



## Serious business: Corporate procurement rivals policy in driving growth of renewable energy

### Executive summary

Large corporations have taken a leadership role in procuring renewable energy around the globe. Many have publicly pledged to reach 100 percent renewable energy in the next two decades or sooner through programs such as RE100 and the Renewable Energy Buyers' Alliance. Some of these organizations have already surpassed the halfway mark in achieving those goals. What's clear is that the train has left the station: Renewable energy is vital for corporations, and corporate procurement now rivals policy as a driver of growth in the sector.

These large enterprises have pioneered many means of procuring renewable energy, and their methods and goals have been documented in numerous publications and public forums. However, what has largely been missing from these discussions is how mid-cap and small corporations are approaching the procurement of renewable energy. Do they have the same drive as their larger counterparts? What motivates or disincentivizes them? Do they require new contracts and structures and ways of purchasing electricity from renewable sources?

As suggested by the findings of the [Deloitte Resources 2017 Study](#) and other research, many mid-cap and small companies are already looking for ways to invest in wind, solar, energy storage, micro-grids, and other advanced energy technologies—and they are likely to ramp up these efforts in the foreseeable future. This represents an opportunity for utilities and renewable developers to get ahead of the curve in capturing the next generation of opportunities in the renewables space by beginning to work with this underserved population now.

## Major findings

- Large corporations around the world are demanding renewable energy on a scale that few anticipated. While several large US multinational corporations, particularly those in the information technology sector, are at the forefront of the green power movement, corporate procurement of renewables is virtually a universal trend.
- Corporate interest in green power isn't limited to large enterprises. Internationally, an array of small and mid-cap companies is also procuring renewable energy and setting ambitious carbon reduction goals.
- There are several reasons why companies of all sizes are taking a keen interest in procuring renewable energy. As one might expect, economics is a significant driver. Solar and wind power are now cost-competitive with electricity generated from fossil fuels in many areas of the world.
- Technology companies with large data centers and big-box retailers with hundreds of stores were the early movers in procuring renewable energy, followed by consumer-facing companies whose brands were closely associated with sustainability.
- While large companies are paving the way to successful corporate procurement of renewable energy, the next wave of smaller commercial and industrial customers is following close behind. Utilities that do not address this segment could cede a tremendous growth opportunity to their competitors or possibly risk disintermediation.

For more information, or to download the full report, visit:

[www.deloitte.com/us/corporateprocurement](http://www.deloitte.com/us/corporateprocurement)

This publication contains general information only and Deloitte is not, by means of this publication, rendering business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional adviser. Deloitte shall not be responsible for any loss sustained by any person who relies on this publication.

## Deloitte Center for Energy Solutions

The Deloitte Center for Energy Solutions (the "Center") provides a forum for innovation, thought leadership, groundbreaking research, and industry collaboration to help companies solve the most complex energy challenges.

Through the Center, Deloitte's Energy & Resources group leads the debate on critical topics on the minds of executives—from the impact of legislative and regulatory policy, to operational efficiency, to sustainable and profitable growth. We provide comprehensive solutions through a global network of specialists and thought leaders.

With locations in Houston and Washington, DC, the Center offers interaction through seminars, roundtables, and other forms of engagement, where established and growing companies can come together to learn, discuss, and debate.

[www.deloitte.com/us/energysolutions](http://www.deloitte.com/us/energysolutions)

 @Deloitte4Energy

# Deloitte.

### About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the "Deloitte" name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more about our global network of member firms.