Clean Energy Investor Group

Clean Energy Outlook 2026

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About the Clean Energy Investor Group

CEIG represents domestic and global renewable energy developers and investors, with approximately 18GW of renewable energy capacity in the NEM across 139 power stations and a combined portfolio value of more than $41 billion. CEIG members' project pipeline is estimated to be more than 150GW across Australia. CEIG strongly advocates for an efficient transition to a clean energy future on behalf of the investors who will provide the low-cost capital required for this transition.

About the Clean Energy Outlook

Now in its third year, the 2026 Clean Energy Outlook captures the views of the Clean Energy Investor Group's members. The Report provides a unique insight into the investment decisions and trends shaping Australia's clean energy future.

Partners

Gamuda is the Principal Sponsor of the 2026 Report. Gamuda had no involvement in the survey design, methodology, findings and analysis.

Oxford Economics served as the independent research partner and was responsible for analysing the survey data. The conclusions and views presented in this report are those of the Clean Energy Investor Group.

In the spirit of reconciliation, the Clean Energy Investor Group acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

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Executive summary

Australia has the clean energy capital - but can it confidently deliver?

Most major clean energy investors agree that Australia remains an attractive destination for clean energy investment, however that number has slipped from 69% to 58% in the last year. Confidence is weakening, with just over three quarters (77%) of investors maintaining the landscape has worsened in the last 12 months.

The catalytic impact of the federal election (which 90% of respondents said was a positive in the 2025 Report) hasn't panned out. The stark reality is that in 2026, only 8% of investors believe Australia is on track to achieve its target of 82% renewable electricity by 2030 .

The immediate barriers to investment have shifted in priority. Transmission now tops the list of challenges, followed by state planning (which was tied first in 2025), To help unlock investment in the longer term, investors agreed on the need for certainty, in both coal closures and market and policy settings. New problems are also arising include changing tax settings for clean energy investors.

The problems frustrating the clean energy rollout appear to be well understood, what is needed now is coordination and delivery. New opportunities also exist with a whopping 92% of investors agreeing that data centres are a net benefit and could help underpin the next wave of renewable generation and storage.

At the state level, NSW once again topped the list as an investment destination. Despite having the highest development fees and longest approval timeframes, investors agreed that NSW continues to move in the right direction. Queensland just held onto second place, with the majority of investors pointing to policy uncertainty as the biggest concern.

Western Australia (WA) has jumped up two spots to third place as investors look outside the National Electricity Market for opportunities. WA could continue the climb if it improves market incentives and introduces renewable energy targets. Victoria, which slipped to fourth place, was the worst state for transmission build out. Alongside South Australia (5th place), Victoria continues to suffer from curtailment.

Key findings

Investor sentiment has deteriorated

77% of respondents said Australia's investment landscape has worsened over the past year. Despite this, most investors (58%) still view Australia as an attractive investment destination.

Transmission #1 in list of challenges

Transmission buildout delays are now the biggest challenge facing renewable energy investment and the highest policy priority for investors over the next three years.

Planning approvals continue to constrain project delivery

Planning approvals ranked as the second biggest challenge. Despite recent planning and environmental reforms, investors are yet to see meaningful improvements.

Coal closure certainty is a key long-term investment priority

Certainty around coal closure was ranked as the second-most effective policy measure for unlocking greater investment in renewable energy in Australia over the next three years.

Confidence in 2030 target low

Just 8% of respondents believe Australia is on track to meet its 82% by 2030 renewable electricity target under current settings. 65% believe Australia will not meet the target by 2030, with 27% of respondents not sure.

NSW holds top spot, Western Australia rises, Victoria falls

In state rankings, NSW remains the clear leader for renewable energy investment, however planning approvals continue to constrain project delivery. Western Australia has risen to third while Victoria slipped to fourth.

