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Clean Energy Powers Arizona

REPORT



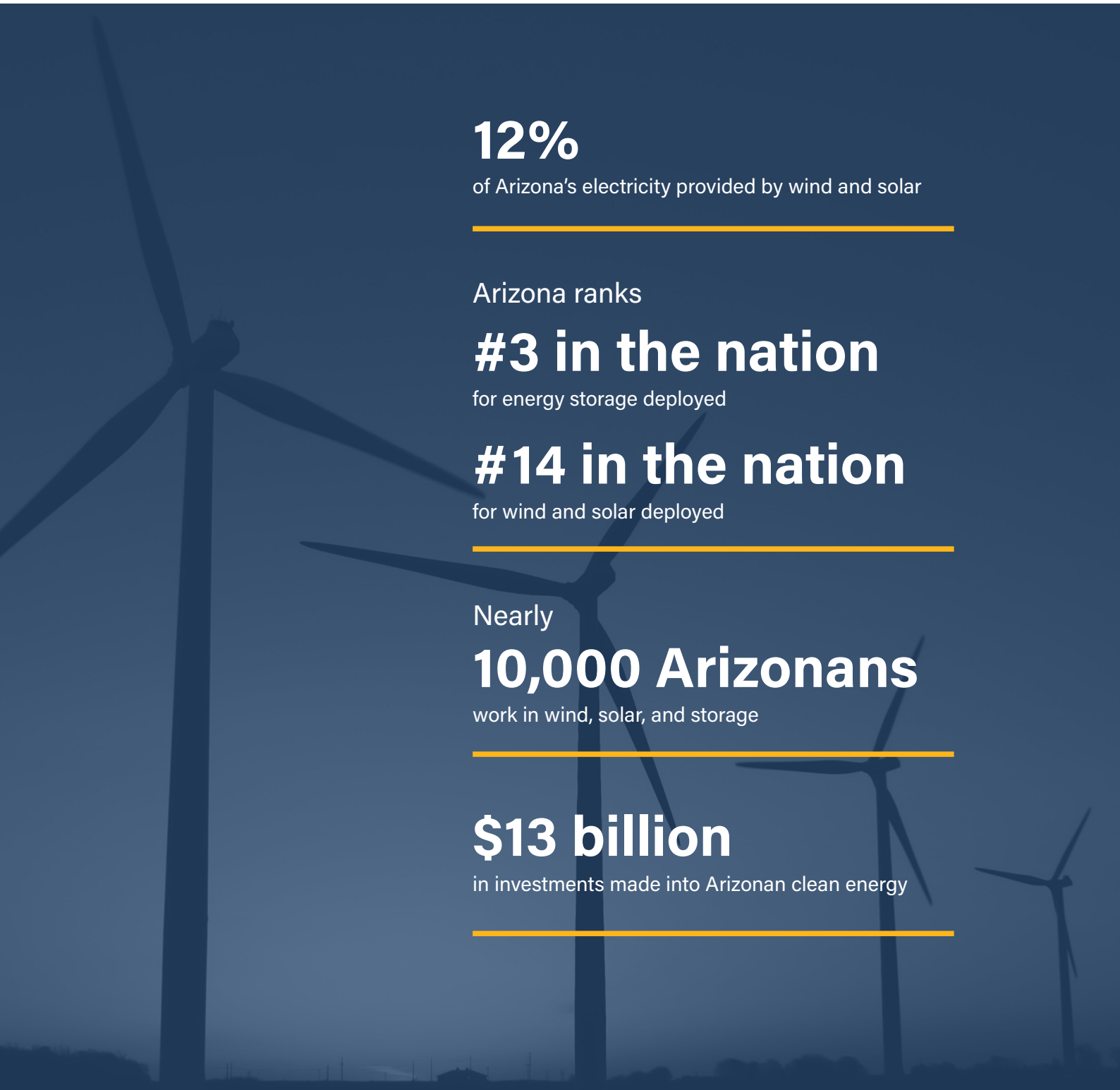
Executive Summary

Arizona is growing its state clean energy economy. The Grand Canyon State's wind and solar sectors provide **12% of the state's electricity** and are powered by **$13 billion in private-sector investments** to date.

