



Corporations' Influence on
Renewable Energy Markets
featuring
Maryssa Barron
LevelTen Energy

WEBINAR





Corporations' Influence on Renewable Energy Markets

Maryssa Barron, LevelTen Energy

2021

Agenda

- Key findings from LevelTen's Q1 2021 PPA Price Index
- The rising popularity of “Impact PPAs”
- The new frontier in C&I procurement: storage



LevelTen: Renewable Transaction Infrastructure





Accelerating Connections

On the world's largest two-sided PPA marketplace

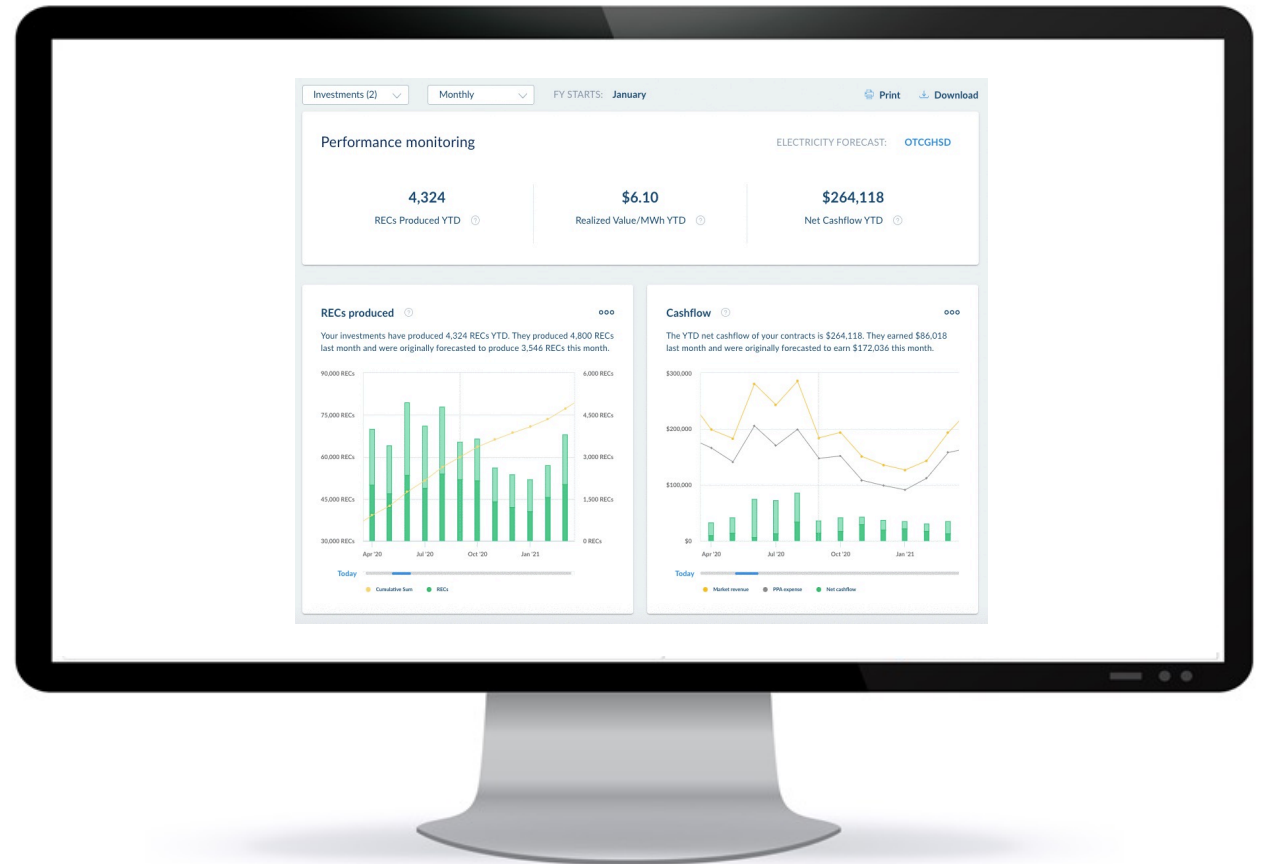
Accelerating Decisions

With instant risk and value analytics

Accelerating Deals

Online RFPs, standard contracts and other efficiency tools

The LevelTen Platform



Renewable PPA Prices are Rising

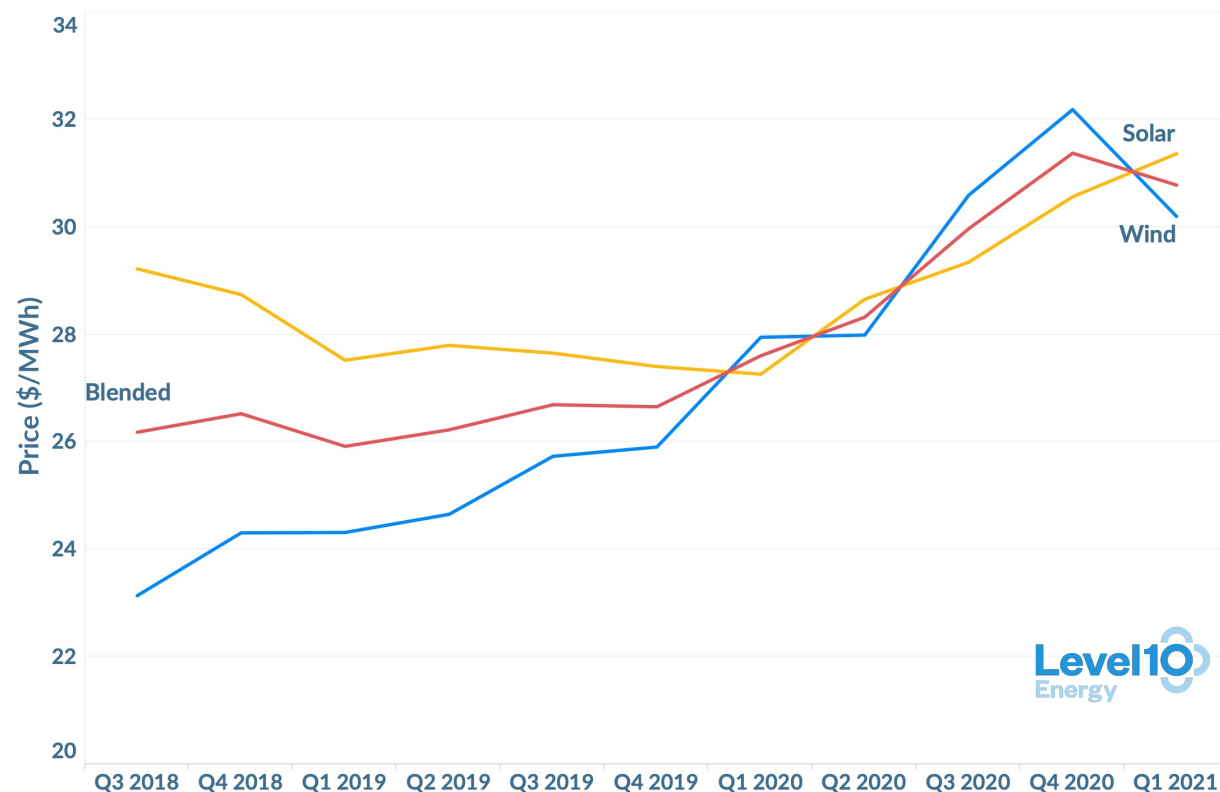
Solar

After declining steadily throughout 2018 and 2019, solar PPA prices took a dramatic turn in 2020, and are now 15% higher year-over-year.

Wind

Despite a dip in the last quarter, wind prices remain above 2019 levels, due to a sharp increase in 2020.