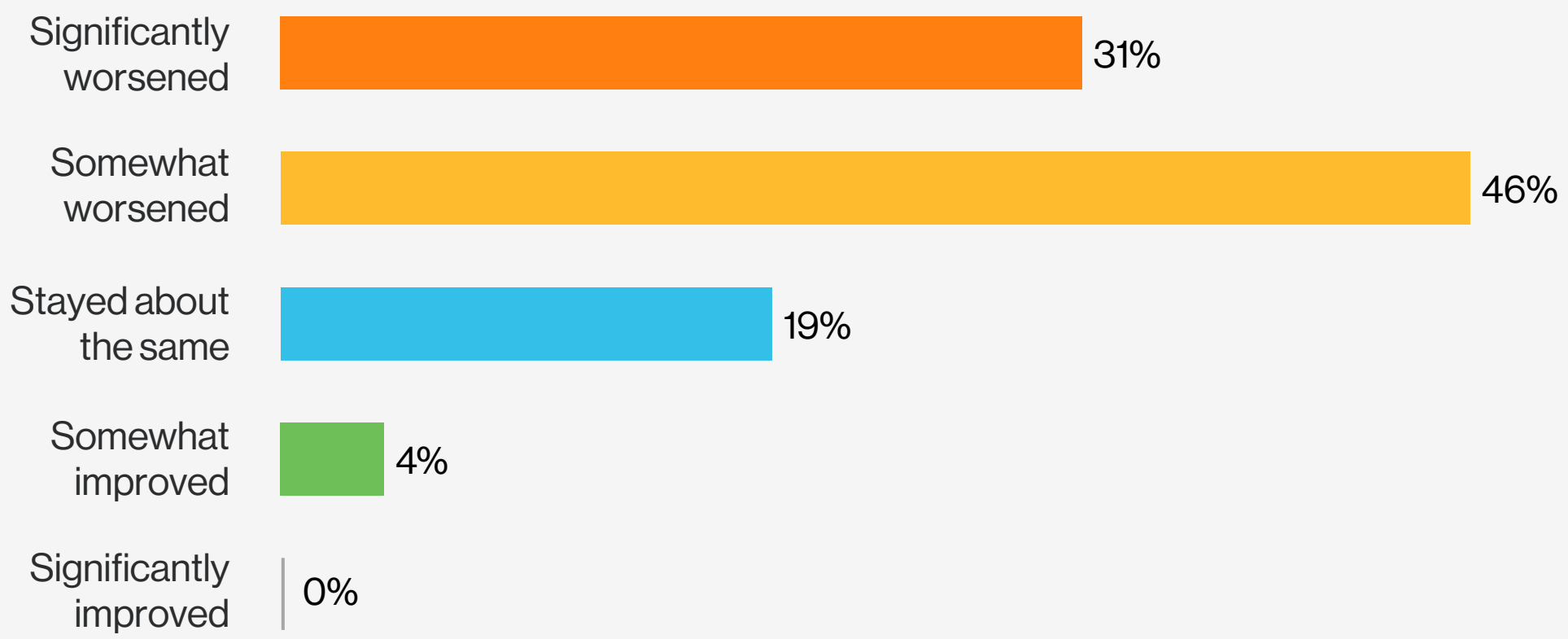
Data centres could drive the next wave of investment

92% of investors believe growing demand from data centres will have a positive impact on clean energy investment.

Investor sentiment

Despite investor attractiveness declining, most investors still consider Australia an attractive investment destination.

Has Australia's clean energy investment landscape improved or worsened over the past 12 months?



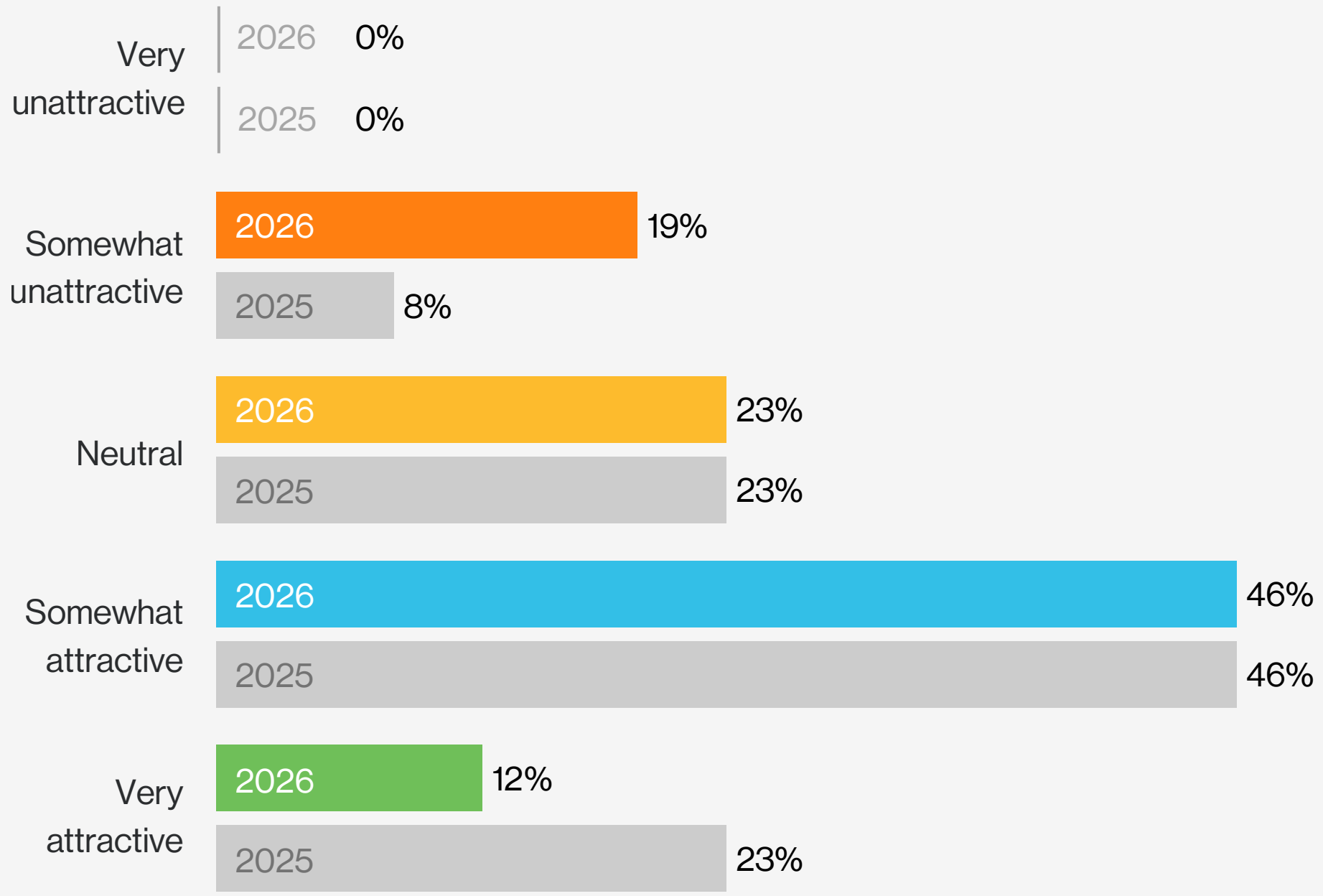
Source: Oxford Economics Australia, based on 2026 CEIG Annual Member Survey