The state's utility-scale clean energy capacity, currently over **5,500 MW**, generates **$78 million annually** in tax revenue and land lease revenue for Arizona's communities. The wind, solar and storage sectors currently employ nearly **10,000 Arizonans.** And Arizona is a clean energy pioneer: The state is third in the nation for both amount of energy storage capacity online *and* for amount of storage capacity in the pipeline.

By 2030, the state is expected to add an additional 7,600 MW of utility-scale solar, 1,700 MW of wind power, and 5,900 MW of battery storage, representing a **275% increase** in total clean power capacity. These projects represent **$14 billion** in expected private sector investment that will support Arizona's clean energy economy by 2030. This investment will drive job creation, increase tax payments, and generate substantial land lease payments.

Today...



12%
of Arizona's electricity provided by wind and solar

Arizona ranks
#3 in the nation
for energy storage deployed

#14 in the nation
for wind and solar deployed

Nearly
10,000 Arizonans
work in wind, solar, and storage

$13 billion
in investments made into Arizonan clean energy

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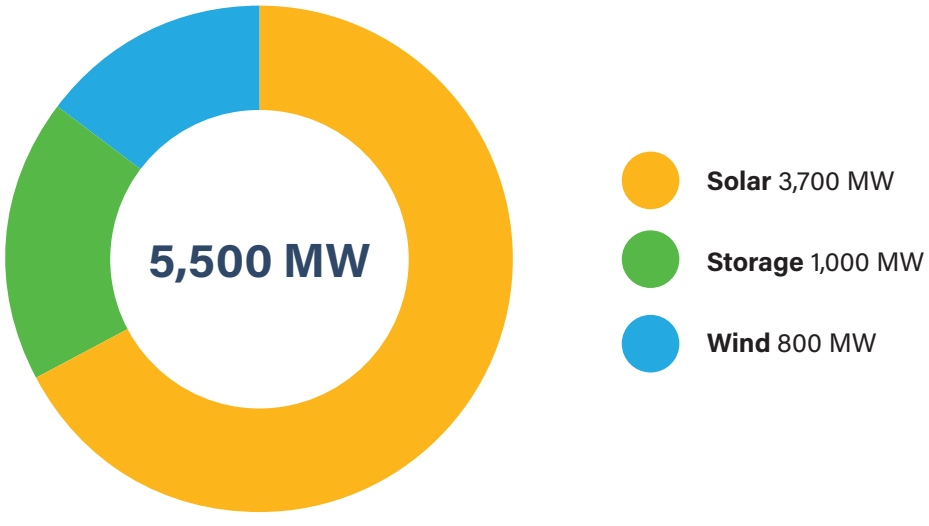
Clean Energy Economy

As of April 2024, Arizona's total clean energy capacity stands at over **5,500 MW**. That is enough electricity to power the equivalent of **870,000 homes** — roughly equivalent to powering all the homes in **Tucson four times over!**

The private sector has invested **$13 billion** in utility-scale solar, wind, and storage projects, helping drive economic growth in the state. Arizona also hosts **8 operating clean energy manufacturing facilities,** with 6 additional facilities announced.

In total, solar, wind, and storage provide **9,900** jobs to Arizonans across the state.

Clean Energy Capacity *as of Q1 2024*



Today, **12% of the state's electricity** comes from wind and solar. This is enough electricity to power **870,000 homes**. Arizona ranks **14th in the nation** for amount of wind and solar deployed and **26th** in the nation for share of electricity generated by wind and solar power.

And Arizona is a pioneer in energy storage: The state is **third in the nation** for amount of storage currently online.

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Clean Energy Investment



Clean Energy Project Investment *as of Q1 2024*

$13 BILLION DOLLARS

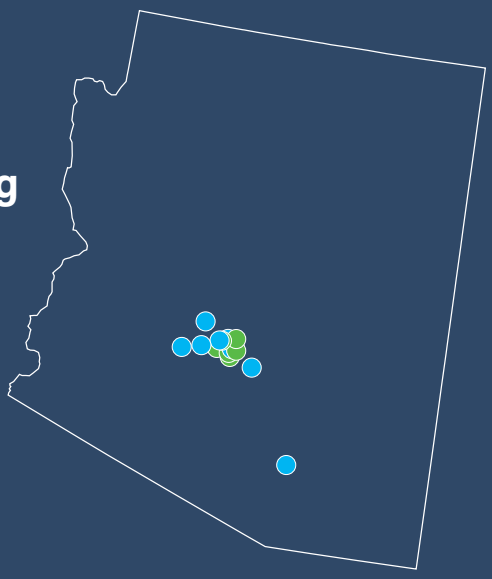
- **Solar** $10B
- **Wind** $2B
- **Storage** $1B

Investments in Arizona clean power total **$13 billion dollars**. As more projects and manufacturing facilities are planned, total capital investment is expected to grow.