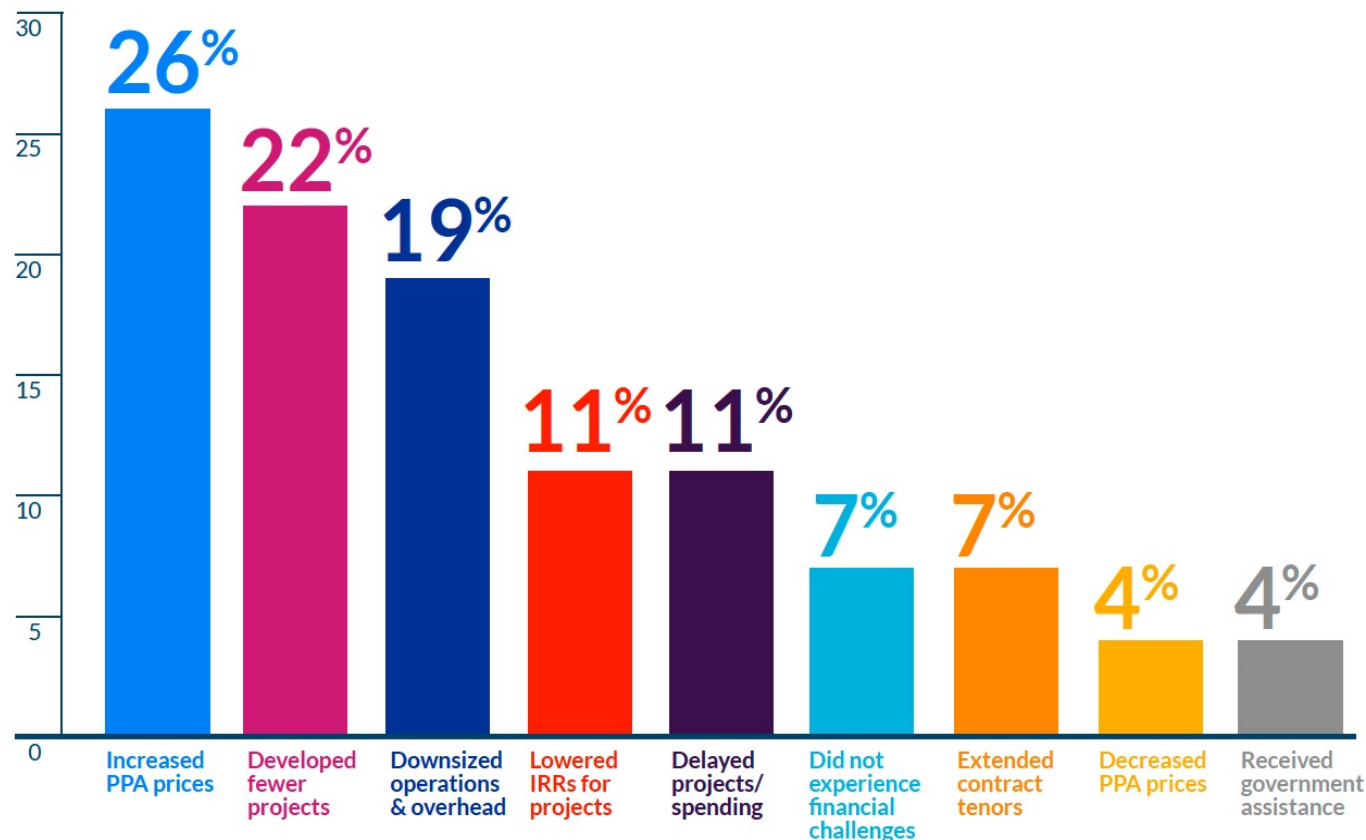
Quarterly Aggregate Price Index - P25



COVID-19 Not the Only Cause



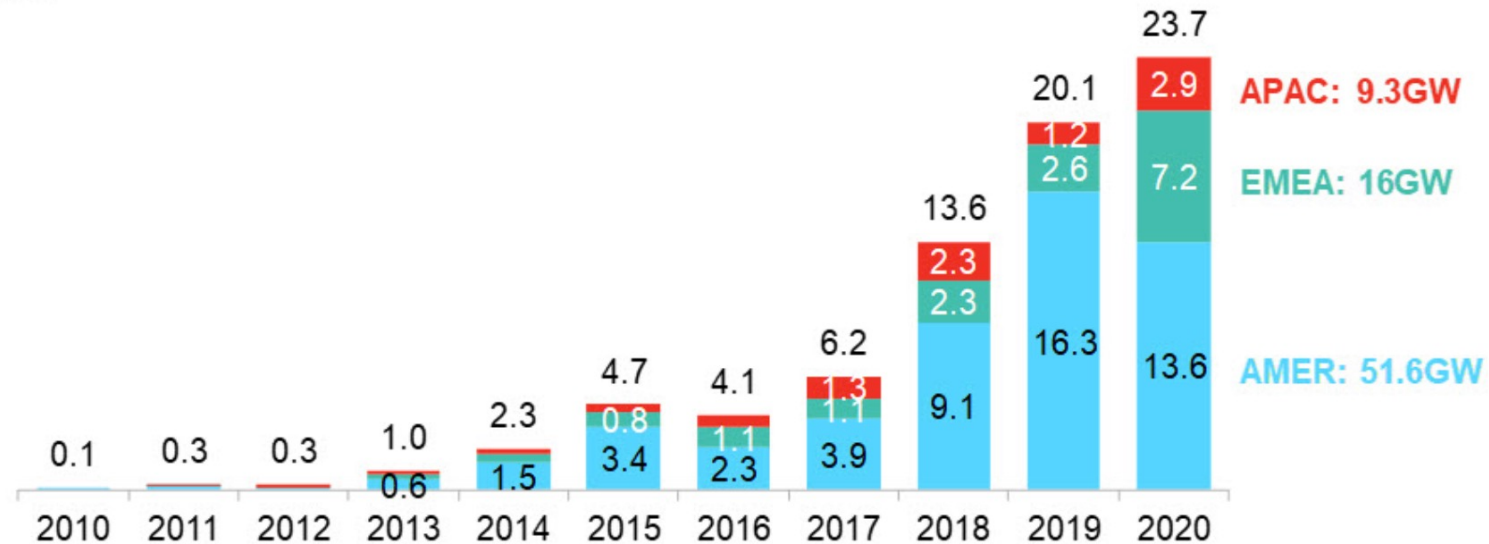
What measures have you taken to overcome financial challenges caused by COVID? (select all that apply)



