

Corporate Power Purchase Agreements

A Bottom-up Strategy to Advance the Clean Energy Transition

Michael S. Hegglin

Companies are pledging to use renewable energies

04.09.18

Apple Now Runs On 100% Green Energy, And Here's How It Got There

The most important thing about the company's big renewable push might be that it's bringing everyone—from suppliers to local utilities—along for the ride.

Beer giant Anheuser-Busch InBev commits to 100 percent renewable energy

Anmar Frangoul

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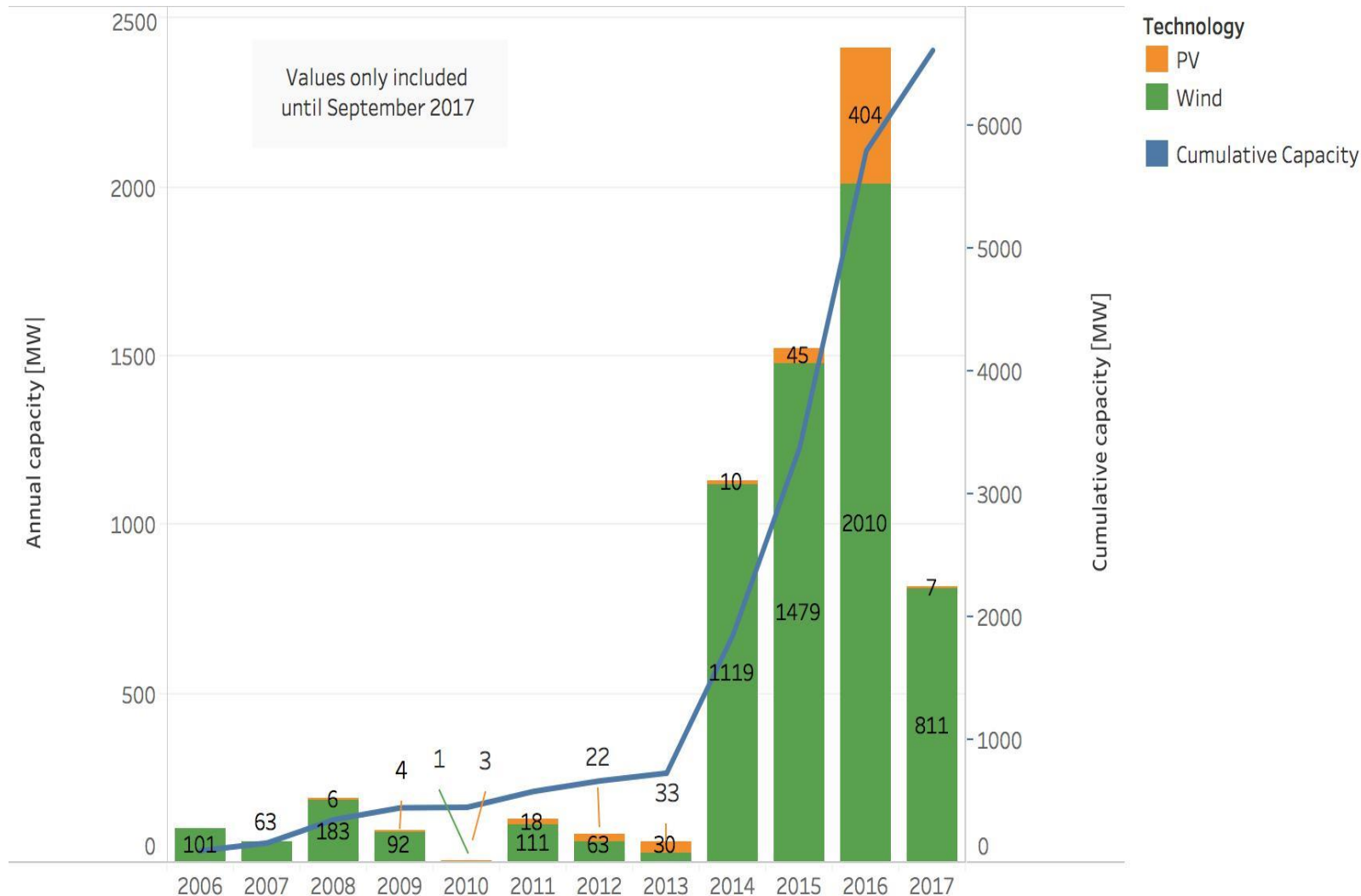
IKEA's New US Wind Farm Is Its Largest Renewable Energy Investment to Date

by [Sustainable Brands](#)

April 14, 2014

...and thus might help to overcome the Emissions Gap

Corporate PPA Market in the U.S.



