMag](#)).

Indiana

AES Indiana was granted approval to offer a new green tariff. The "Green Power Flex" program will be a month-to-month offering that matches a percentage of customer load to in-market-generated RECs ([Indiana URC](#)). Commercial and industrial customers must participate for at least one year but can elect to contract fixed-price RECs for up to three years.

Minnesota

Last year, the MPUC ordered a decrease to community solar savings rates, which switches the compensatory rate from applicable retail rate (ARR) to a value of solar ([CapIQ](#)), which is similar to an avoided cost or wholesale rate and is expected to run about 20% to 30% less than the ARR. This order was issued last year and [upheld by the state Court of Appeals](#) in early August 2025, who determined the ARR was only meant to be an interim rate to spur growth of the program until it becomes sustainable.

Montana

Governor Gianforte (Rep.) vetoed the Montana Solar Shares Act (SB 188), a state community solar program that was passed by majority-Republican legislature and authored by Republicans. The bill would have allowed for construction and subscription to community solar projects within investor-owned utility districts for projects up to 5 MW in size ([Montana Senate Bill 188](#)). Investor-owned utility districts include Montana-Dakota Utilities and NorthWestern Energy.

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North Carolina

The North Carolina legislature overrode the Governor's veto of Senate Bill 266, The Power Bill Reduction Act, which cancels the state's goal of reducing power-sector carbon emissions by 70% by 2030 (NPM).

Ohio

The governor signed HB 15 into law, implementing a broad overhaul of state energy policies, including a repeal of the state's solar energy production credit and the removal of a state community solar program that was featured in the approved House bill. However, the bill adopted property tax relief for properties that install onsite generation (PVMag).

The House also introduced a bill to create a community energy pilot program. Eligible sources include solar, wind, biomass, landfill gas, hydro, natural gas, batteries, and fuel cells (NPM). Projects will be allowed up to 10 MW, with a 20 MW exception for brownfield sites and/or rooftops. The bill has not been assigned to committee yet, as the legislature meets through December 31, 2026.

Pennsylvania

Pennsylvania Governor Shapiro has joined New Jersey, Maryland, and Virginia in threatening to withdraw Pennsylvania from PJM unless a suite of system reforms are adopted, including price caps, changes to the interconnection review process, and major permitting reforms (Bloomberg, UtilityDive).

The House passed HB 501 to support the governor's initiative to increase the state's RE targets as well as facilitate renewables development by streamlining the permitting process. The bill converts the *2004 Alternative Energy Portfolio Standards Act of 2024* into the *PA Reliable Energy Sustainability Standards (PRESS) Act*. Its companion bill, SB 501, awaits hearing.

The House passed HB 504, authorizing subscribers to receive electric bill credits commensurate with their subscription to qualifying community energy projects, which include solar and renewable natural gas energy sources (PVMag). System sizes are capped at 5 MW for greenfield projects and up to 20 MW for rooftop and brownfield. Individual subscriptions will be limited to no more than 50% of project capacity, and no less than 50% of a project shall be subscribed 25 kW or less. HB 504 has been moved to the Senate, and the legislative session runs to November 30, 2026.

Texas

The state of Texas adopted SB 6, which requires PUC to develop standards for interconnecting loads over 75 MW, such as data centers, and calls for large load customers to pay retail transmissions charges, even if they have onsite generation and/or are behind the meter. The bill is currently going to the governor for signing.

In addition, Texas adopted HB 3556, granting the Texas Parks & Wildlife Commission veto power over wind projects located in or adjacent to counties where state parks and the Gulf Coast National Wildlife Refuge are located. The legislature granted an additional \$5B to the Texas Energy Fund, which provides low-interest loans to natural gas generators. One-third of the 12 GW of gas-gen projects that have entered the program have been cancelled.

Several Texas bills that would have made it harder or more expensive to build renewables have been killed.



