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Expectations for Renewable Energy Finance in 2021-2024: American Council on Renewable Energy Report

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The American Council on Renewable Energy ("ACORE") issued a June 2021 report titled:

Expectations for Renewable Energy Finance in 2021-2024: Growing Confidence in the Aftermath of the Pandemic ("Report")

ACORE states the *Report* assesses progress on its campaign to:

- Achieve \$1 trillion in private sector investment in United States renewable energy
- Enable grid technologies by 2030
- Advocate for policy reforms and market drivers to help meet the referenced goal

The *Report* also assesses experiences in the renewable energy market over the past year along with expectations for sector investment and development over the next three years.

Key conclusions in the *Report* include:

- The U.S. has now attracted \$167 billion in investment for renewable energy, grid-enabling technologies and transmission for renewable integration since the \$1T 2030 campaign launch in 2018.
- Asset finance investment in the U.S. renewable energy and grid-enabling technology sectors decreased overall in 2020 to \$58.3 billion, even as the solar and energy storage sectors had record years.
- While aggressive, the \$1T 2030 objective puts the U.S. in reach of a carbon-free electricity system.
- Surveyed investors and developers report, on average, even higher confidence levels in the renewable energy and energy storage sectors than in ACORE's past surveys, which have always reflected strong optimism.
- More than two-thirds of surveyed investors (68%) report plans to increase their investments by more than 10 percent this year compared to 2020.
- Similarly, developers plan to maintain or increase their activity in 2021 compared to 2020.
- Nearly all surveyed investors (90%) and developers (93%) report either maintained or increased risk appetites in 2021 compared to 2020.
- Investors and developers continue to report shortages in tax equity in 2021.
- Investors consider the U.S. to be an attractive venue for investment compared to leading countries like China over the next three years.
- Investors expect the attractiveness of renewable energy to be maintained or increase compared to other asset classes in their portfolios in 2021-2024.

- Energy storage and utility-scale solar rank as the most popular preferences for investment among surveyed investors over the next three years.
- PJM, CAISO and NYISO rank as the most attractive U.S. regions for renewable energy investment and development over the next three years.
- Looking forward, most investors and developers select long-term extensions of the wind and solar tax credits and a new standalone energy storage tax credit as effective federal policy options for growing the sector.

A copy of the *Report* can be downloaded [here](#).