Rise of the Corporate PPA

Energy from renewable sources is becoming highly competitive compared to conventional power plants. Companies are increasingly utilising long-term deals with developers to gain a competitive advantage.

Corporate Power Purchase Agreements (PPAs) provide businesses with the opportunity to use renewable power and reduce their carbon footprint while improving energy security and price stability. In an environment that is shifting from regulated support schemes to full market exposure, generators benefit from guaranteed offtake and better bankability. By this means, both power generator and power consumer benefit.

innogy is an established developer and operator of renewable power plants offering a variety of solutions to help you meet your sustainability commitments and enhance your reputation.

Who we are

As a leading European energy company innogy SE has the goal to enable people to improve their quality of life by using energy more innovatively. We meet the requirements of a modern, decarbonised, decentralised and digital energy world by combining our renewable, retail and infrastructure businesses. Our 40,000 employees strive to address people’s needs with sustainable products and services.

Our customers value our knowledge and experience. innogy’s diversified European footprint with leading market positions across countries allows us to also grow rapidly in other markets like North America, Africa and the Middle East.

We support you!

Our goal is to provide you with affordable and clean energy so that you can focus on your core business. Physical PPAs, Synthetic PPAs, CFDs, Price Guarantee Agreements … So many options to choose from.

Are you interested in what would work best for you? Our experts are looking forward to developing the optimal solution for you that:

- provides transparency over future electricity costs
- does not require any upfront capital investment
- reduces risk related to future changes in fuel costs and carbon pricing
- is compatible to your GHG emission goals, disclosure requirements and Corporate Social Responsibility programme
- increases brand recognition and sustainability leadership
- will be aligned with all of your internal stakeholders

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With the Paris Agreement, the world’s leaders have set climate goals that challenge us more than ever to create a sustainable society. Organisations all over the world have taken on responsibility of reducing their emissions and powering their facilities with renewable electricity. As a consequence, power procurement from renewable sources has gained strategic and commercial priority. Strategies vary from buying Renewable Certificates to investing in on- and near-site generation.

Corporate Renewable Power Purchasing Agreements (PPA) allow companies to purchase electricity at a pre-agreed price and period of time directly from the developers. For new projects, deals are usually structured as long-term PPAs.

### Business case for the Corporate Buyer

**Economics**
- Increase price stability and transparency
- Hedge against rising carbon and fuel prices
- Leave all operational risks with the developer
- Shift focus back to core business areas

**Sustainability**
- Trackable reductions in carbon emissions and progress towards renewables targets
- Some countries provide legislative incentives to improve renewable footprint

**Brand and leadership**
- Increased recognition for climate leadership
- Progress towards renewable energy targets

### Business case for the Developer

**Risk mitigation**
- Lower cost of capital due to guaranteed off-take
- Diversification of revenue streams

**Bankability**
- Long-term income streams unlock business case and enable external financing
- Allows contracting with a counterparty with a high credit rating

**Business development**
- Larger pool of potential offtakers and additional demand creation
- Partnerships with corporate buyers can ease expansion into new markets

### Additionality

Companies looking to boost their sustainability image often strive to contribute to creating more renewable power. We are happy to offer you specific projects to be associated with showing you are an engaging stakeholder. Our communications team is happy to work with you to maximise the public relation impact.

### Delivering results

More than 40% of the Fortune 500 companies have announced climate and clean energy targets.

Source: Power Forward 2.0, WWF

### Clear statement

60% of corporate executives name economic factors as primary driver for signing a Corporate PPA.

Source: The rise of corporate PPAs, Baker McKenzie

###innogy is your partner for direct renewable power purchases.

Stabilise your energy bill while doing the right thing

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### Sizable, scalable, long-term solutions – tailored to your business needs

At innogy, we don’t believe in “one size fits all”. Our experts will make sure to match the contract term and pricing to your sourcing strategy and risk appetite. As one of the global players in energy, we are able to deliver projects around the globe. We are also happy to discuss developing specific projects for you.

### innogy can handle all common deal structures

You don’t want to switch your electricity supplier? No problem, innogy offers a variety of ways to make sure you can buy green energy. This can mean cooperating with your supplier or signing a financial agreement that provides the same benefits as direct physical delivery. We also offer partial offtake and multiple-buyer PPAs to enable companies with small and medium demand to directly procure green power from its source.