



Corporate Power Purchase Agreements

Abstract and objectives

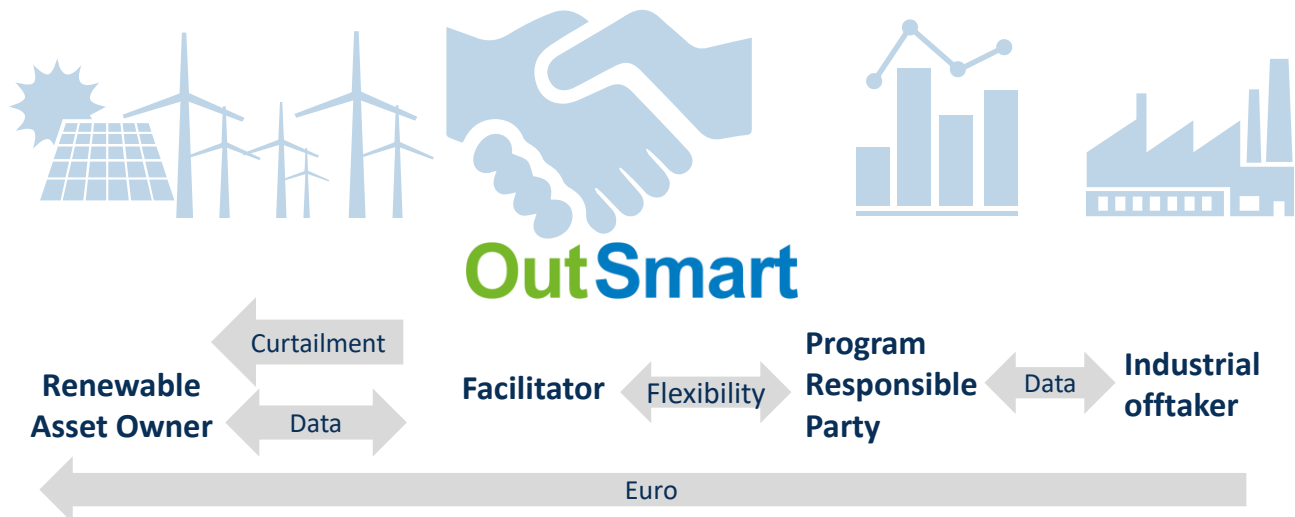
Traditionally the off-taker has based his purchase price of renewable energy on a mark-up to the day-ahead market fee or on a fixed price for the short or long-term. A new development in the European onshore and offshore wind energy market are the Corporate PPAs (Power Purchase Agreement). These contracts align with the subsidy / support schemes and grant the

financial guarantees under the PPA by an industrial power off-takers. This new development enforces and speeds up the energy transition, meaning industrial off-takers identified that corporate social responsibility programs create value and enhance competitive advantage.

To organize the trading, an independent program responsibility party (PRP) will be assigned as facilitator by entering a straight forward service agreement. The aggregator and PRP work close together to align daily operations, optimizing the power forecasting and nomination and actively apply curtailment to optimize the trading results.

Methods

Depending on the involved market parties and requests from the renewable asset owner, a tailored package of guarantees and responsibilities will be created, thus opening the black-box. This structure fulfills the lender's requirements.



Conclusions

The straight forward contract structure between the wind farm, program responsibility party and the industrial off-taker, gives comfort to investors, funds and lenders.

The contract structure includes a good set of guarantees, is bankable and facilitates benefit-sharing for the involved parties.