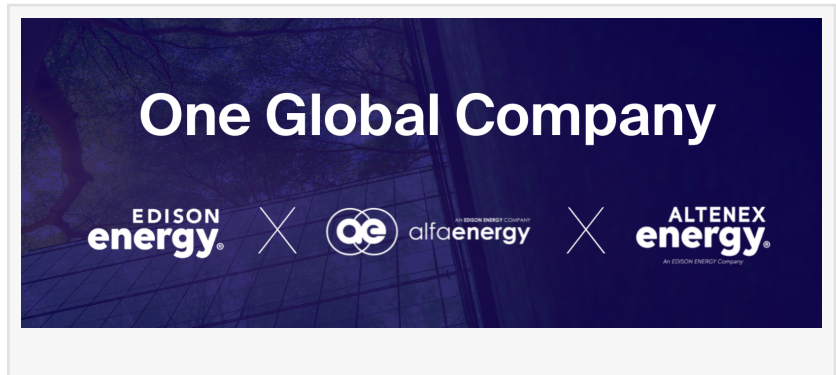


U.S. renewables prices rise due to increased demand, development costs, per Edison Energy's Q1 Renewables Market Report

IRVINE, CALIFORNIA, USA, April 25, 2023 /EINPresswire.com/ -- Following a relatively stable fourth quarter in 2022, Q1 2023 saw an uptick in Power Purchase Agreement (PPA) prices across the U.S. in almost every market and technology, according to Edison Energy's Q1 Renewables Market Report.



(Edison does business in Europe as Altenex Energy and Alfa Energy.)

Accelerating corporate demand, high engineering, procurement, and construction (EPC) costs, prolonged supply chain constraints, interconnection costs, and increased cost of borrowing have all placed upward pressure on PPA prices this quarter.

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*Edison Energy's Q1 2023
Renewables Market Report*

Uncertainty around IRA implementation has made it very challenging for developers to predict PPA prices. At a recent Information Forecast Summit (“Infocast”), a forum for developers and the renewable finance community, frustration around lack of direction from the IRS was a pervasive theme. IRS guidance on implementation of new tax credit structures and bonuses will trickle out through the remainder of the year.

Corporate buyer momentum behind renewable PPA transactions continues to accelerate. In 2022, corporate

buyers announced a record 16.9 GW of power purchase agreements, according to the Clean Energy Buyers Alliance (CEBA). Edison Energy's customers executed 1.5 GW of renewable PPAs and surpassed 10.5 GW of total utility-scale renewable energy deals to date.

However, the U.S. solar market continues to face equipment import difficulties and project

delays due to heightened scrutiny around forced labor practices and uncertainty around solar tariffs. These supply chain constraints have driven limited project inventory for buyers seeking to meet 2025 goals and have pushed out commercial operation dates.

Only 22% of project inventory received in Q1 is expected to become operational before 2025 (26 projects) compared to the remaining 78% slated to start operations in 2025 or 2026 (49 and 35 projects, respectively) or later.

For buyers who are unable to find projects that meet required criteria such as online date or volume of offtake, utility green tariffs may be a suitable option. These utility-run programs aim to grant access to renewable energy to corporate buyers and often consolidate the PPA onto the existing utility bill, streamlining the buyer's renewable procurement.

While program structure varies significantly by utility, green tariff programs often provide more flexibility in term length and procurement size than traditional PPA products, though they may sometimes come with tradeoffs as it relates to criteria like additionality or cost. In the last year, Edison has evaluated programs covering nearly 40 utility footprints and are actively tracking 60 green tariff programs across the country.

Follow the link to read more details in Edison Energy's [full Q1 Renewables Market Report](#).

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About Edison Energy

Global Reach. Local Impact. Edison Energy LLC (DBA in Europe as Altenex Energy and Alfa Energy) is a global energy and sustainability advisory that provides strategy and implementation services to help large corporate, industrial, and institutional clients navigate the transition to a net-zero future.

With the recent integration of Edison, Altenex, and Alfa into one global company, we bring the strength of combined expertise across energy procurement, optimization, renewables, and sustainability solutions. With advanced technological capabilities and expanded international reach, we enable our clients to achieve more positive, measurable impact. Edison by the numbers: 45 Global Fortune 500 clients; 10+GW of offsite renewable procurement; \$7BN+ in energy spend managed; 30+ countries served; 20+ languages spoken. For more information visit: <https://www.edisonenergy.com/>

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