Investor sentiment has weakened over the past year

77% of respondents reported that Australia's clean energy investment landscape has worsened, with nearly one in three reporting that it has "significantly worsened" over the past 12 months.

Policy uncertainty remains a key concern, with Queensland providing a clear example of how changing state-level settings can affect investor confidence in jurisdictions with strong renewable energy potential.

How would you rate Australia's overall attractiveness as a destination for clean energy investment compared to other countries?



Source: Oxford Economics Australia, based on 2026 CEIG Annual Member Survey

Despite positive sentiment falling by 11ppts, 58% of investors continue to view Australia as a somewhat or very attractive destination for clean energy investment. This is strengthened by the fact that 73% of respondents are international investors.

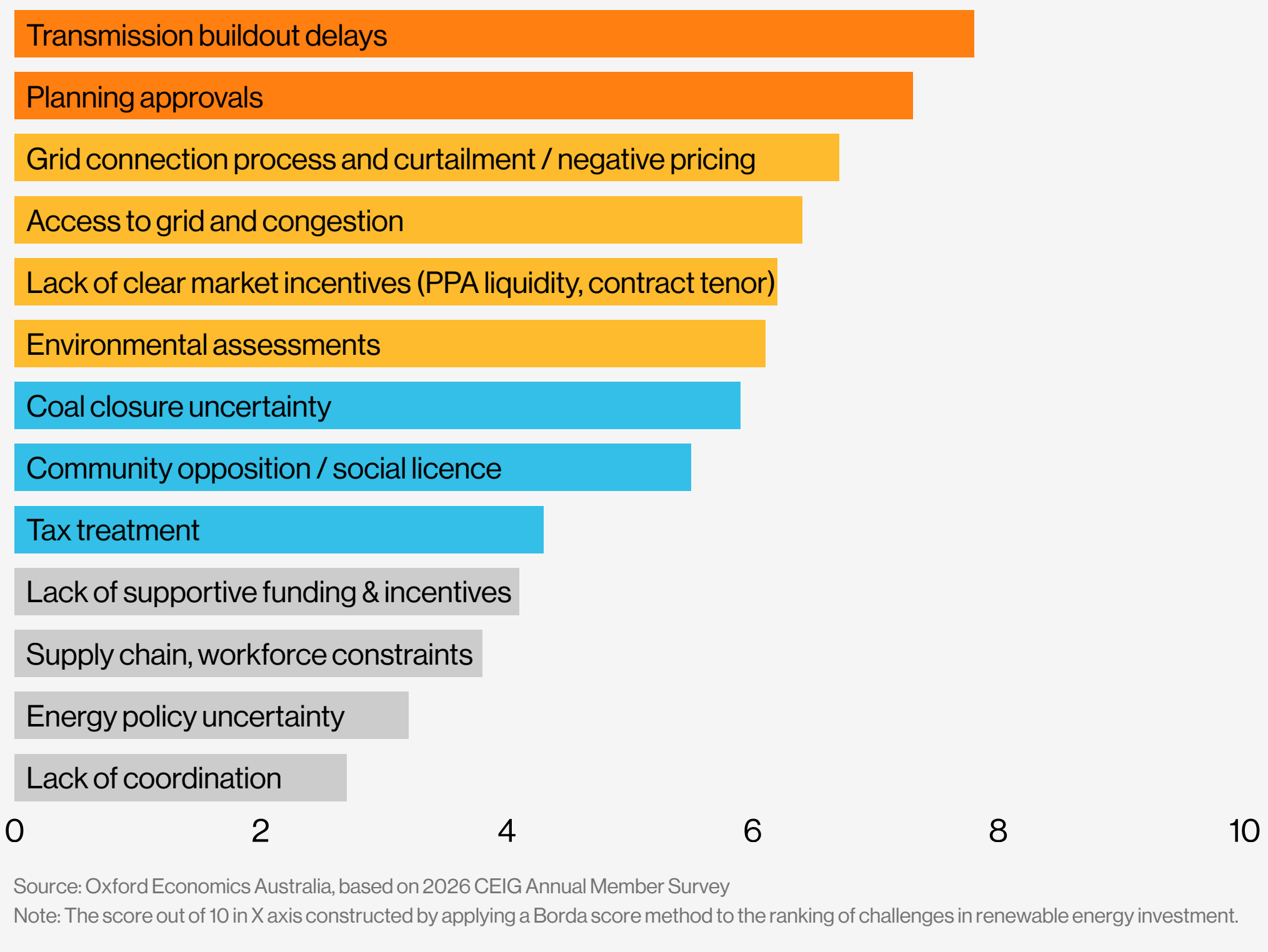
Australia's regulatory and institutional stability, confidence in the rule of law, high-quality renewable resources and established market frameworks continue to support its appeal relative to other markets.