Clean Energy Manufacturing Facilities

as of Q4 2023

- Announced
- Online



8
manufacturing facilities operating

6
new manufacturing facilities announced

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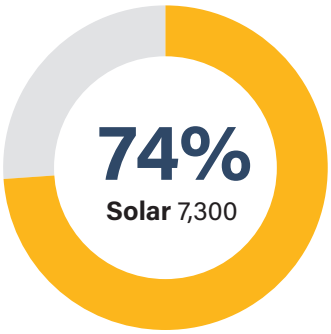
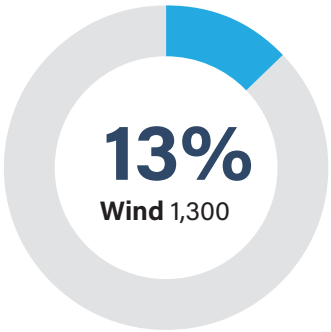
Clean Energy Jobs

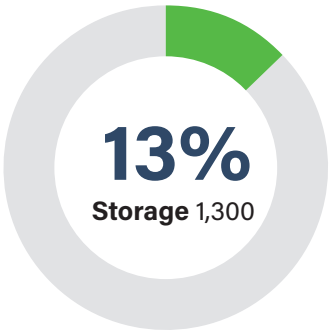
The more than **9,900** jobs supported in the solar, wind, and storage sectors span jobs in construction, development, operations, and manufacturing.[1] Learn more about the breadth of jobs available across the clean energy sectors.

Clean Energy Jobs *as of Q4 2023*

Total Jobs: **9,900**











[1] https://www.energy.gov/policy/us-energy-employment-jobs-report-useer

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Local Economic Contributions

Tax Payments (State & Local)

$37 million
annually

Land Lease Payments

$41 million
annually

Total: **$78 million annually**

Clean energy projects invest **$78 million annually** into Arizona's communities through land-lease and tax payments. These projects not only generate pollution-free American electricity but provide critical revenue on the state and local level that helps bridge budget shortfalls and allows communities to plan and invest in their future. This revenue can provide enough new income to repair roads, invest in schools, and fund essential services.

Landowners also benefit, receiving land lease payments from clean power located on their land. This allows families new avenues for drought-proof and flood-proof income, while allowing opportunities to hold onto land passed down through generations. Furthermore, co-locating clean energy with farmland supports agricultural sustainability by helping farmers afford to continue farming, rejuvenating over-farmed land, reducing land use competition, and increasing tax income for rural communities.

Investing in Arizona: Invenergy

In 2023, Invenergy[2] began construction on Phase 1 of the El Sol Energy Storage project in Youngtown, Arizona. The project will have a capacity rated at 50 MW/200 MWh once completed. Operations at the site are expected to significantly boost economic activity in the Youngtown and Maricopa County region.



[2] https://elsolstorage.invenergy.com/about-project

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Future Projections

By 2030, Arizona anticipates adding to its grid **7,600 MW** of solar, **1,700 MW** of wind power, and **5,900 MW** of battery storage.[3] This will be enough to power the equivalent of **over 5 million homes** in Arizona.

This projected activity represents a **275%** increase in total clean power by 2030, with **$14 billion** in capital investment expected.

The state's clean energy manufacturing sector will also benefit as companies evaluate new or expanded manufacturing facilities following passage of the Inflation Reduction Act in 2022. In Arizona, **6 new manufacturing facilities** have been announced by American Battery Factory, Amphenol Industrial Operations, JA Solar, LG Energy, Meyer Burger, and New East Solar.

All this clean energy activity will spur job growth, and by 2030 increase estimated tax revenue to **$180 million** annually and generate **$185 million** in annual land lease payments.