Demand is Escalating

Figure 1: Global corporate PPA volumes, 2010-2020

GW



Source: BloombergNEF. Note: Data is through 2020, reported in MW DC capacity. Onsite PPAs not included. Australia sleeved PPAs are not included. Pre-market reform Mexico PPAs are not included. APAC number is an estimate. These figures are subject to change and may be updated as more information is made available.

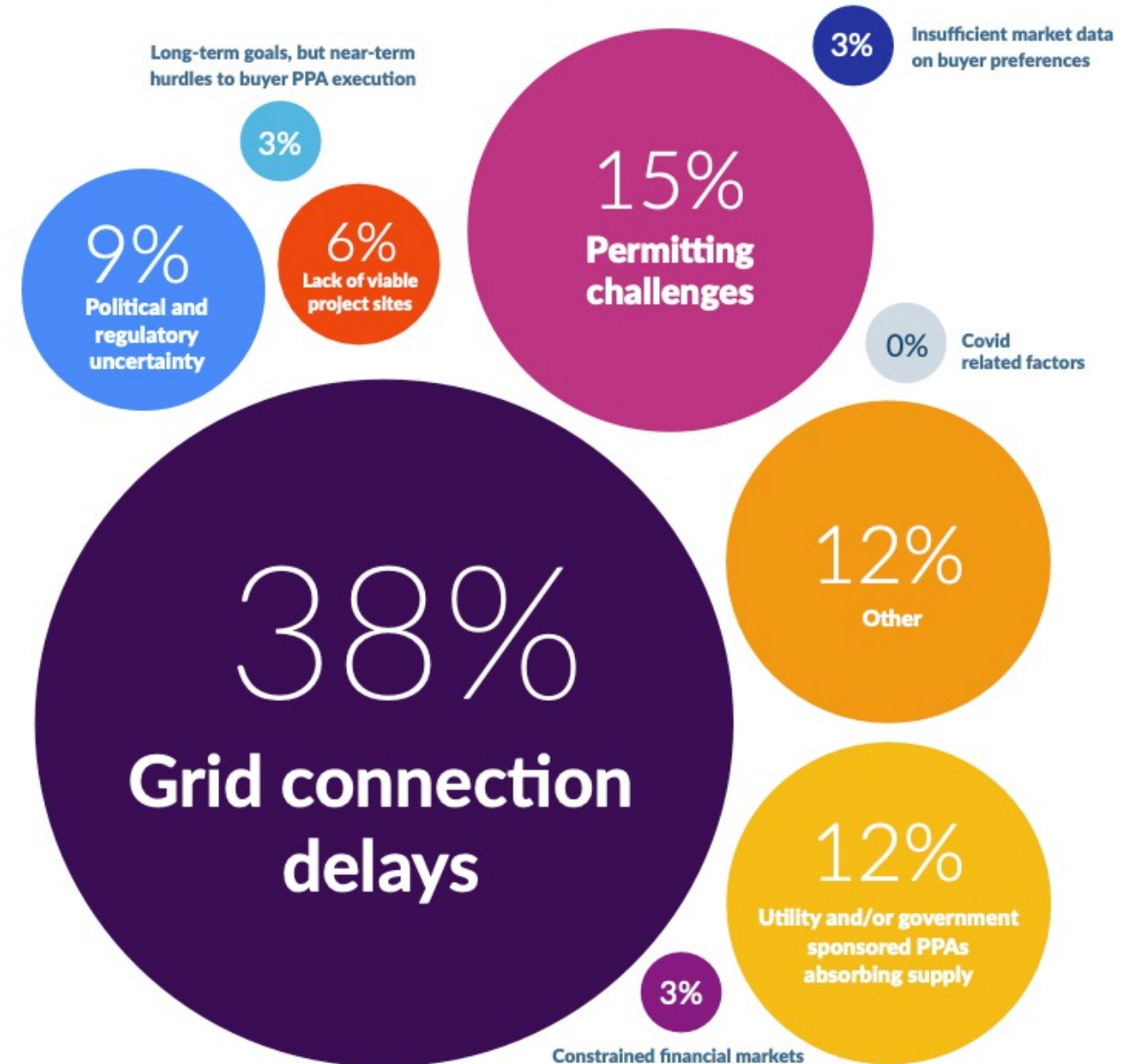


Desirable Projects Selling Quickly

Barriers to development:

- Interconnection delays
- Permitting challenges
- Regulatory uncertainty
- Tax credit phasedown

Factors Impacting Development



The Takeaway?

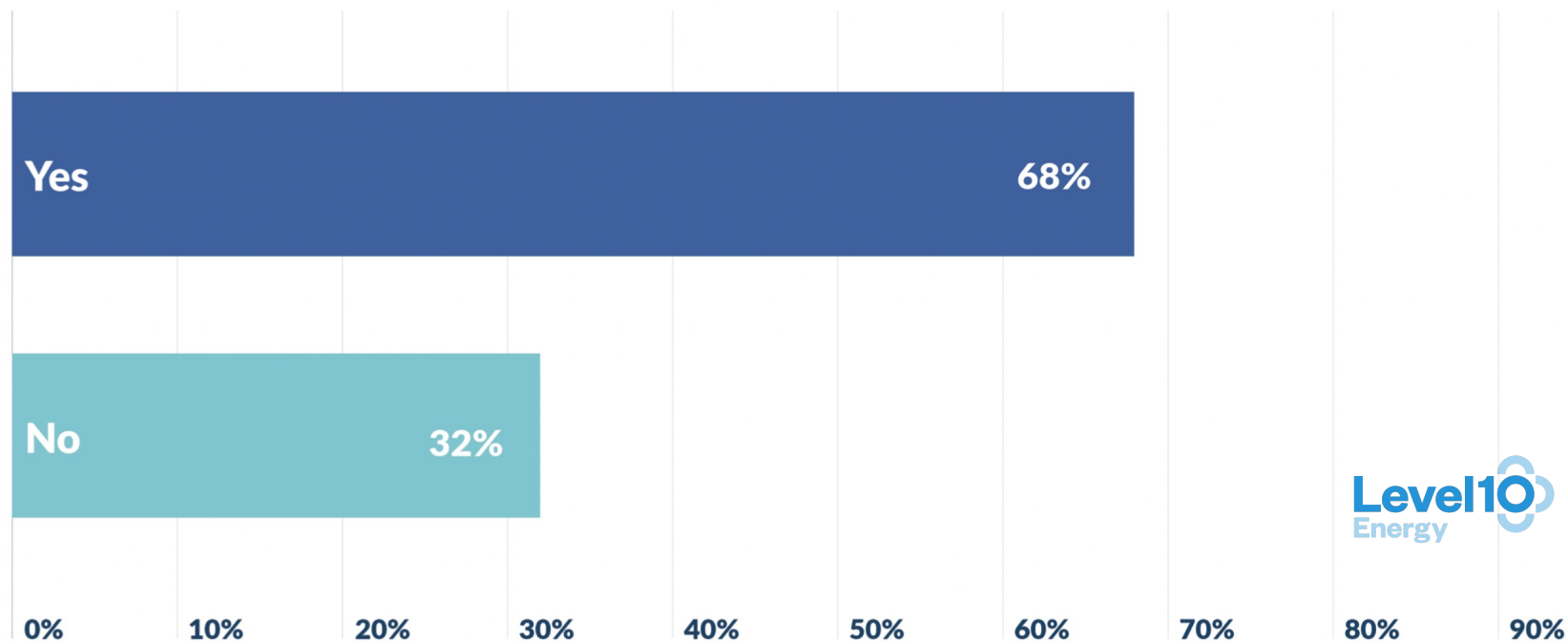
Cost-competitive, de-risked projects go quickly.