However, confidence has moderated, as reflected in the lower share of respondents rating Australia as "very attractive" compared with last year, and a twofold increase in "somewhat unattractive" responses.

Challenges in renewable energy investment

Delays in transmission, planning approvals and grid connections were identified as the most critical issues impacting renewable investment.

Ranking challenges in renewable energy investment



Source: Oxford Economics Australia, based on 2026 CEIG Annual Member Survey

Note: The score out of 10 in X axis constructed by applying a Borda score method to the ranking of challenges in renewable energy investment.

Transmission buildout delays have emerged as Australia's most significant barrier to renewable energy investment, replacing planning approvals as the sector's primary challenge. While transmission is the biggest obstacle to attracting investment, grid connection delays, curtailment and congestion remain major barriers to project delivery.

Although planning approvals and environmental assessments have fallen to second place in the rankings, they continue to be a consistent challenge for investors despite several recent reforms, including the Environment Protection and Biodiversity Conservation Act (AU) and the Planning Systems Reforms Act (NSW).

Tax impacts were ranked as one of the top 4 challenges for renewable energy investment by over a quarter of investors, and rated as critical or significant impact on the delivery of projects by over half of respondents. In terms of Australia's attractiveness for investment, policy and regulatory stability was identified as the most important influencing factor. As of July 2026, proposed changes to capital gains tax risks damaging the reputation Australia has built. One investor responded in the survey stating that "Australia is less competitive compared with other markets because of taxation (foreign resident CGT)".

Limondale BESS – RWE

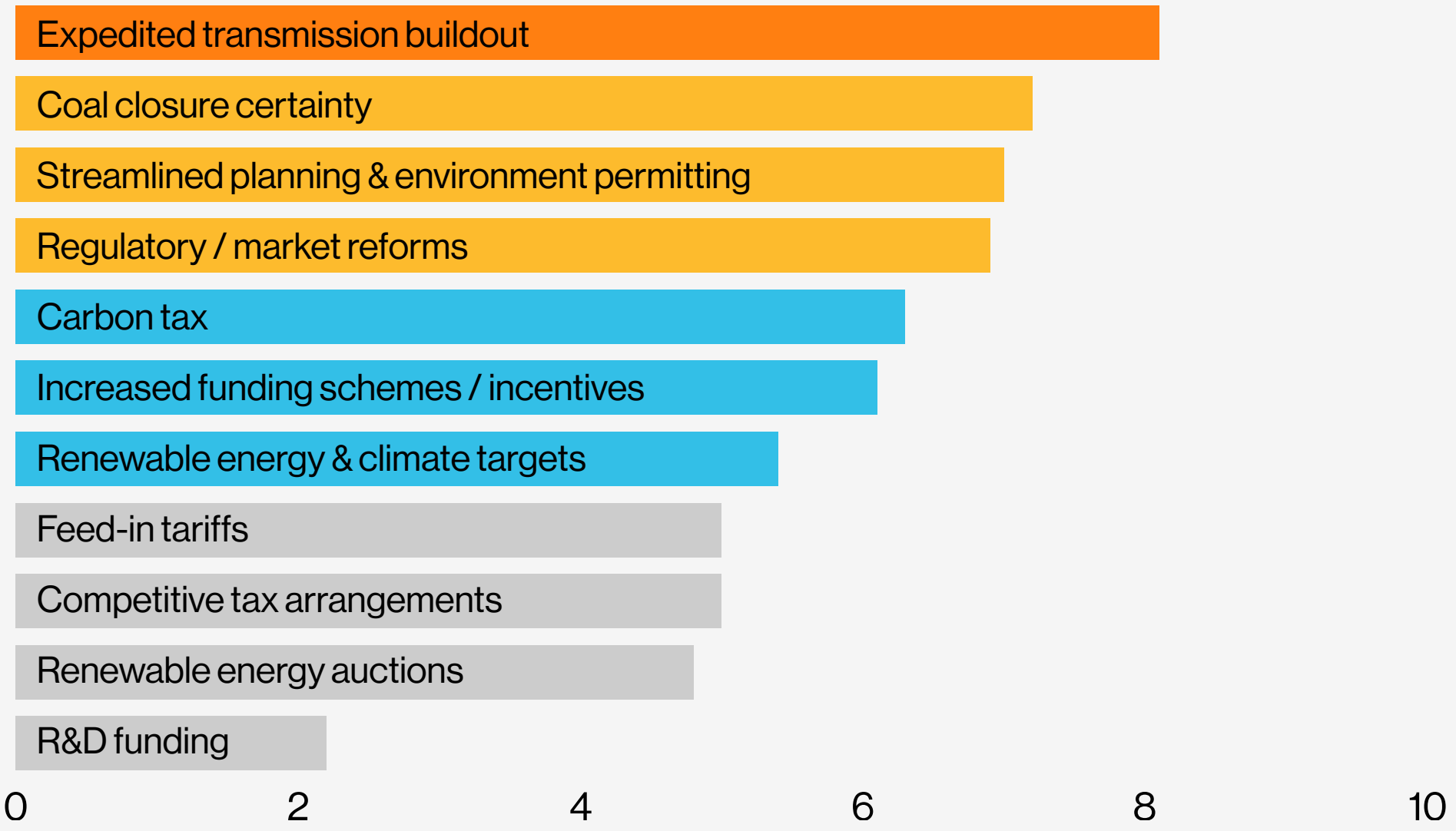
While the survey captured the key policy uncertainties affecting investment, several emerging issues were also identified that could further weaken investor confidence. Greater transparency and certainty around the Capacity Investment Scheme (CIS) emerged as a key theme, with concerns about market distortion, limited support for wind and long-duration energy storage, and a lack of clarity around future auction design and delivery.

