

S&P Global Market Intelligence Launches Renewable Energy Credit Pricing Forecasts

NEW YORK, Feb. 1, 2021 /PRNewswire/ -- S&P Global Market Intelligence today introduces its Renewable Energy Credit (REC) Price Forecast dataset as part of its Power Forecast series. This new dataset enables market participants to analyze and assess the value of wholesale renewable electricity in the U.S.

Renewable Energy Credits are often used to offset carbon emissions of a company or as a way for organizations to reach 100% renewable sources. S&P Global Market Intelligence's new REC price forecast will provide insight into new revenue streams for energy facilities that are looking to be compensated for the value of their renewable energy.

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"As global energy markets continue to shift their reliance on fossil fuels to alternative sources, organizations may look to RECs to help comply with increasing green energy mandates," said Steve Piper, Research Director for Energy at S&P Global Market Intelligence. "With more RECs being purchased, the demand and production of renewable energy increases. This new pricing forecast will provide differentiated insights into the value of renewable energy and give investors participating in this market the ability to forecast the green premium for energy transition, helping them make informed-decisions."

While REC pricing today is currently strong across several New England states, developer interest in the region has grown as have commitments to offshore wind in multiple states. S&P Global Market Intelligence projects that increasingly favorable wholesale power economics and expanding contributions from offshore wind may pressure New England REC prices lower in the years ahead.

A REC is created for every one-megawatt hour (MWh) of electricity generated and delivered to the grid. The green benefits of generating electricity using renewable sources can then be sold to other entities via RECs on the open market. RECs are often used to offset carbon emissions of a company and as a path to achieving 100% renewable electricity use.

This newly introduced S&P Global Market Intelligence forecast complements the Market Intelligence platform's current REC index prices providing information on unbundled RECs, and the current price of these instruments. The REC Pricing Forecast will also allow market participants to:

- Estimate environmental compliance costs to utilities that rely heavily on fossil fuels;
- Identify which market each green asset sells into and tie that identification to a REC projection;
- Project financial impacts of regulatory changes and renewable power generation mandates.

For more information about S&P Global Market Intelligence's Power Forecast insights, please visit [here](#).

About S&P Global Market Intelligence

At S&P Global Market Intelligence, we understand the importance of accurate, deep and insightful information. We integrate financial and industry data, research and news into tools that help track performance, generate alpha, identify investment ideas, perform valuations and assess credit risk. Investment professionals, government agencies, corporations and universities around the world use this essential intelligence to make business and financial decisions with conviction.

S&P Global Market Intelligence is a division of S&P Global (NYSE: SPGI), the world's foremost provider of credit ratings, benchmarks and analytics in the global capital and commodity markets, offering ESG solutions, deep data and insights on critical business factors. S&P Global has been providing essential intelligence that unlocks opportunity, fosters growth and accelerates progress for more than 160 years. For more information, visit www.spglobal.com/marketintelligence.

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