Impact PPAs: Setting a New Bar in Procurement

Survey Question 1:

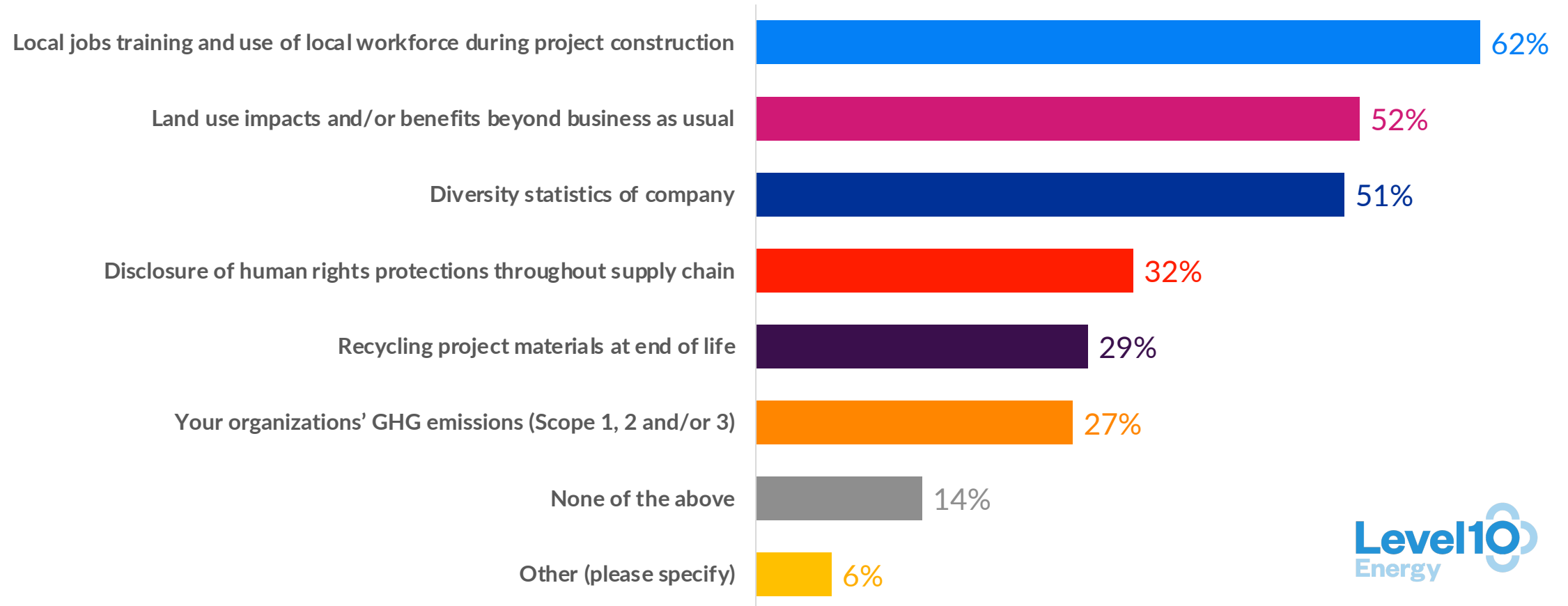
Is your organization working to improve its practices and tracking related to social and environmental justice as a result of PPA offtaker preferences?



Key Issues: Local Impact & Diversity

Survey Question 2:

Which of the following issues have you been asked to disclose in a request for PPA proposals? (select all that apply)