Increasing regulatory complexity also emerged as a key concern, with evolving planning, environmental, critical infrastructure, cultural heritage and compliance requirements adding cost, uncertainty and development risk. As a result, project risk is shifting earlier in the development lifecycle, requiring developers to commit more capital before projects are sufficiently de-risked. Other emerging issues included uncertainty around the future role of gas, policy intervention and sovereign risk, changing market design and minimum system load rules, rising development and construction costs, and the potential for misinformation and declining public support for the energy transition to influence future policy settings.

Measures to unlock investment

Transmission topped the list, with coal closure certainty second, of the most effective policy measures to unlock greater investment.

Over the next 3 years, which regulatory or policy measures would most effectively unlock greater investment in renewable energy in Australia?



Source: Oxford Economics Australia, based on 2026 CEIG Annual Member Survey
Note: The score out of 10 in X axis was constructed by applying a Borda score method to the ranking of regulatory or policy measures.

Expedited transmission buildout was ranked as the highest-priority policy measure, consistent with the finding that grid-related issues are the greatest challenges for renewable energy investment.

Coal closure certainty ranked second as a priority measure over the next three years, even though it sits in the middle of the ranking of investor current challenges (seventh). This shows that investors did not view coal closure uncertainty as the most immediate project-level constraint, but they do see it as critical to the longer-term market signal for new investment. Clearer signals on the timing and shape of thermal generation exit would help investors assess when replacement renewable generation and firming capacity will be required.

Streamlined planning and environmental permitting round out the top three, despite recent reform progress. While approvals have fallen behind transmission buildout delays in the ranking of investor challenges compared to last year, they remain a material delivery constraint, suggesting that recent reforms have not yet fully translated into improved investor experience. State-level responses reinforce this point, with planning approvals and fragmented and duplicative pathways identified as a challenge even in jurisdictions otherwise viewed favourably by investors.

Overall, the policy priorities closely mirror the barriers identified in the previous section. Rather than calling for new policy ideas, investors are seeking faster implementation of the reforms already underway to unlock the next wave of renewable energy investment. This includes work underway on key transmission in all of the NEM states and Western Australia, and the work underway on the Electricity Services Entry Mechanism (ESEM) design.

