



# Understanding our Corporate Power Purchase Agreements

For generators

## Choose your CPPA

As a generator of renewable power, you can select a scalable and customisable energy solution from the Drax Corporate Power Purchase Agreement (CPPA) options available. Our back-to-back product covers most requirements:

### Private matching service

Most public tender platforms work in the open market, where customers and generators can approach any potential counterpart.

Our private matching service brings together our supply customers in search of a CPPA with a carefully chosen portfolio of tried-and-trusted independent generators. To join this selected group and potentially gain access to our customers looking for CPPAs, please get in touch using the contact details on the next page.

Once the CPPA is in place, we 'sleeve' the power via the grid (see 'Sleeving service' below).

### Sleeving service

If a corporate has already reached out to your organisation as a potential generation partner, we'll provide a 'firming' service to both parties.

We convert variable power into a baseload shape comprising blocks of electricity. To ensure the corporate has all the electricity it needs, even when there's no sun or wind generation, we revert to these baseload blocks to match the requirement.

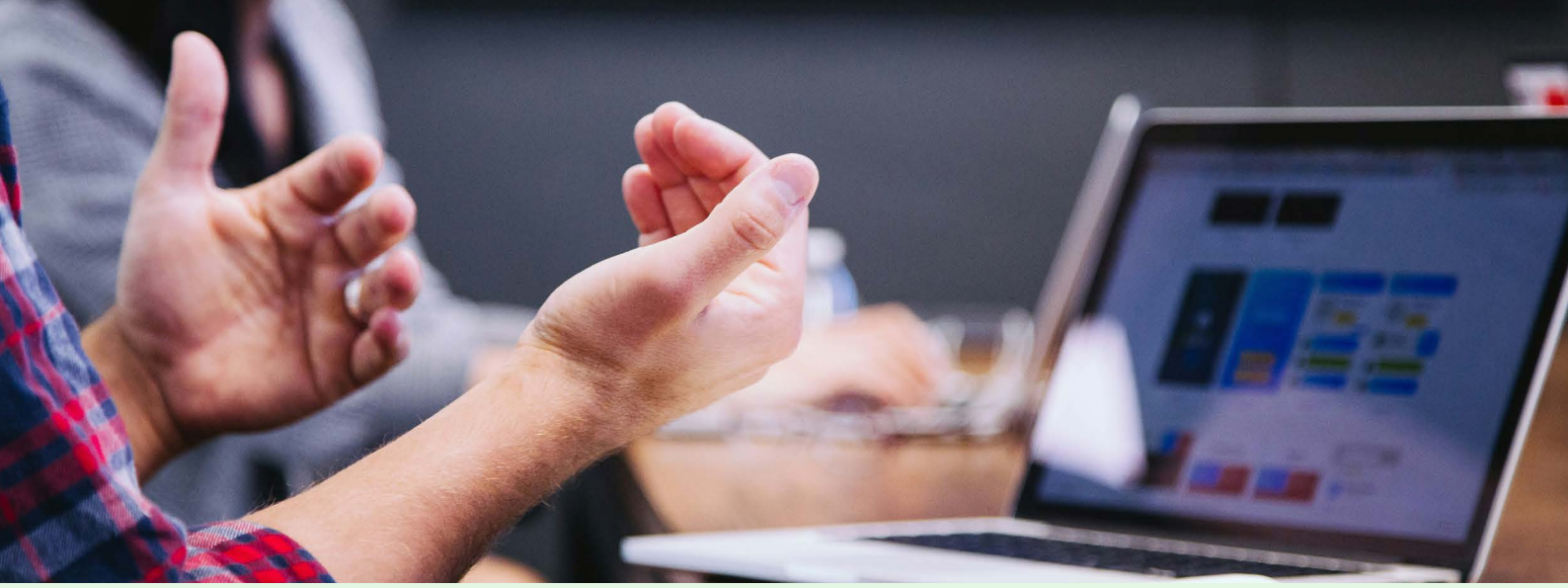
We do this via the variable power sources we have access to, including Drax Power Station, the 2000+ generators we have PPAs with, as well as other generators operating on the open market.

As a licensed electricity supplier with pre-existing sleeving products, Drax is well placed to provide this service and ensure a well-rounded CPPA transaction takes place. Our experience and expertise makes sleeving one less thing for you to worry about.

### Route-to-market service

If you're a large-scale generator (30-50,000MWh and above) participating in the Contracts for Difference (CfD) scheme, our route-to-market service will provide you with an offtake agreement to complement your Allocation Round (CfD) award.





# What are the benefits?

## Price stability - for financial peace of mind



CPPAs deliver cashflow certainty over the lifespan of the contract, so you can be certain about the level of your earnings.

Since your corporate counterpart also has known costs, it encourages budgeting and hedging decisions and helps to lock them into the agreement.

## Easily executable contracting structure - for simplicity and speed



Elsewhere in the market, CPPA negotiations are typically long and complex. In contrast, we simplify and accelerate the process by having pre-existing products and contract structures to meet your needs.

## Comprehensive risk management - reducing complexity



We earn a proportion of our management fee through assessing the risk associated with each individual CPPA, and by structuring each transaction to manage this risk appropriately.

Using our experience and expertise, we manage the shaping and balancing activities associated with renewable energy supply. This reduces your operational complexity, and creates a well-rounded CPPA transaction.

## Reliability and breadth of options - for security and choice



We're a long-established supplier for UK businesses and, as part of Drax Group, integral to the UK's critical energy infrastructure. We're also experienced energy market traders, CPPA and PPA facilitators, and the decarbonisation partner of choice for multiple organisations.

Your generation business can access the broad range of corporates that are on supply with us, use our CPPA services, and use our route-to-market agreements if you've been successful in the CfD Allocation Round.

## What's next?

To discuss our CPPAs and your export requirements, please get in touch:



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