

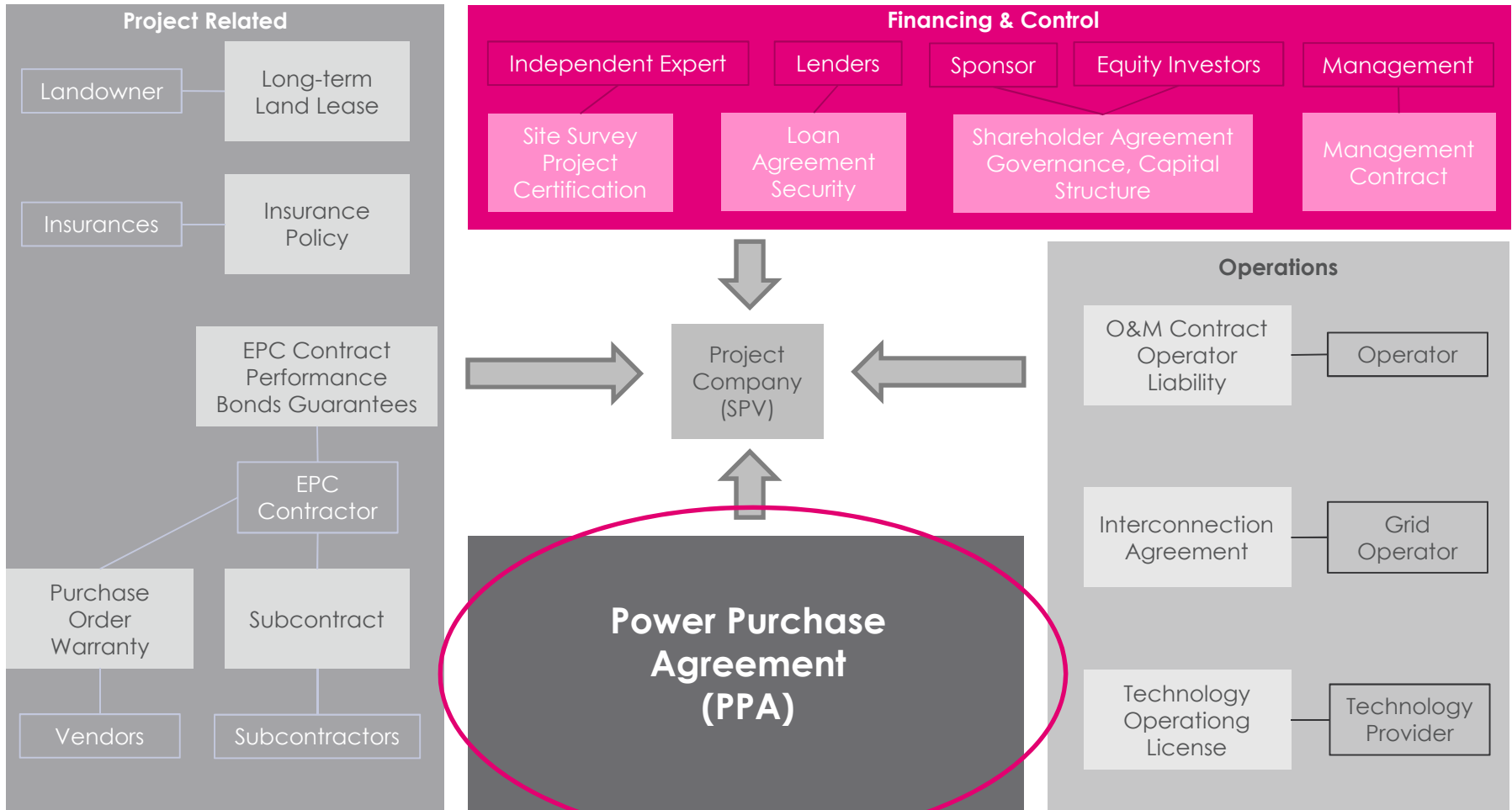
Which contractual framework for renewables?

