

## Power Purchase Agreements as Catalysator for the Future of Energy Markets

- white paper on collaboration across industries and geography

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United as Energy Consumers, our focus aligns with **UN Sustainable Development Goals (SDGs) 7, 12, and 17**, which center on Affordable and Clean Energy, Responsible Consumption and Partnerships.



### About MPS-SOLUTIONS

Embarking on a journey as an independent energy broker, I recognized the escalating challenges within the energy sector.

In 2021, I transitioned from a role in trading to champion the cause of energy consumers, aiming to navigate the tumultuous markets of the EU.

My mission is clear: safeguard local jobs by leveraging our greener energy practices, acknowledging that the climate crisis knows no borders—our singular Earth demands our united action.

There is no Planet B.

MPS-SOLUTIONS



#### Introduction

This paper discusses some of the challenges in the energy markets and my perspectives on how to mitigate risk when considering Power Purchase Agreements as your company's next electricity contract.

Specifically, it addresses:

- Market Analysis
- My view on PPAs
- Risk Analysis
- A Vision for the Future





Before 2021, the electricity market's calm seas rarely rocked the boats of energy consumers.

Yet, the unexpected swell in energy prices late that year laid bare the fragility of markets unshielded by hedging strategies, particularly as high consumption persisted from economically buoyant times fueled by low interest rates.

Since 2022, there's been a noticeable pivot in energy firms' strategies, prioritizing short-term gains over developing robust hedging options and consumer focused risk management.

This white paper is a call for action for new partnerships among energy consumers, highlighting a pressing need and paving the way for potent alliances.

#### **Clear View on PPAs**

- Insights into PPAs and Renewable Energy Sources





Renewable energy sources available on PPAs in Denmark include wind power and solar.

None of these sources produce significant emissions while generating electricity compared to coal fired power plants, and thus, are favored as they reduce emissions.

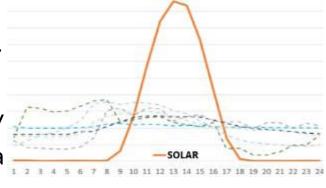
With the ESG mandates gaining traction for large-scale industries by 2024, the driving force to act is here.



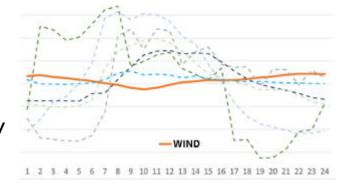
Power Purchase Agreements (PPA) have been more accessible for solar ventures, whereas wind energy agreements remain a rarer find.

Both, however, have their production whims subject to nature's unpredictability.

This is where collective consumer strategy becomes vital, turning erratic supply into a formidable force in the electricity market.



MPS-SOLUTIONS stands at this nexus, ready to harness collective consumer power for a balanced and resilient energy future.





- Solar and wind produce when they can
- Stable production from fossil fuels are pushed out
- Batteries an option, but consumers can do more
- Joint Risk Management strengthen each company

#### **Energy Mix 2022**

- Are we green?

Denmark sell a lot of Guarantees of Origin and thus imported a lot of coal.

The generation was greener, but almost half of this is sold outside DK - leading us to import from other countries.

- Coal, gas and oil is at 70% of combined energy consumption
- Renewables are growing fast.

  Current level from solar, water and wind is 15%.
- Through import Denmark had 10% Nuclear throughout 2022
- 5% Biomass + waste accounted for 5%





# PPA United with MPS-SOLUTIONS - Collaboration across Industries and Geography

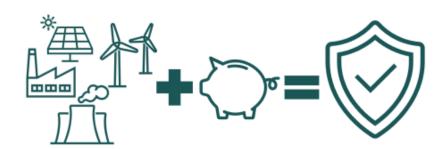
First, I'd like to thank you for your participation in the meeting, both for your thorough preparation and insightful contributions.

It really helped to clearly define the playing field.

So, excellent work.

I'm really impressed with your enthusiasm; your experience clearly shines through and is truly awesome and infectious.

I've shared your info with a couple of people in my network, as I think they might also be interested in getting involved.



#### Solution



#### Risk Management

Diversified risks and unlocked opportunities. Fortifying individual companies and ensuring collective thriving.

#### **Optimization**

To amplify the use of green electricity, optimizing its utilization and facilitating knowledge sharing across industries and geography, empowering businesses to operate intelligently and sustainably.

#### **Collaboration**

Unified as consumers, we secure competitive prices and favorable terms, thus enhancing profitability for all stakeholders involved.



#### Conclusion

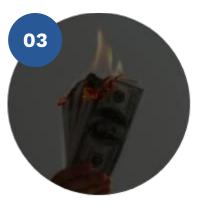
- Electrical Markets still face challenges



Less Stable Production



Rising Political and Environmental Risks



Fewer hedging options

#### Seize the Future with MPS-SOLUTIONS

Step into a future where risk is mitigated, green energy is maximized, and collaborative strength leads to unmatched market advantages.

Join other consuming companies as we unlock potentials and the collective power shapes the energy market for the better.

Let's forge a path to sustainability and energize a brighter tomorrow.



