

# PPA ADVANCED: MANAGING MARKET RISKS FOR WIND AND SOLAR

## SEMINAR, 1 DAY

The era of Power Purchase Agreements (PPAs) for wind and solar has begun. You have collected a fair bit of experience with PPAs, but further questions have come up: How can I evaluate market risks? How do future power market developments in Europe affect my risk exposure? Which contract structures are exposed to which risks? Are there significant differences between markets? How can I best manage this with increasing PPA volumes in my portfolio?

## Your contents

### Session 1: deep dive PPA markets and structures in Europe

- Deep dive: Which PPAs are common in which European markets?
- Exercise I: mapping and categorising PPA risks
- Pay-as-produced, pay-as-nominated, baseload, virtual: What are prices, what are risks?

### Session 2: PPA risks – understanding corporate buyers

- Different shades of green: What do corporates want and why?
- Example case studies: different types of corporates and their needs
- Pitfalls for corporates: virtual vs. physical PPAs
- Exercise II: summarising PPA risks for corporate buyers

### Session 3: PPA risks – understanding utilities and producers

- current landscape of hedge products in Europe
- cashflow and stack-and-roll hedge
- residual risk from PPA portfolios

### Session 4: understanding the drivers of market risks

- Understanding market price risk: commodities, fiscal policy, weather, and climate change
- Overview: profile and shape risk in different European markets
- Energy Brainpool's swarm scenario approach

### Session 5: Case studies: risk exposure of different PPAs

- Case Study 1: basis risk of a virtual cross-border PPA and hedge effectiveness
- Case Study 2: risk distribution of the structuring risk of baseload solar PPA

### Session 6: Risk management 2.0 – portfolio optimisation

- modern portfolio theory and its use for PPAs
- Can RE and conventional power plants be combined to reduce portfolio risk exposure?
- Exercise III: How to optimise your European power plant portfolio.

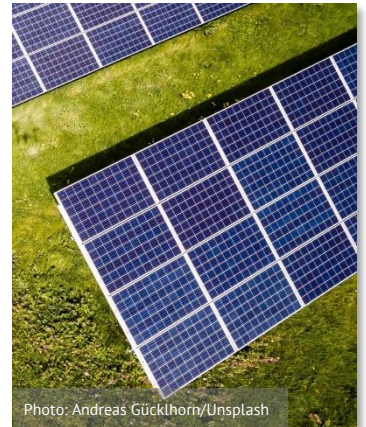


Photo: Andreas Gücklhorn/Unsplash

## TARGET GROUP

- Specialists and managers from project developers, operators of renewable energy plants, energy suppliers, direct marketers, traders, or industry.
- Employees of the energy industry from the areas of energy trading, sales, purchasing, procurement, portfolio and risk management

## YOUR BENEFITS

After this seminar you will know

- which market risks are predominant in each of the most relevant PPA markets,
- how current market participants view and handle these risks,
- how these market risks are likely to develop in the next 10 years, and
- how these market risks can be mitigated along the value chain.

Complement your market knowledge with the seminars **Net Zero solutions for the industry** or **Hydrogen in the electricity industry**.