S&P Global
Energy

CERA Consulting

2025 Clean Energy Investment Trends

Prepared for ACORE

ACORE

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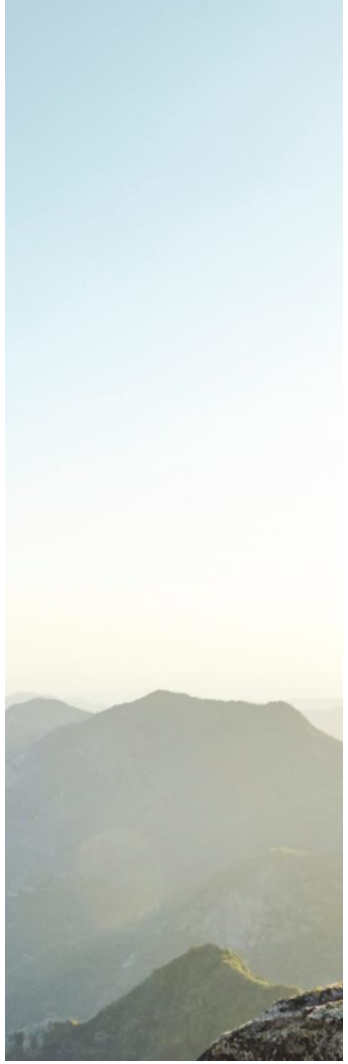

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This report offers an independent and objective assessment of the 2025 clean energy investment trends in the United States. S&P Global is exclusively responsible for all the analysis, content, and conclusions of the study. The study was supported by ACORE, a 501(c)(3) nonprofit organization.

Contents

Executive Summary

Introduction

Investment Landscape in 2025

Investments by Technology

Evolving Dynamics in 2026

Appendix

Key Investment Trends: 2025

The year began with compressed valuations in renewable assets and publicly traded developers after boom in solar and wind build; valuations stabilized toward end of the year with AI-Power linkage

The One Big Beautiful Bill Act (OBBBA) modified the clean energy tax credits, leading to increased activity in the second half of the year to take advantage of existing rules. Significant OBBBA changes included:

- Restricted tax eligibility for solar and wind
- Maintained support for nuclear, batteries, hydro, and geothermal
- New foreign entity of concern (FEOC) restrictions

M&A in gas-fired generation surged to firm the grid and feed data centers as backlogs in equipment and labor constrained build rates; investments made in distributed/onsite generation were seen as way to skirt backlogs and interconnection queues

Canadian and European firms drove investment in and acquisitions of US renewable capacity; ownership of solar and battery platforms grew as pace of installations increased

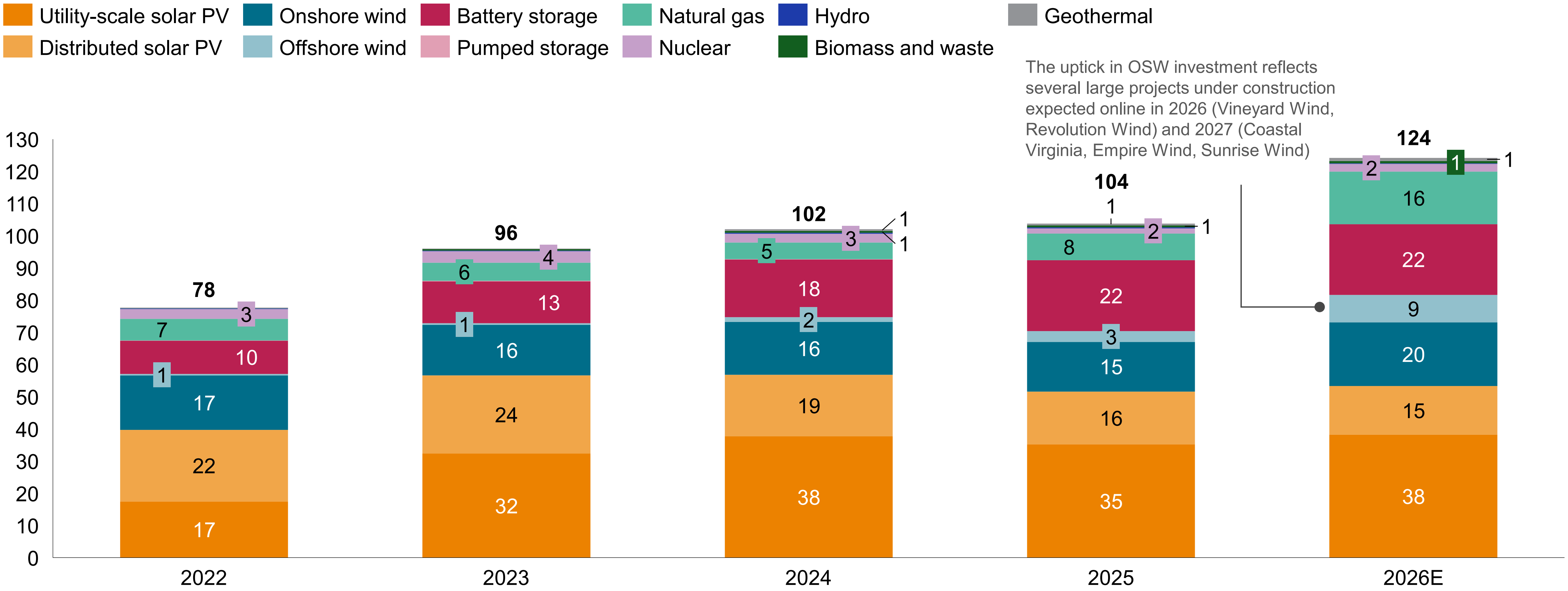
After record PPA activity driven by AI and the Inflation Reduction Act (IRA) in 2024, PPA volumes normalized in 2025; data centers represented the majority of new offtake demand, while the utilities' share shrank; solar PV and nuclear dominated new contracts