Focus: Corporate PPAs

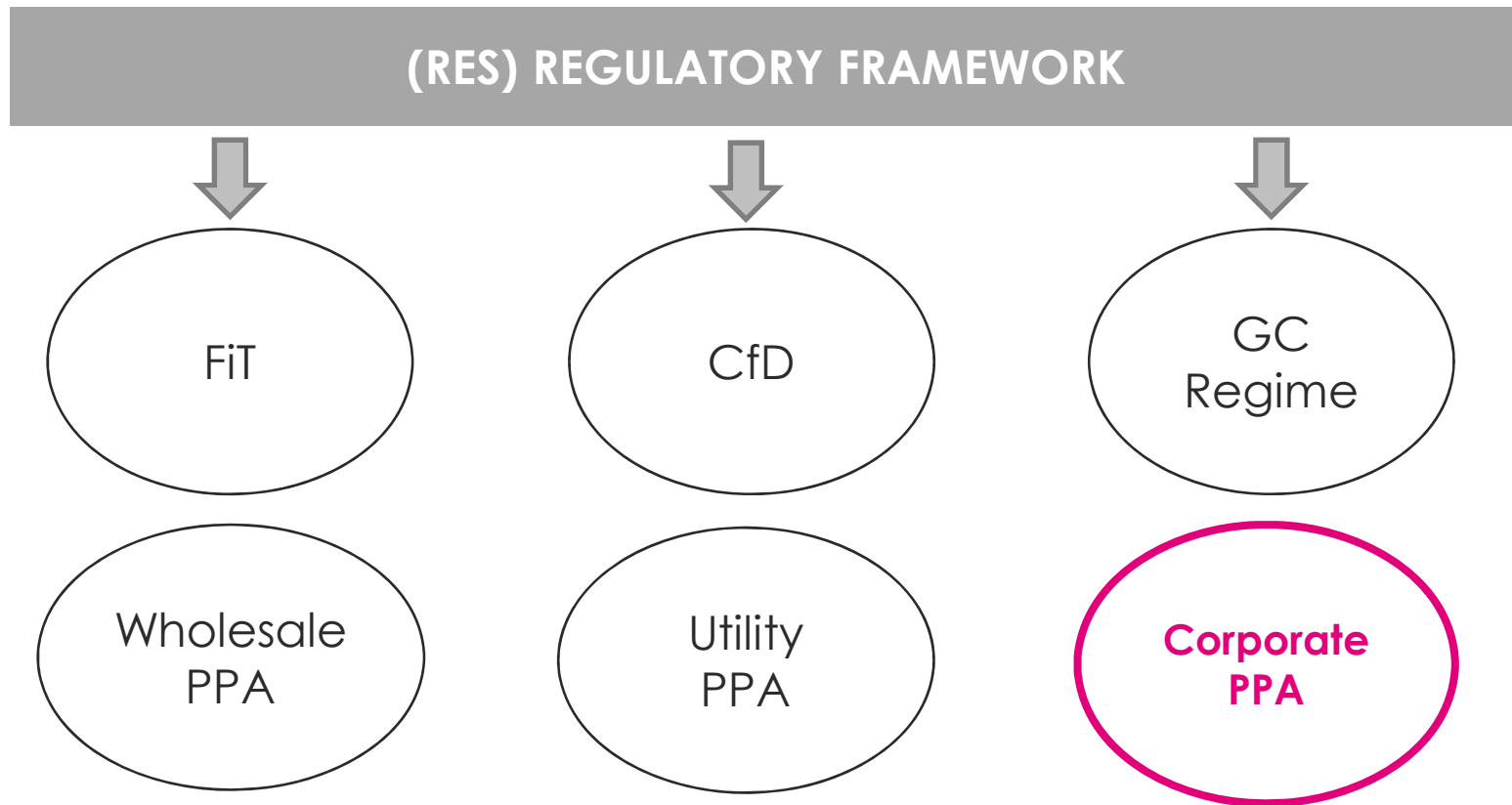
Bernd Rajal  
20 September 2019

schönherr

# Overview



# Power Purchase Agreements (PPAs)



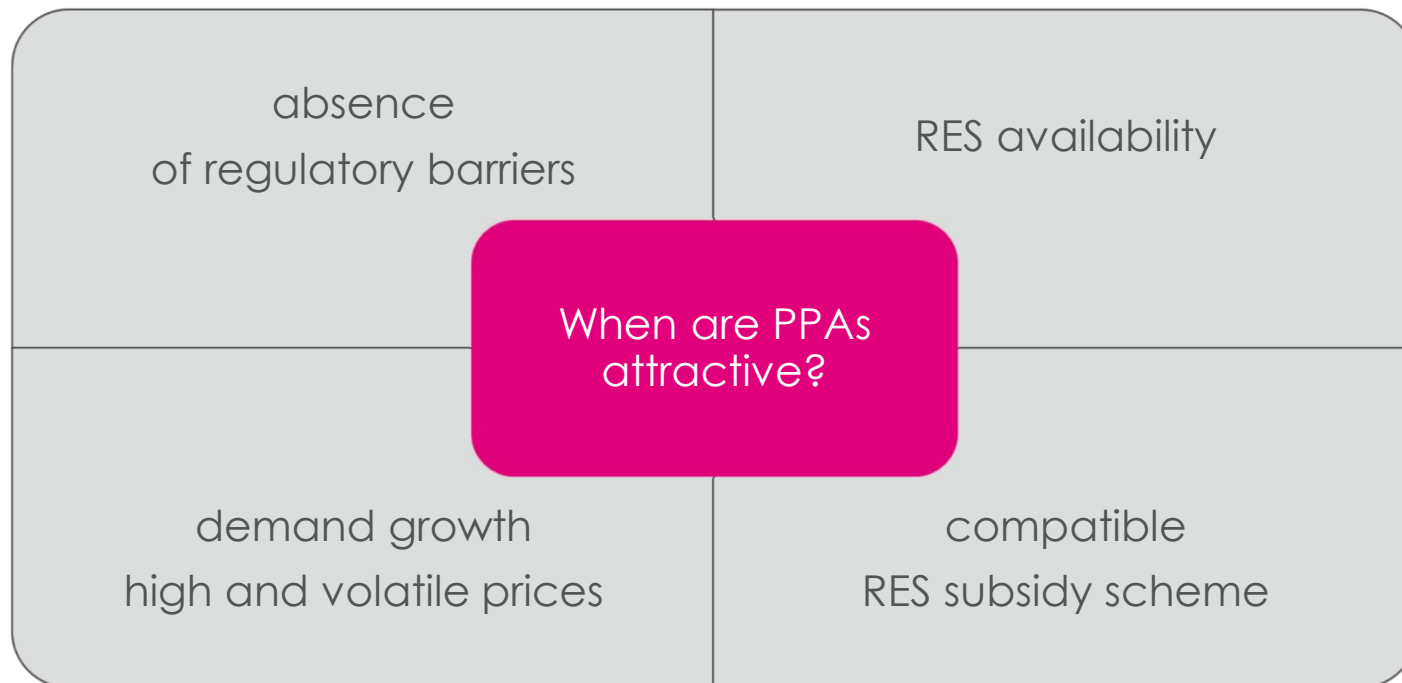
# Corporate PPAs – Developments

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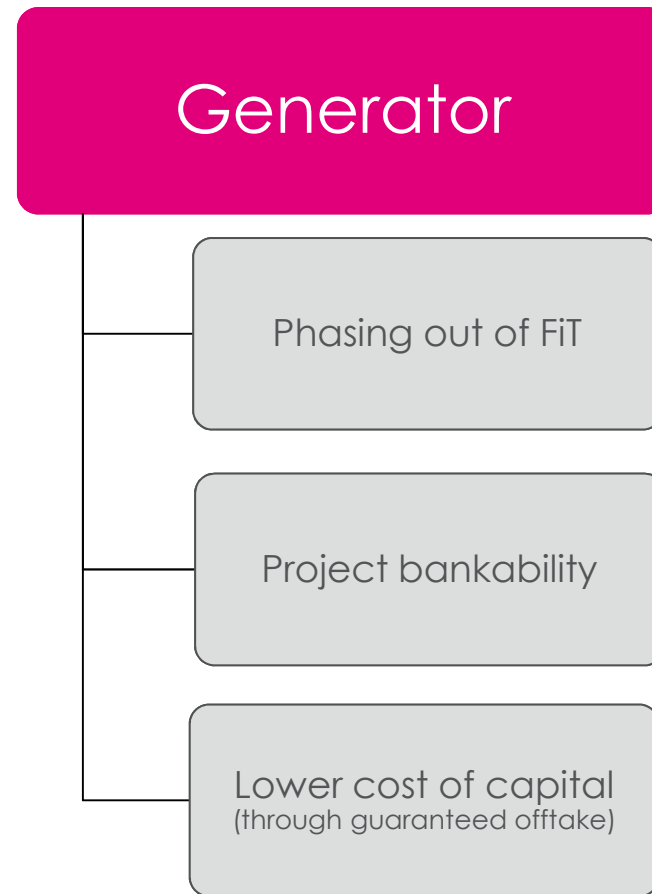
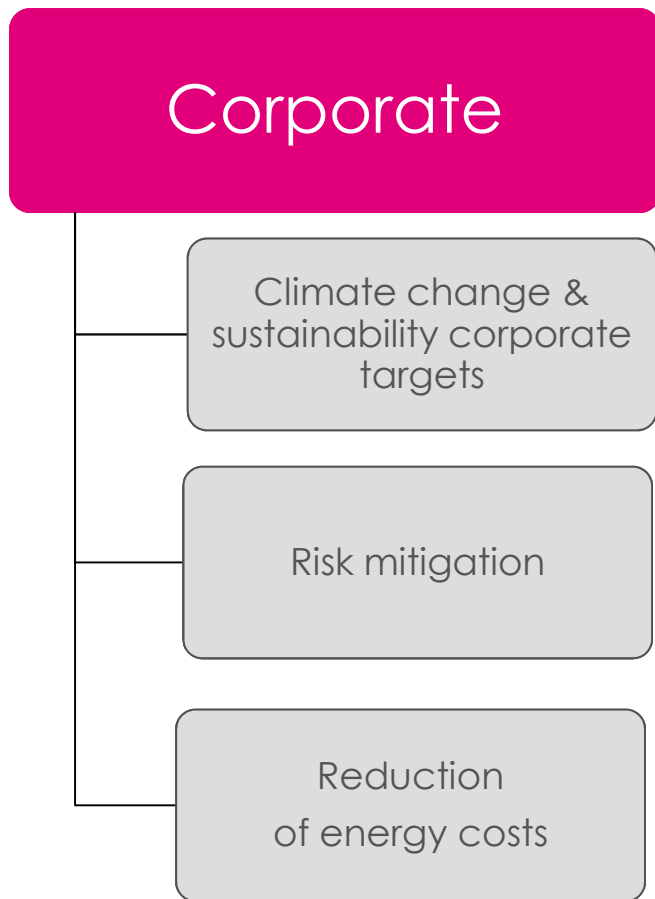
