Non-Utility Buyers Increase Wind Demand in 2015

- Corporate and other non-utility purchasers of wind represent a new and growing demand market for the wind industry, and include Fortune 500 companies, universities, cities, and government organizations.
- Over 70 non-utility purchasers have invested in wind in recent years, either through signed power purchase agreements (PPA) or direct project ownership.
- 52% of the megawatts (MW) contracted through PPAs in 2015, or 2,074 MW, were signed by non-utility purchasers.
- This percentage more than doubles the 23% share of all megawatts contracted through PPAs in 2014, and far outpaces the 5% share of megawatts contracted through PPAs in 2013.

U.S. Non-Utility Wind Power Purchases by Year

Note: Data include publicly announced physical and virtual power purchase agreements (PPA), offsite wind projects announced under direct ownership, and offsite wind projects announced with a long-term, REC-only contract. Data is recorded at the time of announcement and does not indicate when the associated wind project is placed into operation.
• Corporate and other non-utility purchasers invest in wind both to lower emissions and to secure low-cost, fixed-price energy that is protected from fuel price fluctuations.

• There are a variety of methods available to buy wind energy output from specific wind projects. One option is direct ownership of projects, both onsite and off-site. The far more popular option in recent years is to sign a wind PPA, either physical or virtual, for the energy output of a wind project that is owned and operated by a third party.

• In total, corporate and other non-utility purchasers have signed more than 4,500 MW of wind PPAs. Early adopters included Harvard University in 2009, joined soon after by Google Energy in 2010 and Oklahoma State University in 2011.

• Non-utility purchasers signed PPAs for more than 800 MW of total wind capacity installed in 2015, representing nearly 10% of all wind project capacity installed in the year.

• Recent commercial and industrial (C&I) purchasers of wind, a segment of the non-utility market, include Fortune 500 technology companies, such as Amazon Web Services, and companies in more traditional industries, such as Dow Chemical and General Motors.

• Additional investment by cities in 2015 include a PPA signed in 2015 by the Washington, DC, Department of General Services.

• This growing trend reflects the economic value of wind power. Costs have fallen over 66% between 2009 and 2015, with the industry continuing to advance technology in several areas.

For more information:
www.awea.org/amr2015
www.awea.org/database

Note: Data includes projects with publicly announced physical and virtual PPAs, offsite wind projects announced under direct ownership, offsite wind projects announced with a long-term contract to receive associated renewable energy credits (REC), and onsite wind projects. Projects that are currently under construction or in advanced stages of development are attached to a publicly announced physical or virtual PPA.