FOR EXAMPLE:

LG Energy Solutions[4] is investing **$5.5 billion** into a battery manufacturing complex project in Queen Creek, Arizona. One of the two facilities at the complex will manufacture batteries for energy storage systems. The project broke ground in November 2023 and production is estimated to begin in 2026. It will create thousands of new jobs in the area.

Expected Clean Energy Capital Investment by 2030



$14 billion

Solar $6B **Storage** $6B **Wind** $2B

[3] Estimates based on consultant forecasts, public announcements, and ACP analysis

[4] https://www.prnewswire.com/news-releases/lg-energy-solutions-5-5-billion-stand-alone-battery-manufacturing-complex-project-in-arizona-well-underway-302106997.html#:~:text=The%20ESS%20battery%20manufacturing%20facility,production%20facilities%20in%20the%20world

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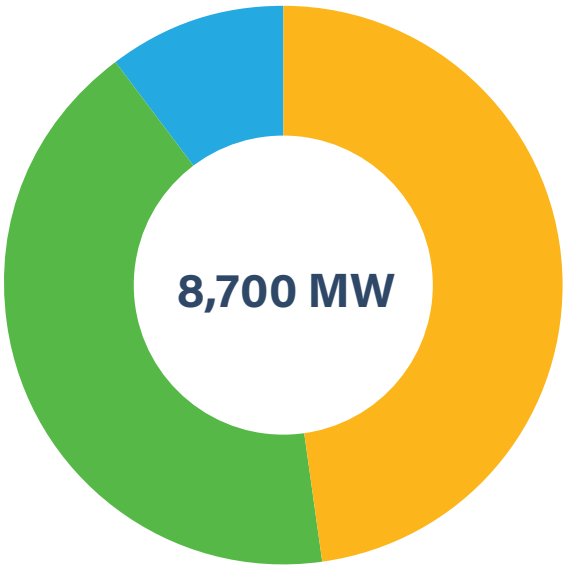
Clean Energy Under Development (Pipeline)

Clean Energy Under Development *as of Q1 2024*



As of April 2024, there is 8,700 MW of utility-scale clean capacity under development. This is enough to power **more than 3 million homes** in Arizona.

- **Solar** 4,100 MW
- **Storage** 3,700 MW
- **Wind** 900 MW

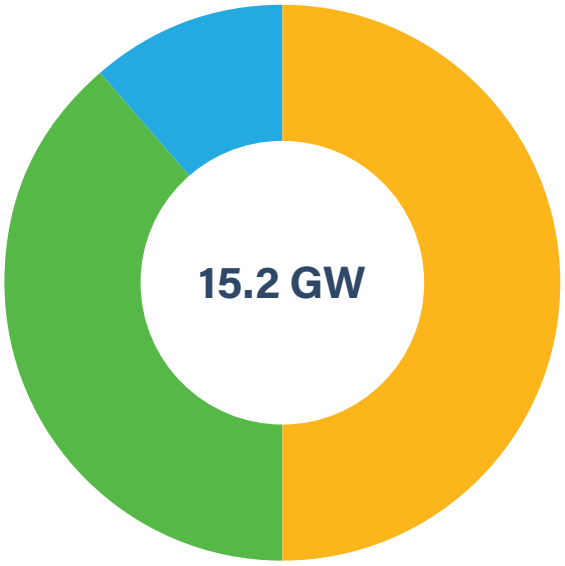
Expected Additional Clean Energy Capacity by 2030

Estimates based on existing projects and forecasted pipeline

7,600 MW
of additional solar

5,900 MW
of additional battery storage

1,700 MW
of additional wind power



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Local Economic Contributions in 2030

Estimates based on existing projects and forecasted pipeline



Tax Payments (State & Local)

$180 million
annually

Land Lease Payments

$185 million
annually

Total Expected Economic Contributions in 2030

$365 million
annually

The American Clean Power Association (ACP) is the leading voice of today's multi-tech clean energy industry, representing over 800 energy storage, wind, utility-scale solar, clean hydrogen and transmission companies. ACP is committed to meeting America's national security, economic and climate goals with fast-growing, low-cost, and reliable domestic power.

Learn more at **FuelForThought.energy**.

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This report was compiled with all available data as of March 31, 2024.