



The Future Role of PPAs

May 2023

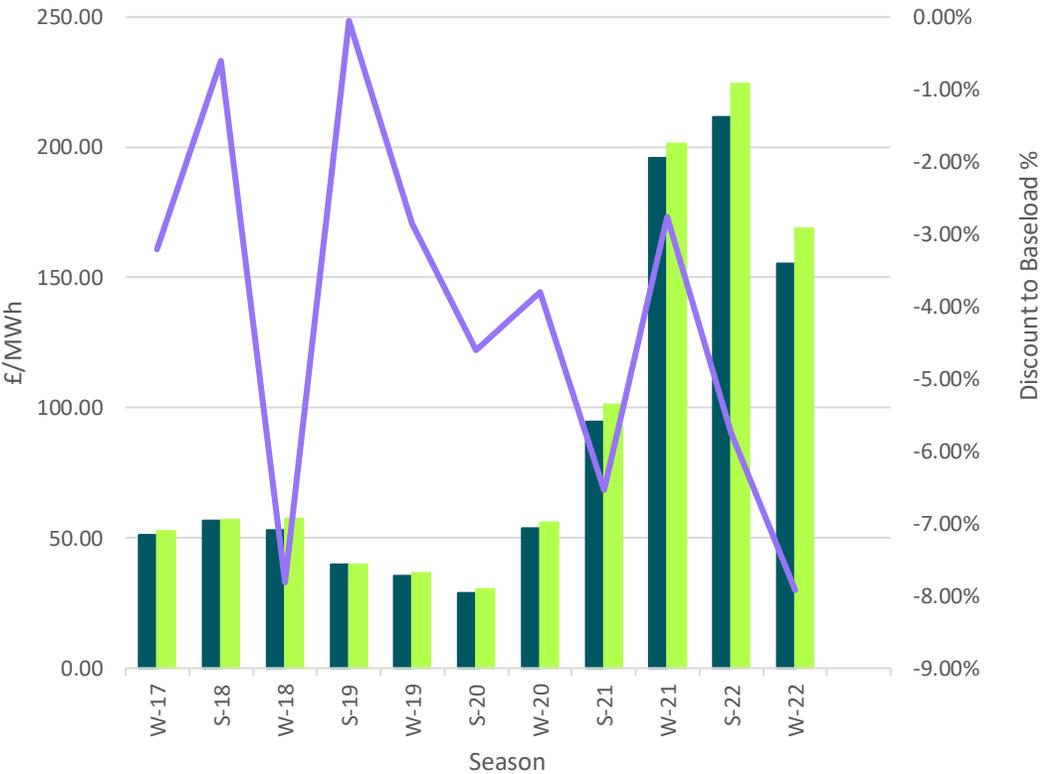
Leigh Brown, Senior Business Development Manager



