



Understanding our Corporate Power Purchase Agreements

For consumers

Choose your CPPA

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

Sleeving service

If your organisation has already found a generator, we'll provide a 'sleeving' service to both parties. This makes the arrangement work by – in effect – transferring power from the generator's site, through the grid, to the point of consumption (your site).

To ensure your organisation has all the electricity it needs, even when there's no sun or wind generation, we revert to the baseload blocks of electricity we have access to. These include Drax Power Station, the 2000+ generators we have PPAs with, as well as generators operating on the open market.

Sleeving can be extremely hard to do, and only a handful of providers – including Drax – are capable of doing it well.





What are the benefits?

Price stability - for financial peace of mind



We work with generators that set a price for the lifespan of the contract. We also provide the balancing and shaping services required – for a fee – to match your consumption against that generation.

This means you have predictable energy costs, ensuring budget certainty and peace of mind. Pricing stability also assures generators about their level of earnings, which enables renewable project development 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 organisational needs.

Traceable access to renewable energy - ideal for socially responsible organisations



There are Renewable Energy Guarantees of Origin (REGOs) associated with the power that the generator produces, which your organisation – as the corporate counterpart within the CPPA – will receive as part of the CPPA transaction.

In doing so, you can match the REGOs against your consumption and Scope 2 emissions, and so achieve your sustainability and environmental targets.

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.

What's next?

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



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