The strength of renewables

Düsseldorf, 24 February 2026 – The debate about loss-making solar and wind farms paints a distorted picture of an industry in transition. Rising interest rates, falling electricity prices and higher project costs have increased the pressure on developers and investors. However, it would be far too simplistic to conclude that renewable energy projects are no longer profitable. Project development in photovoltaics, wind and battery storage remains a viable and profitable business model – but only for those who implement their projects with strategic discipline, robust calculations and a clear understanding of market cycles. – A commentary by Markus Voigt, CEO of aream Group SE.

The debate about loss-making solar and wind farms paints a distorted picture of an industry in transition. Rising interest rates, falling electricity prices and higher project costs have increased the pressure on developers and investors. However, it would be far too simplistic to conclude that renewable energy projects are no longer profitable. Project development in photovoltaics, wind and battery storage remains a viable and profitable business model – but only for those who implement their projects with strategic discipline, robust calculations and a clear understanding of market cycles.

The past few years have been characterised by exceptionally favourable conditions. High electricity prices, low financing costs and falling module prices enabled many market participants to make projects economically viable even with mediocre planning. In such an environment, the differences between careful project development and opportunistic growth became increasingly blurred. This blurring is currently dissipating. The industry is undergoing a phase of consolidation in which it is becoming clear which business models are sustainable. This development is not a sign of structural weakness, but rather an expression of the necessary maturation of the market.

Returns are not generated only when a park is built, but rather in the early project phase. Those who secured land at inflated prices, calculated grid connections too optimistically or underestimated approval risks are now facing challenges. At the same time, the market shows that high-quality project pipelines are still in demand. Well-structured projects find buyers, attract capital and offer attractive entry opportunities for investors with a long-term horizon. The best opportunities arise precisely in difficult market phases – for example, when acquiring project rights or integrating battery storage into existing plants, upscaling and hybridisation.

Timing remains a crucial success factor. Project development is a cyclical business. Those who expanded aggressively during the peak phase of low interest rates now need to realign themselves. On the other hand, those who planned more conservatively and kept cost structures under control can currently gain market share. Falling valuations open up opportunities for financially strong players to secure high-quality projects on more attractive terms and monetise them in the long term. This is giving rise to increasingly larger and more professional market participants who are better able to manage risks and implement integrated business models.

The economic viability of renewable projects today depends more than ever on such integrated approaches. Battery storage is fundamentally changing revenue structures, enabling arbitrage and increasing marketing flexibility. Hybrid wind-solar concepts improve grid utilisation and stabilise yield profiles. Developers who plan for these components at an early stage can achieve attractive returns even with moderate electricity prices. At the same time, financing is becoming more differentiated. Lower loan-to-value ratios reflect increased risk awareness, not a lack of profitability. Capital remains available for solidly calculated projects.

Politically, it is now important not to exacerbate this consolidation phase with additional uncertainties. Discussions about regulatory changes increase risk premiums and make projects unnecessarily expensive. Anyone who wants to accelerate the expansion of renewable energies must create reliable framework conditions. Those who do not want to do so sow doubt.

The energy transition remains an economically viable infrastructure project. Loss-making deals are possible, but they are not the norm. The rearguard actions of the fossil fuel dinosaurs are causing pinpricks, but they are not hitting the mark. The industry is becoming more professional, more capital-intensive and more strategic. Ultimately, consolidation will result in more robust, efficient and successful players who will support the expansion of renewable energies in the long term.

About aream Group SE

Founded in 2005, aream Group is a developer and asset manager focusing on sustainable infrastructure in the renewable energy sector. This includes wind and solar power, grids and storage technology. With its operations and asset management, project development and energy markets divisions, aream Group covers the entire value chain for renewable energy investments. With a transaction volume of more than €2.5 billion, aream is one of the leading asset managers in this market, generating around €40 million per year in green electricity from its own portfolio of investments. Since 2008, aream has produced more than 4 billion kWh of green electricity. As part of its growth strategy, several solar and wind farms as well as battery storage facilities are to be realised or acquired in the coming years. Thanks to its own project development within Aream Advisory GmbH, the group currently has a development pipeline in Germany with great potential. Further information: www.aream.de.

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