Renewable Energy Strategy & Procurement

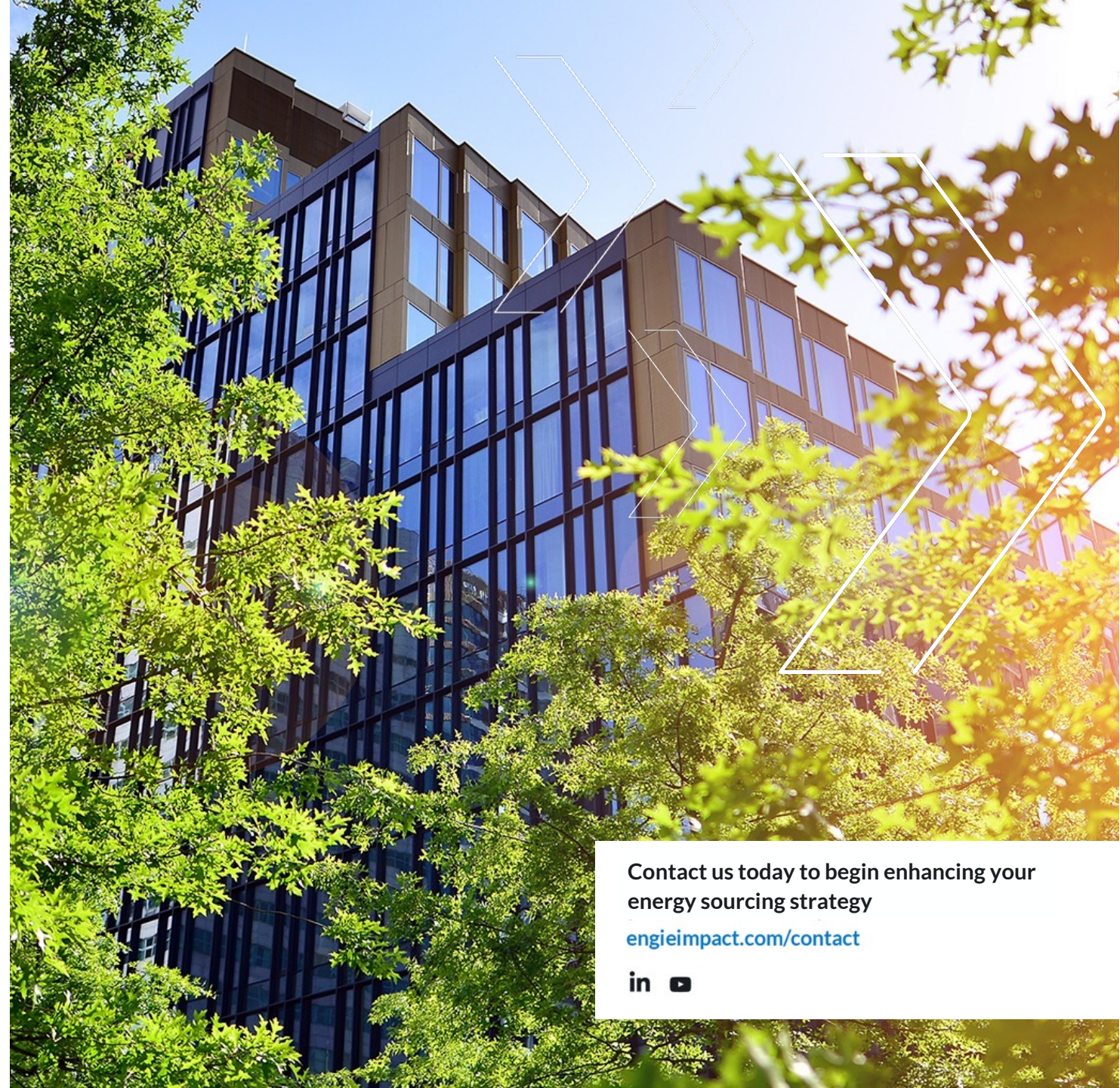
Develop and execute a sourcing strategy that complements your company's energy and sustainability goals in regulated and deregulated markets.

Renewables is just one strategic pillar within our comprehensive procurement strategy.

The renewable energy environment introduces heightened risk and increased urgency for corporate energy buyers. ENGIE Impact stays on top of energy market changes, ensuring a strong and competitive energy strategy.

Our Energy Supply Management solution delivers risk management, renewable energy outcomes, and rate optimization aligned to your business priorities, risk profile, and markets.

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