Source: S&P Global Energy

Investment in renewables is set to pick up in 2026, supported by demand growth and the deadline to secure tax credits for wind and solar; investment in gas is expected to double

US generation capacity investment by technology

USD billion

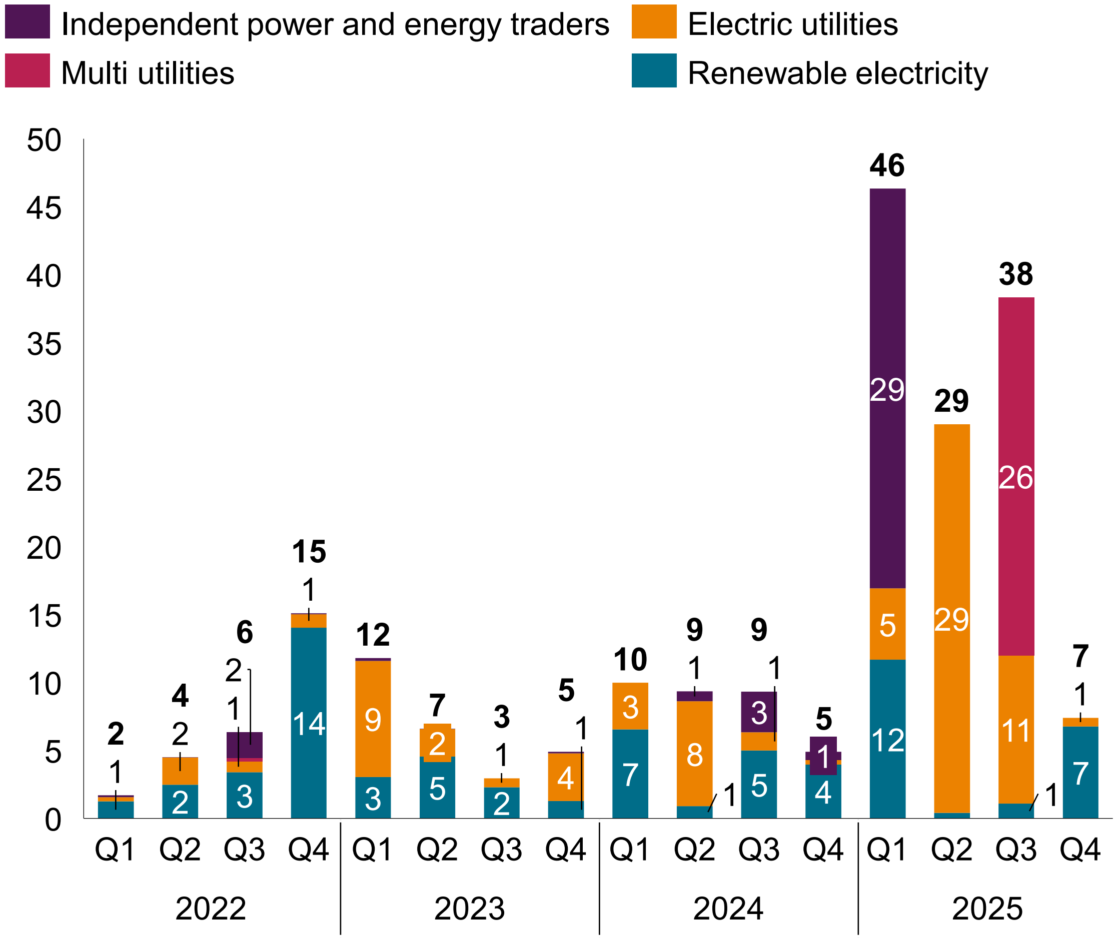


Data compiled February 11, 2026
All data is on a nominal basis
E = estimate
Source: S&P Global Energy

M&A surged in 2025 as AI speed-to-power, reliability mandates drove interest in gas-fired generation; demand growth fueled continued interest in early-stage funding activity

