

# Growing demand, supply chain constraints drive PPA price increases for U.S. renewables, says Edison Energy's Q2 report

*U.S. REC prices surge, EU tech leads in corporate PPA commitments*

WASHINGTON, DC, UNITED STATES, August 10, 2021 /EINPresswire.com/ -- The second quarter saw the global economy gaining steam as the world adjusted to the post-pandemic era's "new normal," with demand for renewables seeing an upsurge, according to Edison Energy's [Q2 Renewables Market Report](#).



Among the report's findings:

- PPA prices for U.S. new-build renewables projects are trending upward, largely due to growing demand and supply chain constraints.
- National REC prices have seen a 142% increase, driven by a surge in demand as firms commit to sustainability goals and states pursue renewable portfolio standards.

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*Edison Energy's Q2  
Renewables Market Report*

- Corporate PPA commitments in Europe grew to more than 3.7 GW of total capacity signed in the first half of 2021, with the tech and manufacturing sectors taking the lead.
- Spain and Portugal have emerged as top opportunities for solar procurement, largely due to government support.
- While the EU Commission's "Fit for 55" proposal could impose new costs on large energy buyers and encourage companies to set more ambitious targets, a simplified

permitting procedure could facilitate an increase in renewable energy procurement for large energy buyers.

- In response to the Texas storm, new PPA contract structures have emerged in the ERCOT market, including a "revenue sharing" structure. Under this structure, both the project owner and

the offtaker would benefit from high wholesale electricity prices.

- PJM's latest capacity auction results fell below industry expectations, with 2022/2023 prices clearing at a 65% decrease compared to the 2021/2022 delivery year. With its upcoming capacity auction in December, PJM has proposed removing the expanded MOPR for renewable projects that receive state subsidies.

The report also formally launched the Edison Energy Insights™ (Insights) platform, an online portal that puts clients at the heart of their data, creating transparency and driving insights across their energy supply data. Insights simplifies power procurement — both renewables and conventional — by streamlining the way suppliers offer bids and giving buyers a view of renewable energy and commodity pricing by market.

“Edison Energy Insights was created using 25+ years of experience analyzing and interpreting data. We were able to build this platform with our clients’ key needs in mind, bringing together the most essential elements of your energy activities into one location,” said Tiffany Christie, Managing Director, Supply Advisory, Edison Energy.

Follow the link to read Edison Energy’s full Q2 Renewables Market Report. For more information contact Hannah Badrei, VP, Front-of-Meter, [Hannah.Badrei@EdisonEnergy.com](mailto:Hannah.Badrei@EdisonEnergy.com)

For more information about the Edison Energy Insights Platform, visit our website or contact Mary Kate Francis, Senior Director, Renewable Supply, at [MaryKate.Francis@EdisonEnergy.com](mailto:MaryKate.Francis@EdisonEnergy.com)

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Peter L Kelley  
RenewComm LLC  
+1 202-270-8831  
[peter@renewcomm.com](mailto:peter@renewcomm.com)  
Visit us on social media:  
[LinkedIn](#)

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