

Latest Developments in PPA and Energy Hedge Agreements

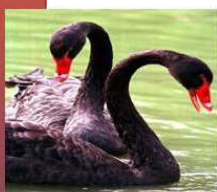
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Recent System Shocks Unveil Issues in PPAs



Black Swan Events:

“Unpredictable with widespread impacts”

List of Black Swan Events



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Black Swan Events, So What?

- Duration of Renewable PPAs
 - 7-20 Year Range
 - Very likely to be stressed during the term
- How are they being stressed?
 - Weather
 - Supply Chains
 - Technology Developments
 - Political Action
 - Financial vs. Physical Impacts

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PPA / VPPA Terms

- Non-Energy Attributes Definition
- Delivery Point
- Supply Chain Issues
- Insurance
- Force Majeure
- Others...

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PPA / VPPA Terms

- Non-Energy Attributes
 - Concepts currently undergoing dynamic changes
 - Attributes, benefits, credits, offsets, tags...
 - Compliance v. voluntary obligations
 - Ancillary services, revenue rights, performance credits, others...
 - Definitions or concepts commonly found in existing PPAs:
 - Environmental Attributes, Renewable Energy Credits, Tax Attributes, Tax Credits, Carbon Offsets, Carbon Credits, Emissions Credits, etc.

PPA / VPPA Terms

- How will an existing agreement address any of the newly created attributes?

What phone did you have and what was going on when that agreement was entered into?

- 2005: Blackberry Katrina
- 2010: iPhone 4 Macando
- 2015: iPhone 6S Ukraine Ceasefire
- 2020: iPhone 12 Covid Lockdown

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