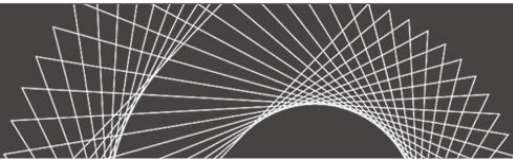


Domino Effects in Contracts



Akin Gump
STRAUSS HAUER & FELD LLP

February 1, 2022

Dan Lynch

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1

Overview



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Overview

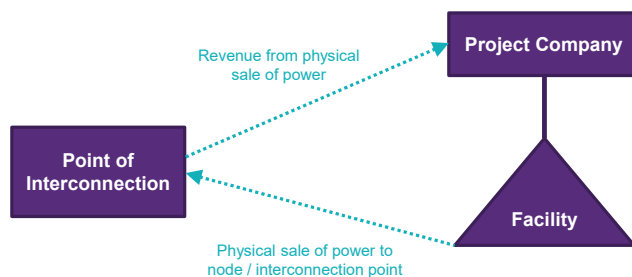
- Recent Events:
 - COVID-19 (2020)
 - Winter Storm Uri (February 2021)
 - Unfair Trade & Labor Practices (2020 & Summer 2021)
- Affects:
 - Force Majeure
 - Contract Structures
 - Change in Law
 - Covenants

Background



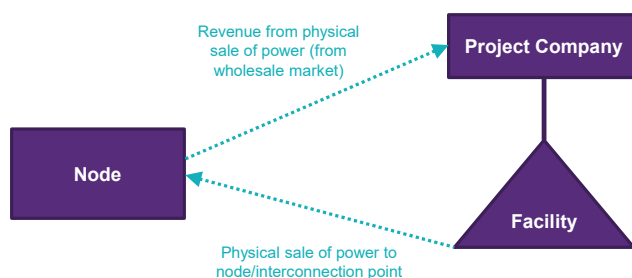
Traditional Power Purchase Agreement

- The facility (solar / wind farm / coal plant) produces electricity and delivers it to the utility at the interconnection point / node.
- The utility pays a constant agreed upon price, pursuant to a long-term PPA.



Merchant Power Sales

- The facility (solar / wind farm) produces electricity and delivers it to the interconnection point / node.
- An electric bus (node) is where a resource's measured output is settled with utility.
- Project co. receives market price for when electricity was delivered.



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