Own calculations, data based on BNEF

**116 corporate
PPAs are
operational**

**They back 6.6 GW
of energy capacity**

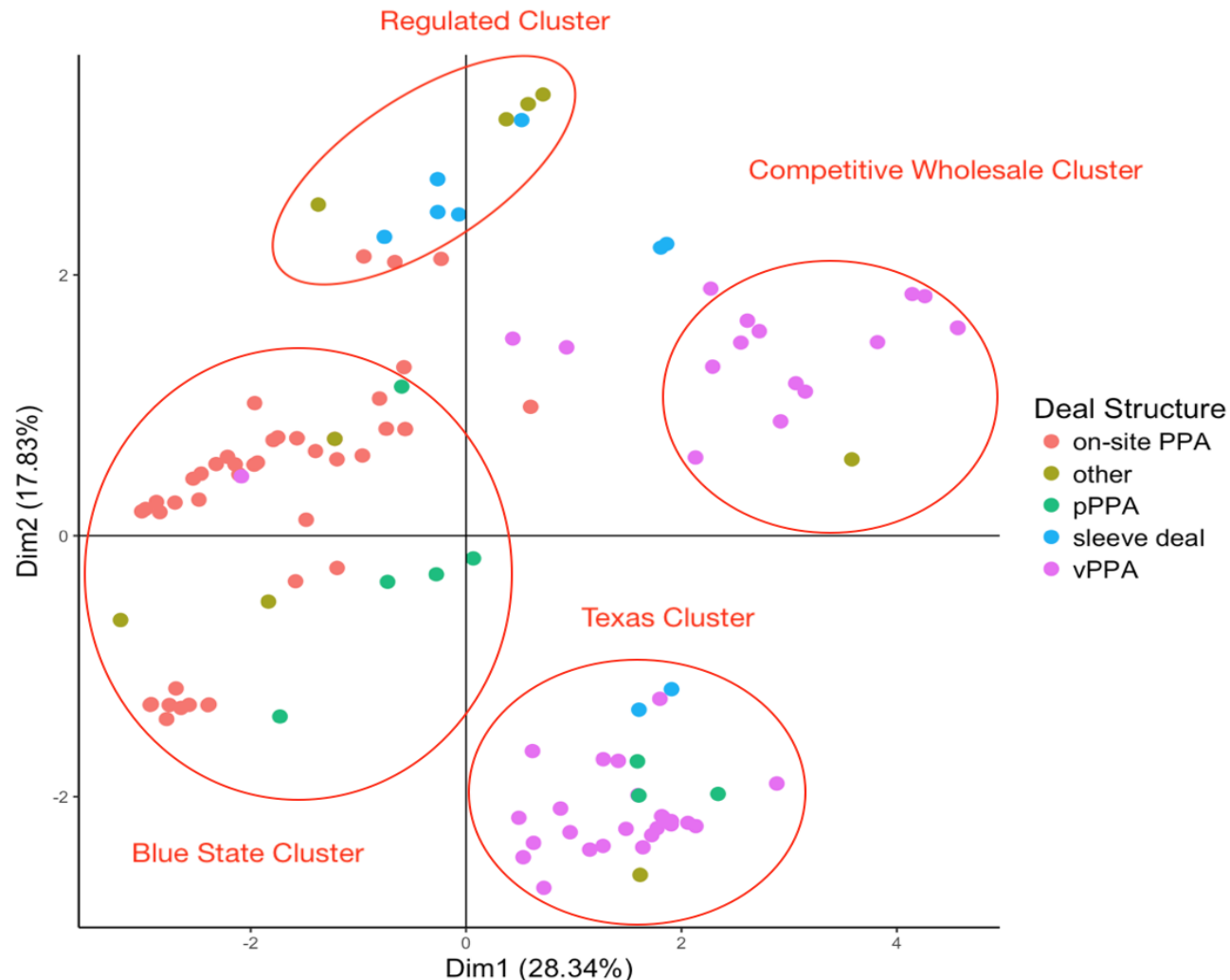
Since 2014, they
backed about **10%**
**of the annually
installed RE
capacity**

Do corporate PPAs lead to the generation of additional RE?

- Yes, at least 53% of the RE they generate is additional (preliminary result).
- Corporate PPAs thus seem to be a legitimate measure to mitigate climate change and to close the emissions gap.



Which policy and market conditions are necessary to enable their diffusion?



They thrive under various different conditions.

Most successful one:
Combination of local tax incentives and deregulated (wholesale or retail) markets.

Take-Home Message

- Corporate PPAs most likely lead to the generation of additional renewable power
- They thrive under various different conditions, of which the most successful ones offer local tax incentives and deregulated power markets



Picture sources: Amazon, reve