State issues and ranking

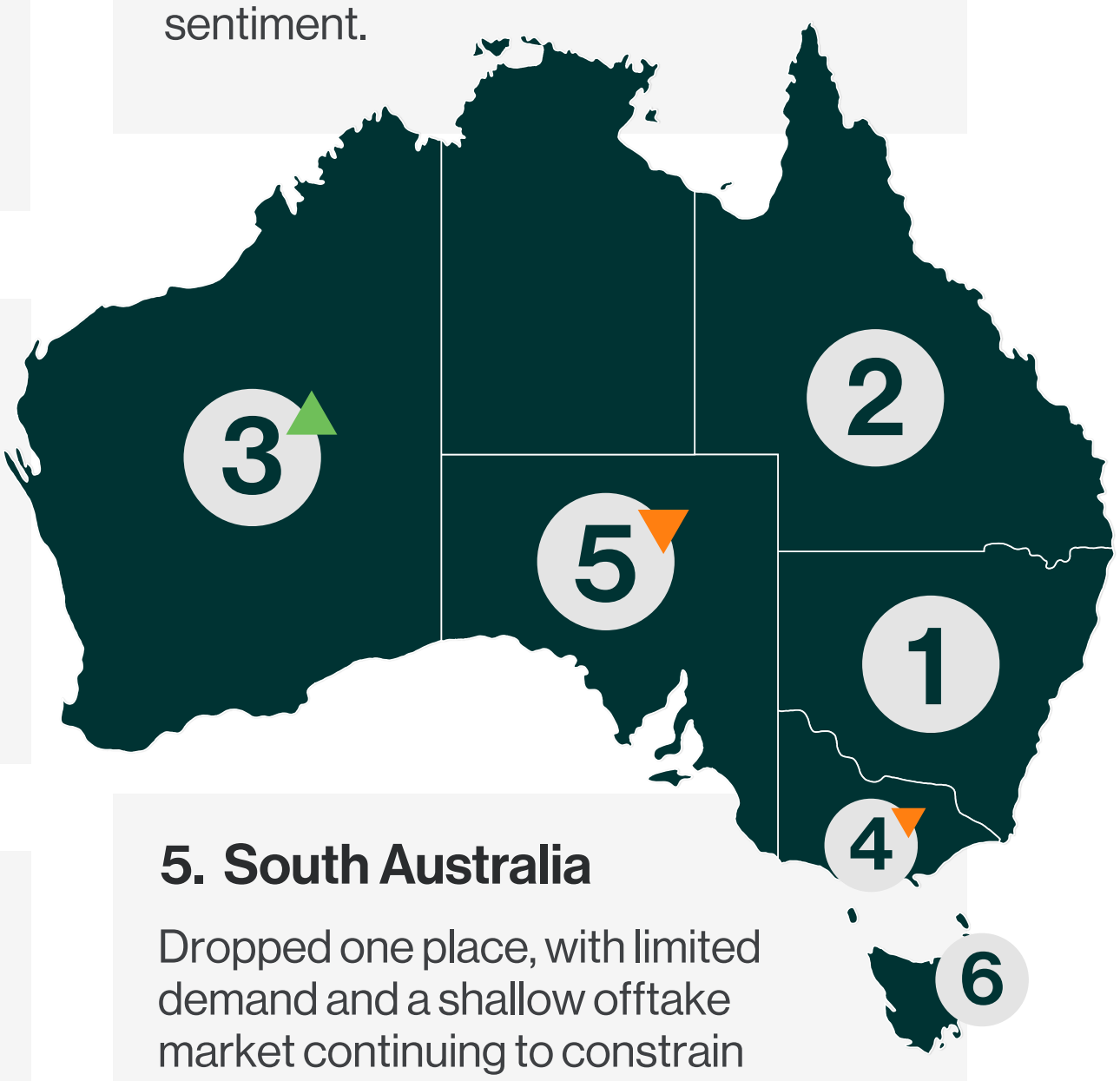
NSW is by far the leading state for renewable investment. Since 2025, Western Australia has risen to third, while Victoria slipped to fourth.

1. New South Wales

NSW retains its position as Australia's leading destination for renewable energy investment, with the strongest investment fundamentals, despite planning and transmission reform remaining critical to accelerating project delivery.

2. Queensland

Queensland just maintains its ranking at #2 despite energy policy uncertainty weighing on investor confidence and planning changes cooling investor sentiment.



3. Western Australia

The biggest mover, rising two places to third as greater transmission certainty boosts investor confidence. The lack of a RET and a shallow offtake pool limiting further growth.

4. Victoria

Victoria has declined in relative investment attractiveness compared with other states, with transmission delays and negative pricing cooling investor sentiment.

5. South Australia

Dropped one place, with limited demand and a shallow offtake market continuing to constrain investment. Project EnergyConnect is expected to improve access to larger markets over time.

6. Tasmania

A smaller market for large-scale clean energy with limited activity.

State rankings and priority issues

Theme and state ranking	NSW (#1)	QLD (#2)	WA (#3)	VIC (#4)	SA (#5)	TAS (#6)
Potential for renewable investment score (out of 10)	**9.3**	**7.6**	**7**	**6.7**	**6.2**	**3.8**
Planning approvals	57%	36%	8%	28%	7%	10%
Environmental assessments	-	9%	-	-	7%	20%
Transmission buildout delays	24%	9%	8%	43%	20%	30%
Coal closure uncertainty	5%	9%	-	14%	-	-
Grid connection process and curtailment/negative pricing	9%	9%	23%	33%	47%	10%
Supply chain and workforce constraints	33%	4%	-	-	-	10%
Access to grid and congestion	38%	-	30%	19%	20%	20%
Community opposition/social licence	9%	14%	-	-	-	-
Lack of supportive funding and incentives	5%	9%	15%	5%	7%	10%
Lack of clear market incentives (PPA liquidity, contract tenor)	24%	19%	54%	33%	53%	60%
Energy policy uncertainty	-	59%	23%	19%	-	-
Lack of policy coordination between Commonwealth vs State governments	-	4%	-	-	-	-
Tax treatment	-	-	-	-	-	-

Source: Oxford Economics Australia, based on 2026 CEIG Annual Member Survey
Note: The score out of 10 was calculated using the Borda method for the ranking of state renewable energy potential.
Note: State key investment challenges were constructed by taking investors' qualitative feedback on challenges by state and assigning them to challenges specified in Question One, "Challenges in Renewable Energy Investment", presented as percentage of the total respondents by state.