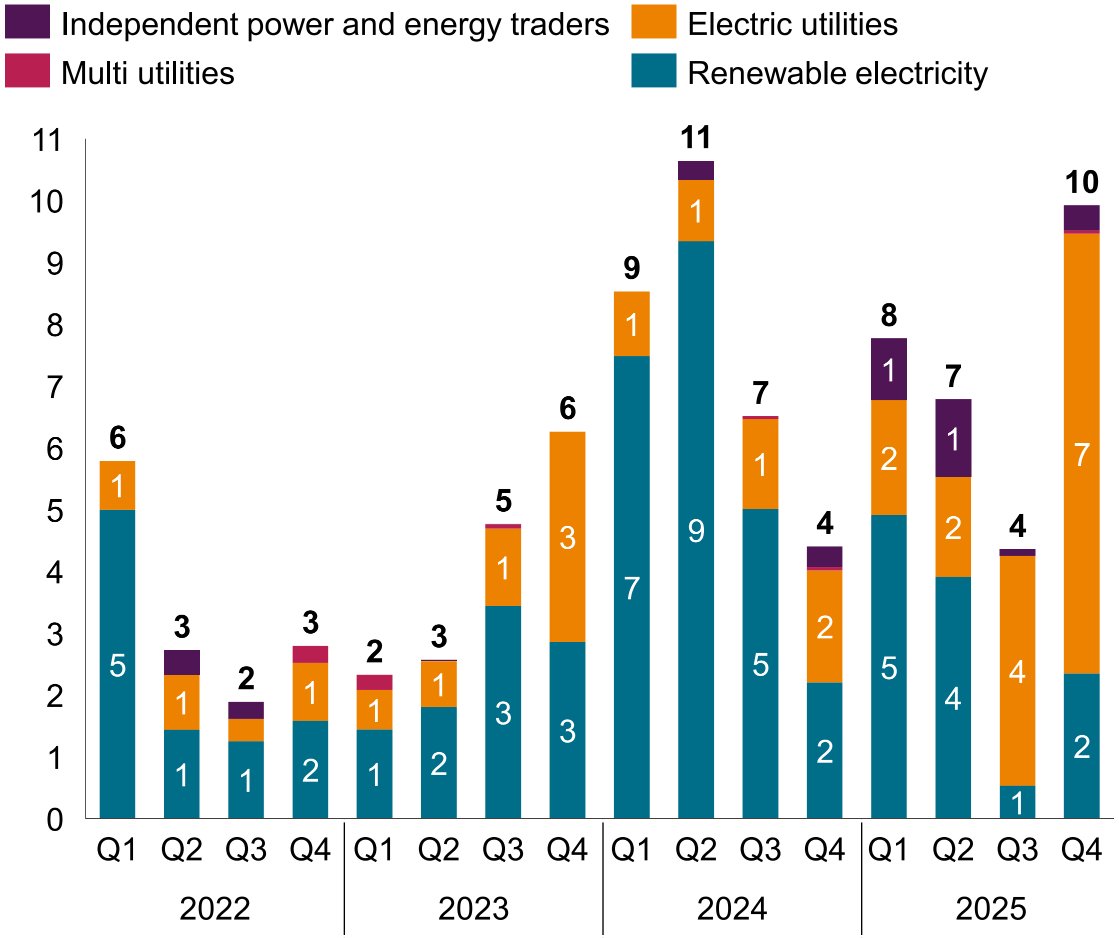
Annual M&A by industry

USD billion



Annual Rounds of Funding by industry

USD billion



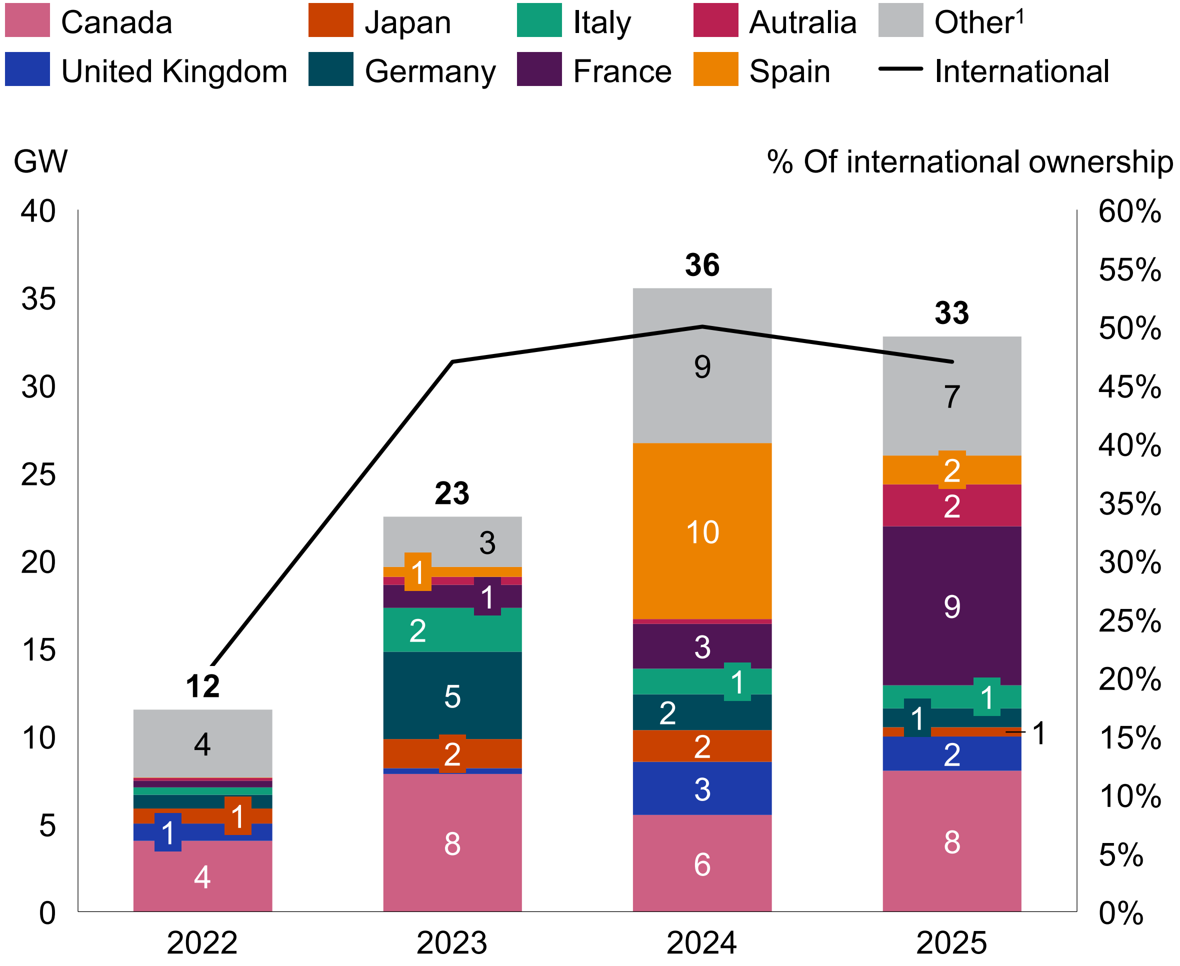
Data compiled January 2026

Industries reference S&P Global's Global Industry Classification Standard sub-industry categorization. See Appendix for details

