



CIO expects renewables' growth to continue and even accelerate its upward march. (UBS)

The real Super Bowl dynasty: Renewable energy

15 February 2024, 4:25 pm CET, written by UBS Editorial Team

Although the Kansas City Chiefs, Taylor Swift, and Ben Affleck's "Dunkinettes" were the big winners of Super Bowl LVIII on Sunday, a huge victory for renewable energy also occurred.

For the first time in Super Bowl history, all the energy used at the game played at the Allegiant Stadium in Las Vegas was from a renewable source.

Solar energy is the dominant renewable energy source for the Las Vegas Raiders stadium, whose organization in 2019 entered a 25-year energy supply agreement with NV Energy to purchase generation from an off-site solar array managed by the utility.

The stadium subscribes to a portion of a massive 621,000 solar panel system that also has supply contracts with some of the hotels on the Las Vegas Strip.

And while it can be argued that the baton has been passed in terms of NFL dynasties from Tom Brady's New England Patriots to Patrick Mahomes's Chiefs, the energy transition has been underway for some time now.

In the US, renewable energy surpassed coal-fired electricity generation for the first time in 2022, according to the US Energy Information Administration (EIA). It had surpassed nuclear power in 2021.

According to the [National Renewable Energy Laboratory](#), carbon-free generation sources (nuclear, hydropower, solar, wind, and other renewables) constitute more than 80% of capacity expansions over the past three years.

CIO expects renewables' growth to continue and even accelerate its upward march, supported by incentives provided by the Inflation Reduction Act (IRA), declining costs, and improvements in battery storage technologies.

The rise of renewables has coincided with the decline in coal-fired generation, as the focus on carbon emissions intensified, especially over the last decade. While natural gas is poised to remain the dominant source of electricity for the foreseeable future given its abundant supply and high reliability, CIO expects renewables to continue to have the greatest share of new generating capacity.

Amantia Muhedini, CIO Sustainable & Impact Investing Strategist, expects the growth in renewables to be further enhanced by improvements in grid capacity and advances in smart-grid and battery-storage technology address the most important challenge with regard to renewable power: their intrinsically intermittent nature.

"The declining costs of renewable power, increased reliability through technological advancements, and renewables' leading position in terms of low carbon emissions should continue to increase their competitiveness along the key dimensions of energy: affordability, reliability, and sustainability."

While power generation remains the single-largest emissions generator by sector globally, it still represents just over one-third of total emissions today. So even as rapid acceleration in renewables deployment delivers improving visibility on decarbonizing power, focus "must begin to shift to other industrial processes and sectors," according to Muhedini.

"The road to net-zero will be uneven for different industries and regions, and the tools to credibly and profitably invest in transition are becoming more actionable," she concludes.

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