

Officer comments re Ripple PPA scheme

A PPA (power purchase agreement) allows Ripple to pre-fund their projects. The price of energy is very volatile so what I understand is that the seller (Ripple) would offer a set price for a MWh of energy to the buyer (WTC) on the assumption that the price of energy will go up in the future and the buyer would get their money back (making a saving on future energy bills), with the seller keeping the rest.

If the UK is collectively using more and more green energy, could the price not eventually go down rather than up? Could there be a risk that the project's energy output is worth less / kW as time goes on which would in turn pose a risk to investors?

It's not clear how the quoted return figures were arrived at nor what set energy price would be offered. It's likely that the £/kW would be higher than current prices to take account of market volatility for energy but also to allow for project construction costs.

Is there a risk that the project is derailed (eg HS2) and investors lose out?

The energy efficiency measures made by WTC should reduce usage and perhaps money could be better spent improving this further.

This would not reduce our carbon as we already use a renewable energy provider therefore our carbon from electricity usage is negated.

[https://pexapark.com/solar-power-purchase-agreement-ppa/#:~:text=A%20power%20purchase%20agreement%20\(PPA,period%20between%2010%2D20%20years.](https://pexapark.com/solar-power-purchase-agreement-ppa/#:~:text=A%20power%20purchase%20agreement%20(PPA,period%20between%2010%2D20%20years.)

Heidi Pateman
Climate & Biodiversity Manager
Ware Town Council
01920 460316
heidi@waretowncouncil.gov.uk