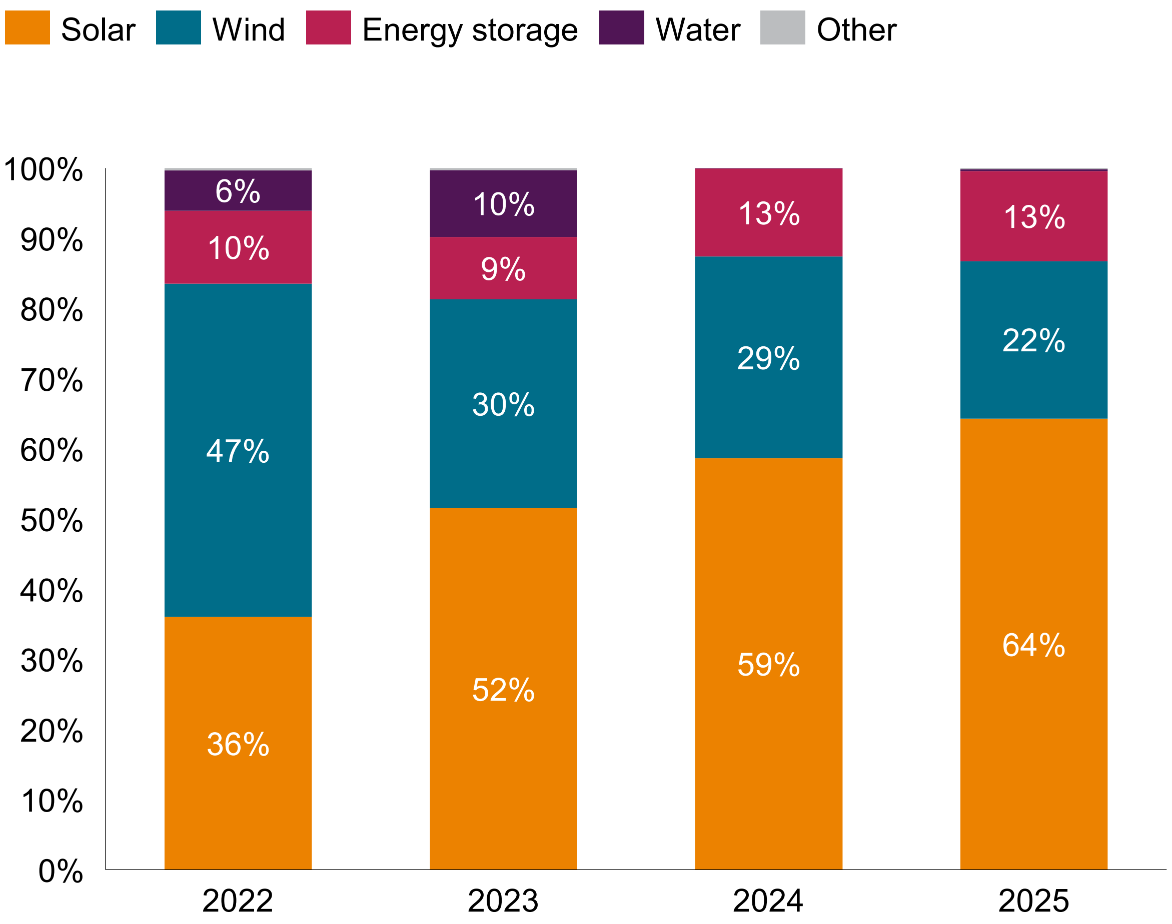
Source: S&P Global Energy

Canadian, European firms drove investment in and acquisitions of US renewable capacity; ownership of solar, battery platforms grew as pace of installations increased

Renewable operating capacity acquired or installed



Share of international investor capacity by technology



Data compiled January 2026

1. Other includes: Australia, Austria, Brazil, China, Gibraltar, Hong Kong, Israel, Luxembourg, Mexico, Portugal, Netherlands, New Zealand, Norway, Philippines, Poland, Qatar, Singapore, South Korea, Sweden, Switzerland, Thailand, Türkiye, UAE, Unknown

Source: S&P Global Energy

Emissions-free power sources were a feature in many of the largest transactions in 2025; undeveloped pipelines of acquired platforms skew toward solar, storage (1/2)

Select deals include power transactions ranked by total deal value involving known operating clean energy assets

Select Deals	Deal Value (USD million)	Acquired Operating Portfolio	Deal Description
Constellation-Calpine Type: Independent Power Producers and Energy Traders	29,392.00	28,227 MW 94% Natural Gas 3% Geothermal 3% Energy Storage	Constellation acquired Calpine from Energy Capital Partners, Canada Pension Plan Investment Board, Access Industries, and others for approximately $16.4 billion in January 2025. The deal includes the assumption of $12.7 billion of Calpine net debt and is expected to close in 2026. Calpine’s portfolio is weighted to gas-fired generation assets operating ERCOT, PJM, and CAISO.
Blackstone-TXNM Energy Type: Electric Utilities	11,941.00	2,684 MW 44% Coal 35% Natural Gas 11% Nuclear 9% Solar	Blackstone Infrastructure Partners acquired TXNM Energy for $5.7 billion on May 18, 2025. Blackstone Infrastructure is funding the purchase price entirely with equity. TXNM’s operating assets consist primarily of coal and natural gas generation facilities in New Mexico as well as the Palo Verde nuclear plant in Arizona. The deal is expected to close in H2’26.
Brookfield-Duke Energy Florida Type: Electric Utilities	6,000.00	12,772 MW 68% Natural Gas 13% Solar 11% Coal 7% Distillate Fuel Oil	Brookfield Super-Core Infrastructure Partners is paying $6 billion to acquire 19.7% stake in Duke Energy Florida. Duke Energy retains 80.3% interest and will continue to operate its Florida affiliate. Upon closing, Brookfield will acquire its equity interest in phases between 2026 and 2028, though retains an option to fund the total $6 billion investment sooner. The portfolio also includes the 877 MW Crystal River Nuclear facility, which retired in 2013.
Black Hills-NorthWestern Energy Group Type: Multi-Utilities	6,862.45	1,444 MW 33% Water 30% Coal 27% Natural Gas 9% Wind 1% Fuel Oil	Black Hills agreed to buy NorthWestern Energy Group for $3.6 billion in August 2025. NorthWestern operates a diversified portfolio of generation assets in Idaho, Montana, Wyoming, and South Dakota. Its 10 hydro facilities are in Montana. The deal is expected to close in 2026.
Alphabet-Intersect Power Type: Renewable Electricity	4,750.00	2,477 MW 67% Solar 33% Energy Storage	Alphabet will pay US$4.8B to acquire Intersect Power, in which it previously owned a minority stake. The consideration includes $4.75 billion in cash, plus the assumption of debt, for Intersect’s solar and storage portfolio in Texas and California. The deal is scheduled to close in H1’26.

Data compiled January 2026
Where data available, project development pipelines of acquired companies are primarily wind, solar, and battery storage, except for Calpine and NorthWestern Energy Group, which are more focused on natural gas
Source: S&P Global Energy

Private equity seen as active acquirer of clean energy portfolios, including nuclear; development plans of acquired firms skew to renewables, storage (2/2)

Select deals include power transactions ranked by total deal value involving known operating clean energy assets