The issue breakdown shows that transmission planning, policy certainty, market incentives and electricity demand continuing to shape the relative attractiveness of each jurisdiction.

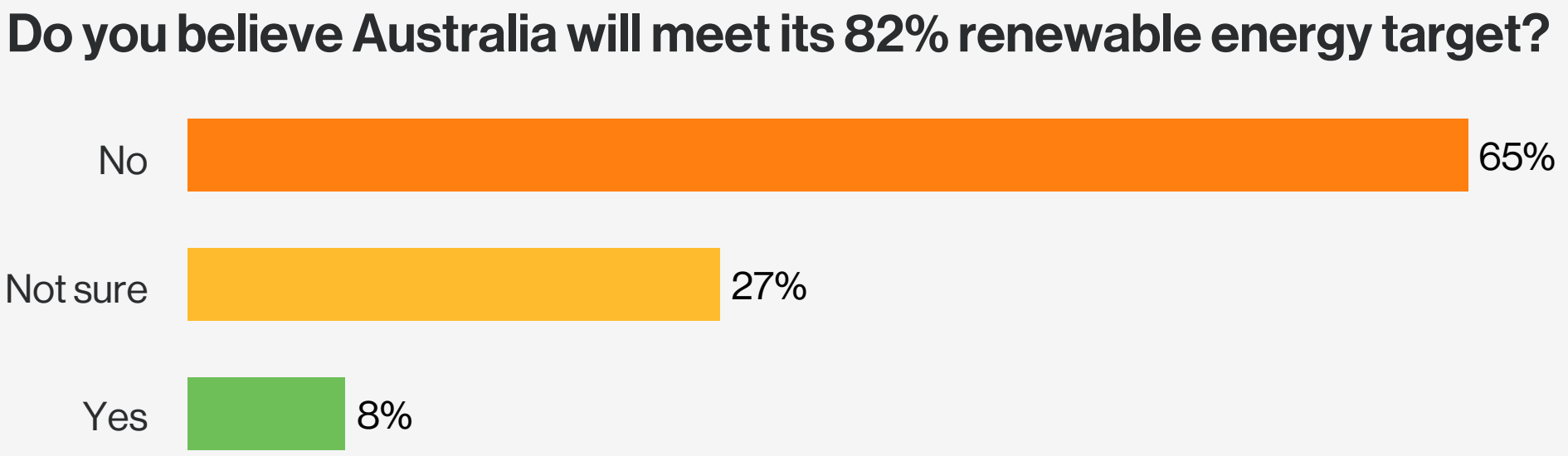
In New South Wales, investors continue to identify planning approvals, grid access and congestion as key constraints within the state. Our recent review of NSW statutory planning and approvals processes reinforces this finding, approvals pathways for large-scale renewable energy projects across onshore wind, solar and battery energy storage systems are all above the national average.

Western Australia was the biggest mover, rising up two places to third since CEIG's 2025 member survey. The WA Government's release of the South West Interconnected System Transmission Plan may have provided investors with greater certainty. Respondents highlighted the lack of a renewable energy target and that the isolated nature of Western Australia's electricity market contributes to a shallow pool of offtakes, presenting a challenge for investment.

Energy policy uncertainty continues to weigh on investor confidence in Queensland. The Queensland Government's decision to run coal power stations until the end of their useful life, rather than target closure by 2035 as planned under the previous government, has created uncertainty over the timing of coal exits and the market signals needed to support new renewable investment.

2030 target

The findings reveal a significant gap between Australia's renewable energy ambitions and investor confidence.



Source: Oxford Economics Australia, based on 2026 CEIG Annual Member Survey

A policy response is required to keep 82% on track

Only 8% of respondents viewed Australia's target of 82% renewable electricity by 2030 as achievable under current settings.

Closing this confidence gap will require action on the two issues that run through the survey results: stronger revenue certainty for new projects and faster delivery of transmission infrastructure.

Respondents identified reform of the Capacity Investment Scheme as the most frequently cited policy improvement, particularly where it can be better aligned with final investment decisions and support genuine additional capacity entering the grid.