- Increase of Corporate PPAs in Europe
- Top Five Countries: Norway, Sweden, the Netherlands, the UK and Spain
- Upcoming: Germany, Denmark, France, Poland and other European countries
- Clean Energy Package promotes PPAs

# Corporate PPAs – Market Environment

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# Corporate PPAs – Major Drivers



# Corporate PPAs – Structures

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## On-site

- RES plant located on-site or near-site
- Behind the meter
- Private wire / direct line
- No need for network use

## Off-site

- RES plant connected to the Grid
- Independent from site restrictions

## Sleeved

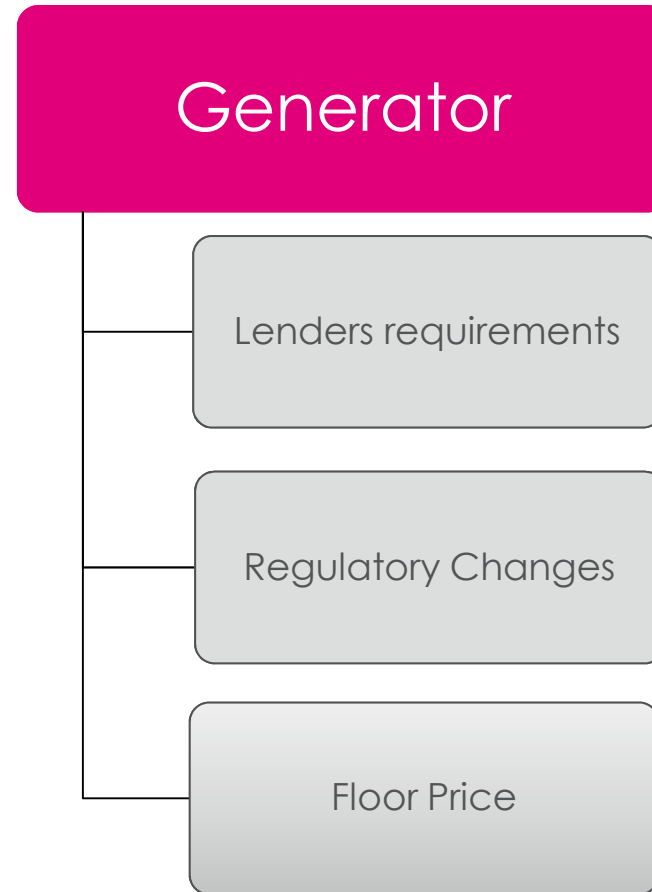
- Physical flow
- Third parties involved
- Back-to-Back PPA with utility