Select Deals	Deal Value (USD million)	Acquired Operating Portfolio	Deal Description
TPG Rise-Altus Power Type: Renewable Electricity	2,409.36	276 MW 99% Solar 1% Energy Storage	TPG Rise Climate Transition Infrastructure paid $850 million to acquire Altus Power from CBRE Acquisition Sponsor, Gso Altus Holdings, Blackstone Credit & Insurance and others in an equity reinvestment transaction in February 2025. Altus Power, previously listed on NYSE, became a privately-held company when the deal closed in April 2025.
Partners Group- Middle River Power Type: Electric Utilities	2,200.00	897 MW 100% Natural Gas (see note on BESS in deal description)	Partners Group paid $2.2 billion to acquire a portfolio of energy assets and Middle River Power from Avenue Golden Continuation Fund, a fund managed by Avenue Capital Group, LLC. The Avenue Golden Fund's portfolio of energy assets being sold to Partners Group include 1.9 GW portfolio of 11 natural gas-fired power plants, including nine simple-cycle peaking facilities and two combined-cycle gas turbine plants. *The assets are operated by Middle River Power, whose model includes pairing batteries with gas. Middle River's early development pipeline consists of 177 MW in battery storage.*
Brookfield-National Grid Renewables Type: Renewable Electricity	1,735.00	672 MW 91% Solar 9% Energy Storage	Brookfield Asset Management paid $1.7 billion to acquire National Grid Renewables from National Grid plc. The assets are located predominately in Ohio, Texas and Illinois.
KKR-TotalEnergies Type: Renewable Electricity	950,00	1,400 MW 100% Solar	KKR agreed to acquire 50% stake in 1.4 GW solar portfolio in North America from TotalEnergies SE(ENXTPA:TTE) for $950 million on September 29, 2025. The transaction will be financed through bank refinancing. TotalEnergies will keep a 50% stake in the assets and continue to operate them after the closing of this transaction, which is subject to customary conditions.
WEC Group-EDP Renewables North America Type: Renewable Electricity	500.00	8,437 MW 68% Wind 28% Solar 3% Energy Storage	WEC Energy Group, Inc (NYSE:WEC) agreed to acquire EDP Renewables North America LLC from EDP, S.A.(ENXTLS:EDP) on November 20, 2025.

Data compiled January 2026
Source: S&P Global Energy

Tax equity accounted for ~45% of the capital stack for new solar and wind projects in 2025; under OBBBA, solar and wind projects that have not begun construction before July 4, 2026, lose access to PTC or ITC; other clean energy technologies remain eligible into the 2030s

Market size

- Total 2025 market for clean energy tax credits estimated at $45-50 billion, growing by roughly 10% over 2024 levels[1]
- Of that $45-50 billion, $35 billion of that market estimated to be in solar, wind, and BESS, including traditional tax equity, direct tax credit transfers, hybrid structures, and preferred equity partnerships

Market trends

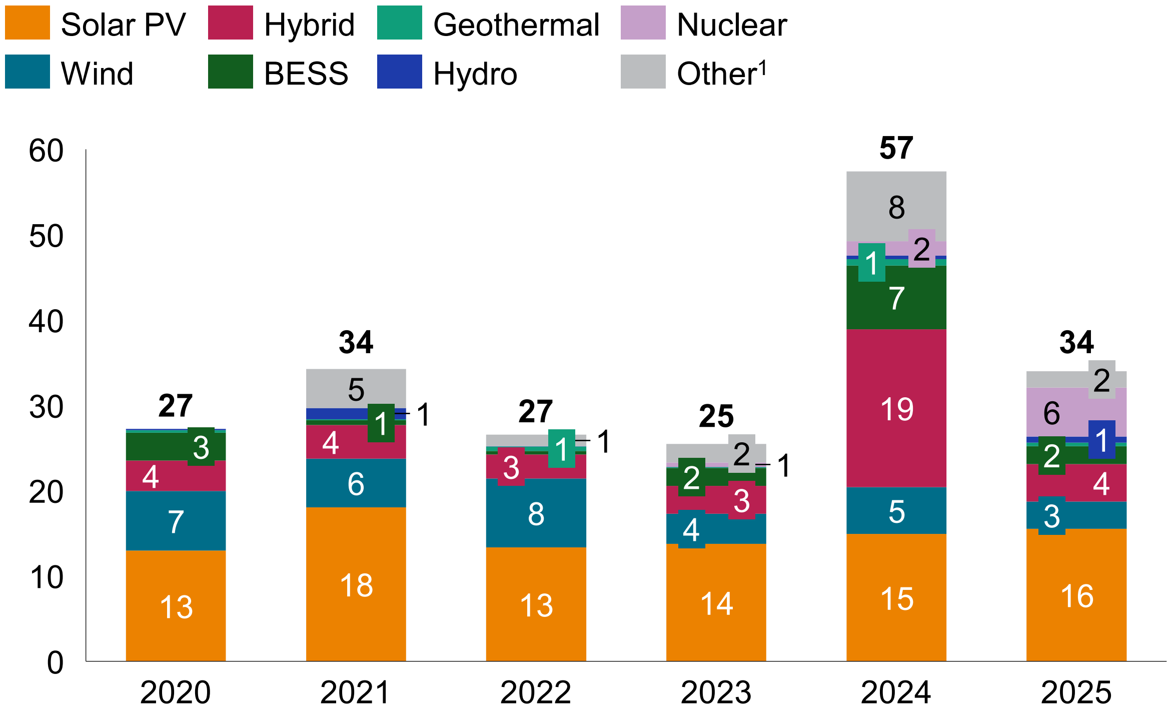
- Transferability has become a key piece for many deals since the passage of the Inflation Reduction Act, with a growing share of hybrid deals where a tax equity investor transfers all or a portion of the tax credits to a third party
- With the looming cliff of July 4 for new solar and wind projects to begin construction to qualify for the ITC and PTC, or commence operations prior to the end of 2027, industry participants are working to start construction on a pipeline of projects before July that would continue to place tax credit monetization as a key part of the capital stack for solar and wind projects that come online before the end of the decade
- New solar and wind projects that begin construction after July 4 will need to rely on other mechanisms to raise financing. Projects that rely on other clean technologies, including BESS, geothermal, nuclear, and others, will need to begin construction prior to 2032 to qualify for the tech-neutral ITC and PTC
- The One Big Beautiful Bill Act preserved other clean energy tax credits, including the 45X Advanced Manufacturing PTC, 45U Zero-Emission Nuclear Power PTC, 45V Clean Hydrogen PTC, 45Z Clean Fuel PTC, and 45Q Credit for Carbon Oxide Sequestration. Over the past two years, these credits have largely relied on the direct transfer market rather than traditional tax equity