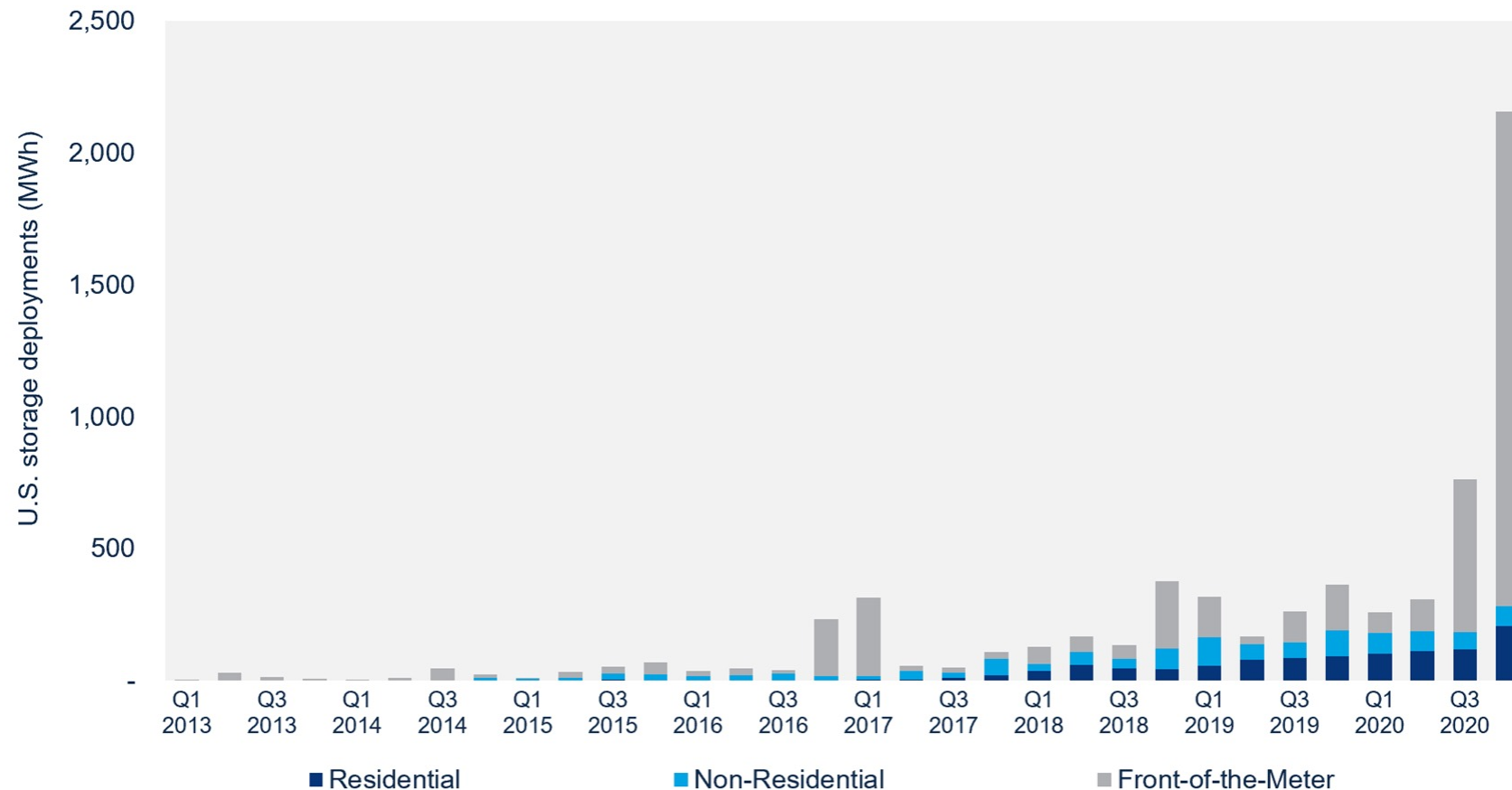


The Takeaway?
ESJ solutions are a must.



The New Frontier: Energy Storage

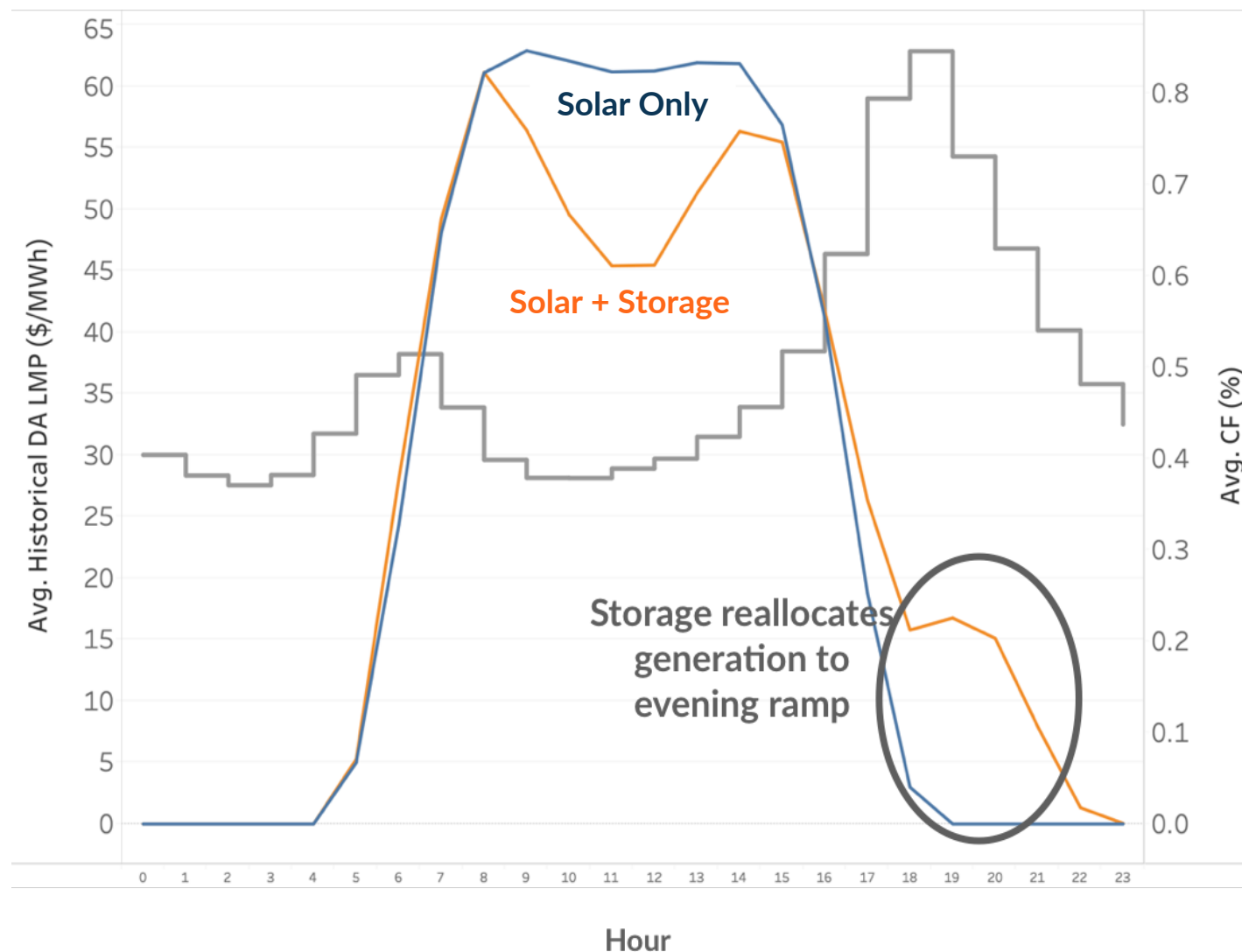
Quarterly U.S. Energy Storage Deployments