## Virtual

- Financially settled
- Parties agree on a strike price
- No physical flow
- No network charges

# Corporate PPAs – TOP 3 Challenges

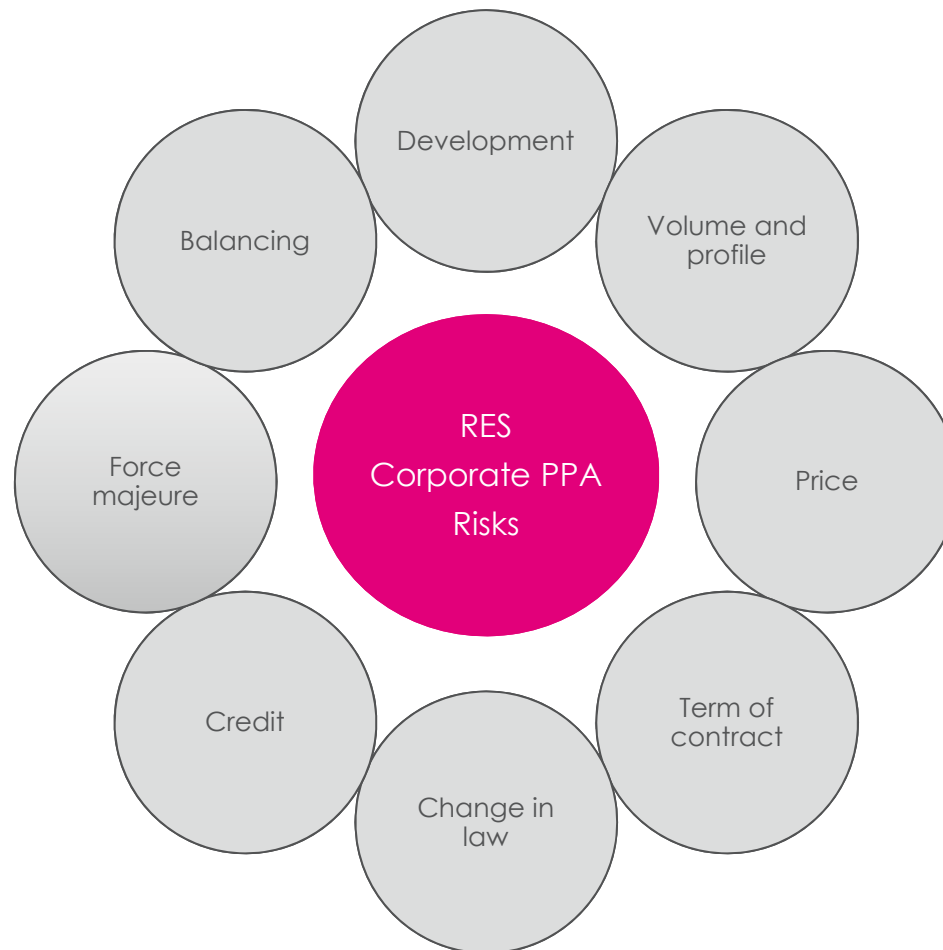
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# Contractual Risk Management

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# Corporate PPAs – Summary

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- New opportunity for additional RES capacities / alternative to FiT
- Well balanced corporate PPAs create “bankability” of new projects
- Challenge: market conditions/volatility/uncertainty
- Regulatory barriers to be broken down, otherwise it will not work!
- Contractual risk management is a key challenge

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Thank you!

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