Capture price cannibalisation

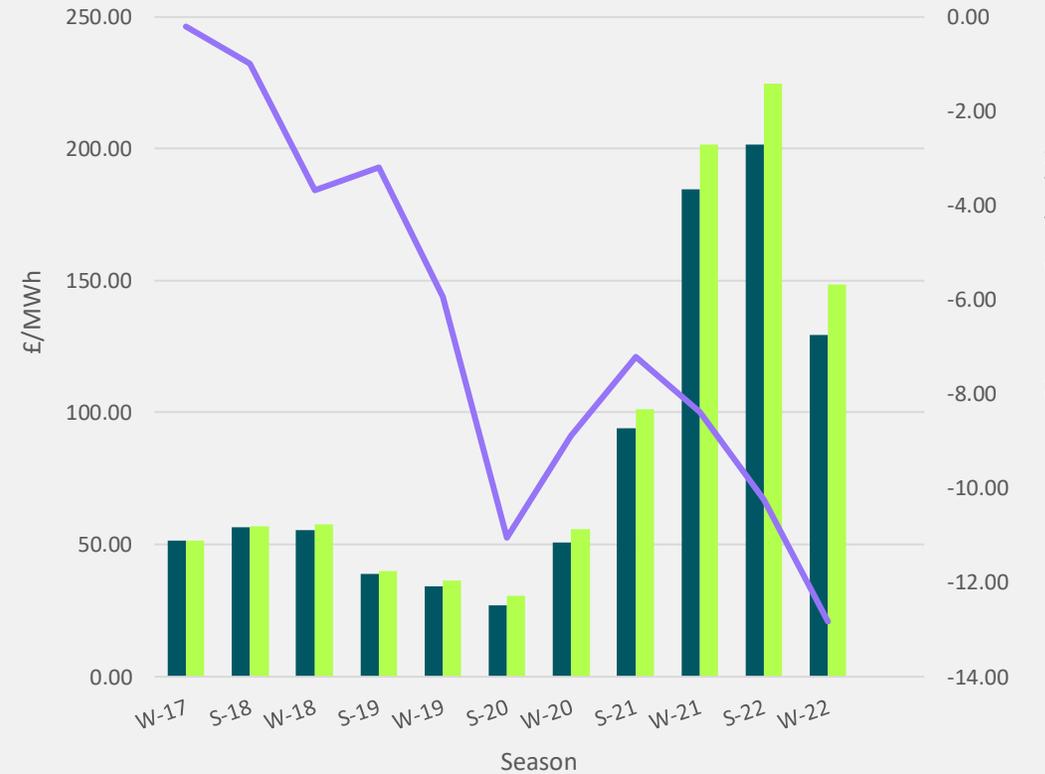
Evolution of seasonal capture prices for:

Solar PV



■ Solar ■ N2EX — Prem/Disc %

Onshore wind



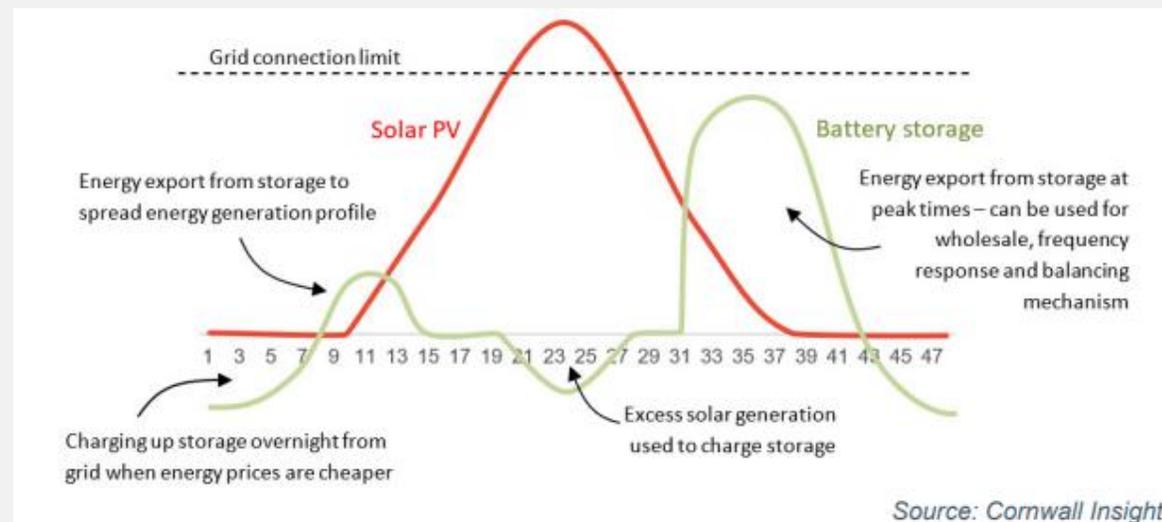
■ Wind ■ N2EX — Prem/Disc %

Co-location of renewables / energy storage

Co-location helps create a smooth profile and reduce capture price cannibalisation:

- Increased efficiency
- Optimised land use
- Reduced costs
- Increased energy production
- Environmental benefits

The co-located battery can be charged either from the renewable generation asset or from the grid and used for peak shaving, arbitrage, creating a firmer energy output profile, or grid services.



In the UK, a solely solar PV asset tends to generate **<1,000 full-load hours a year**, whereas a co-located solar PV and onshore wind asset can generate around **4,000 full-load hours a year**.