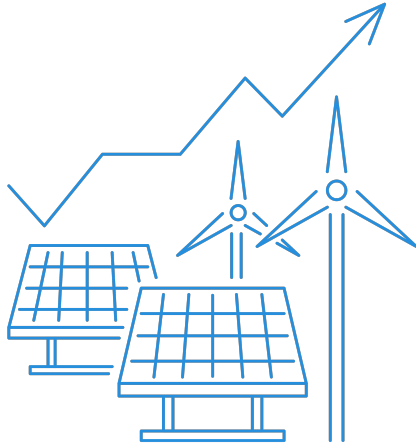
Source: Wood Mackenzie Power & Renewables/Energy Storage Association Energy Storage Monitor 2020 Year in Review



The Opportunity: Buying Low, Selling High



Example: Solar + Storage Portfolio



Improved PPA Settlement Value

Settlement improved by \$2.55/MWh
(from \$-5.13 to \$-2.58)



Lowered monthly volatility

Settlement volatility reduced 9.1%
(from \$15.98 to \$14.53)



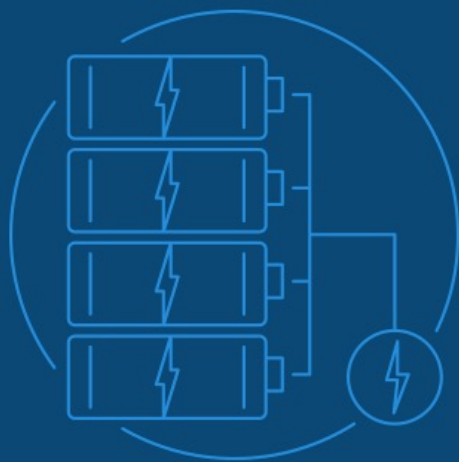
The Challenge: Meeting Needs of Both Parties

- Buyers want economic benefits of storage without taking on operational responsibility or risk
- Developers want a guaranteed revenue stream to secure financing or reduce their exposure to wholesale market volatility



LevelTen's RE-Store™ Energy Agreement

LevelTen's
RE-Store™
Energy
Agreement



- ✓ For C&I or Load Serving Entities
- ✓ Front-of-the-meter (FTM), grid-scale
- ✓ 100% financially settled
- ✓ For standalone or wind/solar + storage
- ✓ Captures optimal arbitrage value



Use Case: Starbucks

Starbucks used the RE-Store™ Energy Agreement and LevelTen Platform to virtually procure 5.5MW of battery storage capacity and 24MW of solar energy from a solar + storage project in CAISO



The Takeaway?
Storage is poised for growth.



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