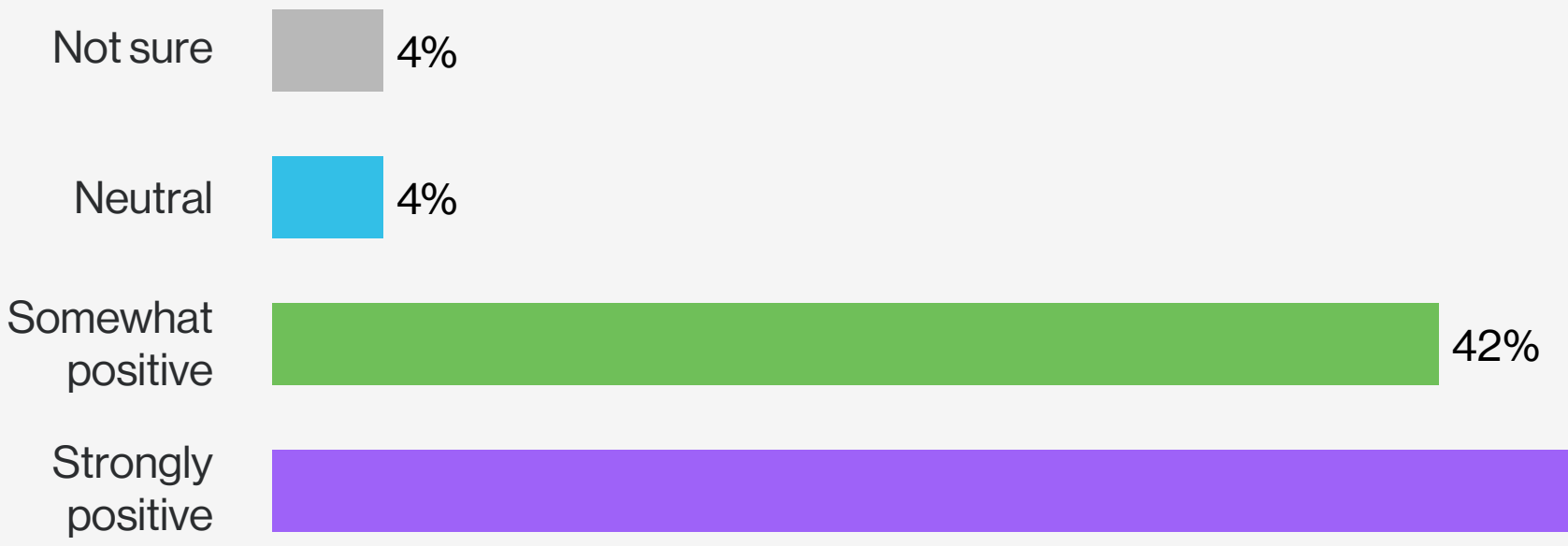
However, revenue support will not be sufficient if viable renewable projects cannot connect to the system.

Continued transmission buildout, clearer coal closure signals, deeper offtake markets and new sources of demand, including data centres, will all be needed to convert investor appetite into delivered renewable generation.

Impact of data centres

Data centres are seen as an opportunity to strengthen the investment case for new and additional renewable generation.

How do you believe increasing demand for data centres and other emerging industries will impact clean energy investment in Australia?



Source: Oxford Economics Australia, based on 2026 CEIG Annual Member Survey

Investor sentiment toward data centre growth is strongly positive

92% of respondents view data centres as beneficial for clean energy investment.

To translate this demand growth into new renewable investment, investors suggested policy settings could encourage data centres to source most or all of their electricity from renewable generation.

This position aligns with the Federal Government's recently announced Data Centre Expectations policy that encourages data centres to ‘secure new and additional clean energy generation and storage’.

Long-term power purchase agreements from data centre operators would strengthen this link by helping to underwrite investment in additional generation capacity and improve project viability.

Recommendations

Capital is available, delivery must accelerate

Despite a decline in investor sentiment, Australia remains an attractive destination for clean energy investment. The challenge is whether policy, markets and infrastructure can convert that capital into delivered projects at the pace required.

Path to 2030 and beyond needs action to get back on track

Only 8% of respondents believe Australia is on track to meet its 2030 renewable electricity target under current settings. The path forward is clear: accelerate transmission, strengthen revenue certainty, deepen offtake markets and turn available capital into connected clean energy projects faster.

Prioritise the barriers that will unlock investment

Investors' policy and regulatory priorities closely mirror the challenges they face. Accelerating transmission buildout, improving grid connection and access processes, and continuing reform to planning and environmental approvals would unlock greater renewable energy investment. Progress is needed across each of these areas to give investors faster, clearer pathways to secure permission to build, connect projects to an expanding grid, and turn available capital into delivered capacity.

Revenue certainty needs to improve

Short contract tenor, shallow offtake markets and uncertainty around the timing of thermal generation closures are weighing on project viability, making it harder for investors to commit capital. CIS reform, clearer coal closure signals and deeper long-term contracting opportunities can strengthen revenue certainty.

Ensure demand growth is matched by new renewable capacity

Investors overwhelmingly see growing electricity demand from the sector as a positive. In the near term, data centres can help fill a gap in long-term offtake demand, improving project bankability and supporting investment in new renewable generation and storage. To ensure this demand growth is sustainable, CEIG recommends that data centre support is centred on additionality, ensuring demand growth is matched by new renewable generation and firming capacity.

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