



Renewable energy - it's not just for 'enviros' anymore

Kelley Welf, Communications Manager • Dec. 17, 2015

Forget the fruit cake or jelly-of-the-month club. During this holiday time of year, the hot new toy or electronic gadget is at the top of many people's minds. But for many businesses, the hot new thing that resonates with customers and investors, while helping the bottom line, is renewable energy - and it's been the "hot" thing for a few years now. Clearly, renewable energy is not just for "enviros" anymore. Corporations across the country have been increasingly voicing their support for renewable energy. They are directly investing in renewable energy, especially wind, or want access to renewables through the electric grid. Businesses recognize that accessing low-cost, fixed priced renewable energy directly affects their bottom line while helping them meet their corporate sustainability goals as well.

To strengthen their voices on this issue, many companies are banding together in coalitions. A total of 49 large, multinational companies have joined the Corporate Renewable Energy Buyers' Principles facilitated by The World Wildlife Federation and the World Resources Institute. Companies that sign on to these principles want to increase renewable energy penetration by creating a more equitable, competitive, and accessible energy marketplace. Their commitment will drive over 42 million megawatt hours of annual demand for renewable energy by 2020.

Ceres' Business for Innovative Climate and Energy Policy (BICEP) project has 38 members who want to invest in renewable energy in order to be responsive to their shareholders and customers. BICEP members believe tackling climate change by harnessing renewable energy is one of America's greatest economic opportunities of the 21st century. In 2013, they issued a declaration urging policy makers and business leaders to "seize the economic opportunity in tackling climate change." That declaration amassed over 1,237 signatures of U.S. businesses, many of which are in the Fortune 500. And, last year, 60% of the Fortune 100 and nearly two-thirds of the Global 100 had set greenhouse gas emissions reduction commitments, renewable energy commitments, or both. That's truly flexing some corporate muscle!

Strong corporate support for renewable energy isn't just limited to signing on to pledges, letters, or joining advocacy groups. Direct corporate purchases are becoming more frequent, especially for very large energy-intensive companies like Google. Just this month, Google announced it will buy an additional 625 megawatts of wind energy from three U.S. projects, bringing its renewable energy under contract up to 2 gigawatts. Google's principal of energy and global infrastructure stated that this purchase, the largest-ever purchase of renewable energy by a non-utility, was intended to send a message that corporate America is committed to driving the transition to a clean-energy economy.

Clearly, more and more large corporations are declaring their desire for renewable energy. And, they're doing so for a variety of reasons. Purchasing low-cost wind energy makes good financial sense. The cost of wind power has dropped by two-thirds over the past six years largely due to advanced technological developments. Because the 'fuel' cost of wind is zero, wind can be offered at fixed bargain-basement prices in contracts lasting up to 25 years.

As the United States grapples with various energy policies, and the debate about climate change lingers on, the bottom line is that renewable energy has broad appeal - from the vast majority of ordinary Americans who support the development of homegrown renewable energy sources to multi-billion-dollar companies looking to lower their costs, drive profits, and achieve sustainability goals at the same time. Investing in renewable energy is an investment in America. And, that's a holiday gift that gives for a lifetime (and it's much better than a fruit cake).

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