1. Cost of Capital: 2026 Outlook, Norton Rose Fulbright (2026)
Source: S&P Global Energy, ACORE, Norton Rose Fulbright

After 2024 spikes from AI-driven demand and Inflation Reduction Act, clean energy PPA activity normalized in 2025; data centers represented majority of demand for offtake

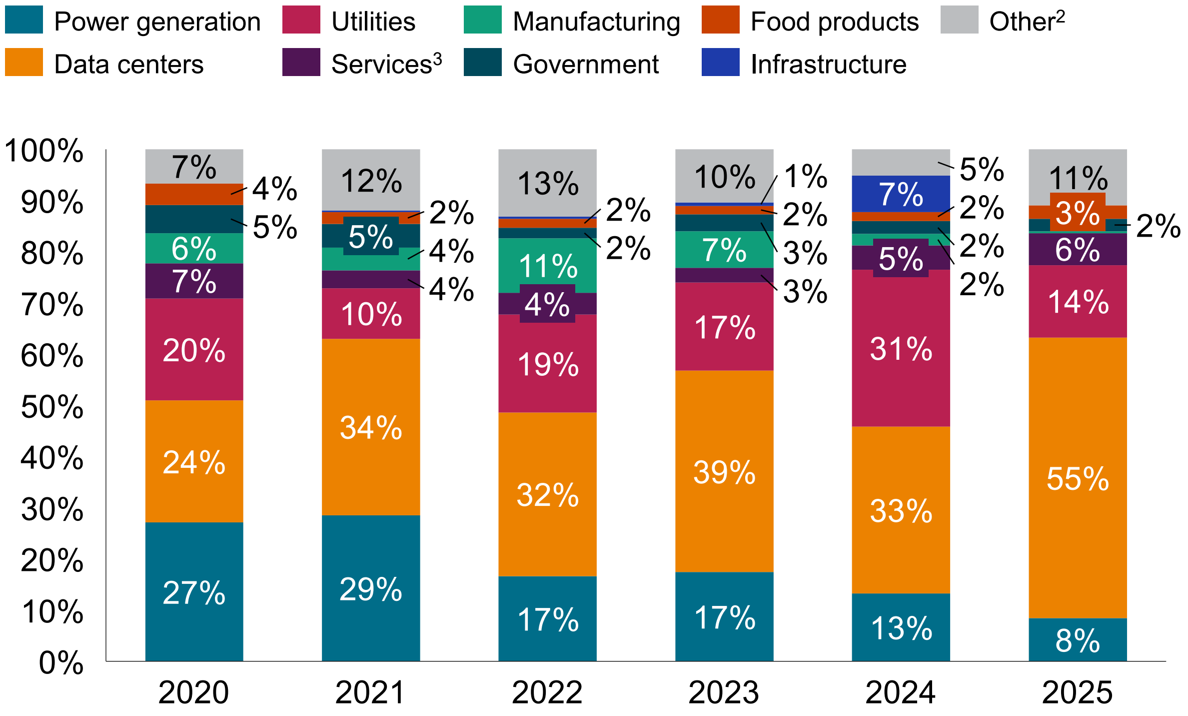
US contracted capacity by generation type

GW



US contracts by offtaker sector

%



- Throughout 2025, offtakers announced 34 GW of clean energy deals in the US, reflecting a 40% decline from 2024
- Utility offtake peaked in 2024 and reverted closer to historical level in 2025 as utilities met their near-term procurement needs and became more selective amid policy and market constraints; meanwhile, data centers expanded their share to a majority of offtake in 2025

Data compiled February 2026

Contracted capacity for corporate, utility, and public body offtakers. See Appendix for tracked corporate energy procurement deal types