Cornwall Insight, Co-location, Co-location, Co-location Report

Emerging role of corporates in PPA

Corporates requires for green energy is changing and GHG reporting regulation will follow

GHG Protocol is creating new guidance to improve the implementation of their existing standards for measuring and reporting corporate greenhouse gas emissions across different scopes.

63%

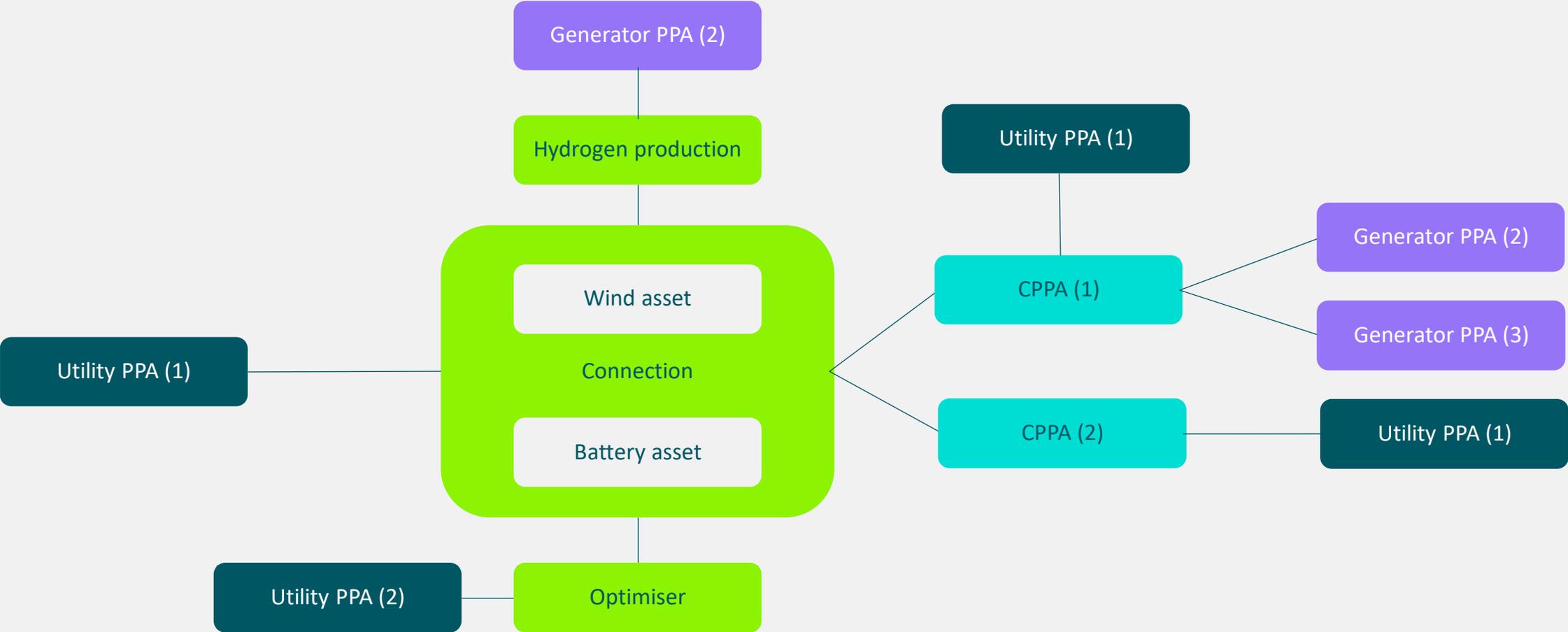
of TPIs stated they would be offering PPAs & CPPAs to customers within the next three years



Google's new approach

Google are piloting a new approach that reduces the time to negotiate and execute a clean energy power purchase agreement (PPA) by roughly **80%**.

Building a multi-party, multi-technology PPA ecosystem



The future role of suppliers



PPA sleeving to facilitate 3rd party contracting

Supported by:

- Corporate appetite to improve Scope 2 and 3 emissions
- Increasingly complex PPA requirements



Supplier becomes digital service provider



Provider of hourly matching

As consumers seek to prove renewable credentials

Thank you