1. Other includes Biomass, Portfolio, Waste, Hydro, and other unspecified contracted green technologies. 2. Other includes Apparel, Chemicals, Fossil Fuels, Healthcare, Hospitality, Hydrogen, Materials, Mineral Extraction, Retail, and Transportation. 3. Services include Education, Telecom, and Finance

Source: S&P Global Energy

Investment Landscape Changes: 2026

Investors entered 2026 with macroeconomic tailwinds from AI-Power trade, OBBBA fiscal stimulus, and expected Federal Reserve rate cuts. International investors remain committed to allocating capital to energy and infrastructure projects in the United States. However, continuing uncertainty regarding federal approvals for energy projects and the application of FEOC requirements could chill some investor interest in energy infrastructure

Capital is readily available to support new investment in power and infrastructure projects; clean power start-ups are fresh off fund-raising rounds and/or prepare for public listings. M&A continues as administration retains permissive view of consolidation

Solar and wind developers rush to build ahead of June start-of-work deadlines to secure federal tax credits. All clean energy projects qualifying for tax credits prepare to comply with FEOC regulations. The 2034 BESS tax credit runway is unchanged, but projects must comply with FEOC limitations that target the China-sourced kit

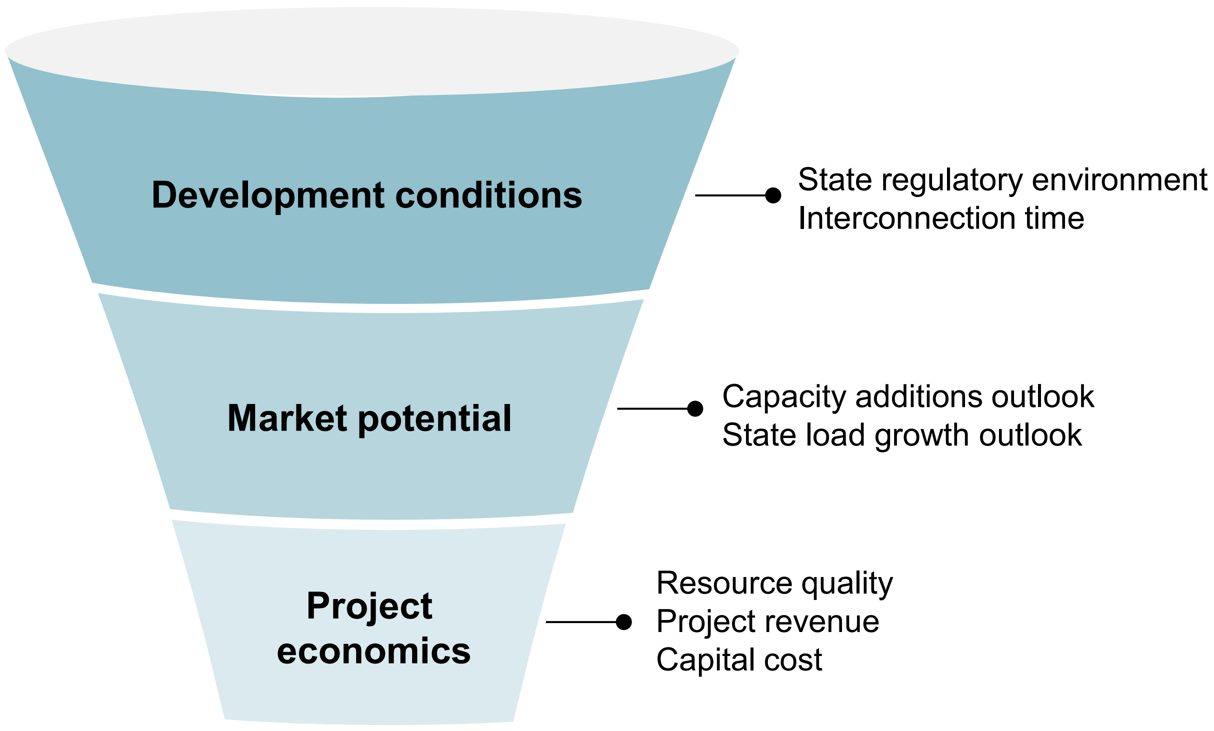
Gubernatorial elections will be held in 36 states and midterm federal elections occur as rising power prices influence voters' affordability concerns

Enthusiasm continues for behind-the-meter projects that avoid added costs and delays from transmission and distribution. Fuel cell technology attracts more attention from hyperscalers on promise of quieter, more efficient operations

Source: S&P Global Energy

States were ranked on solar, wind, and BESS market attractiveness using a composite score reflecting regulatory, market, and economic conditions

Market attractiveness selection criteria for utility-scale solar PV, wind and BESS



Top states in market attractiveness by technology

Rank	Utility solar	Utility BESS	Utility wind
1	Texas	Texas	Texas
2	Florida	California	Wyoming
3	California	Arizona	New Mexico
4	Arizona	Florida	Illinois
5	Virginia	Nevada	Oklahoma

Full results on state attractiveness are available in the full report
Source: S&P Global Energy

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