

4th Meeting of the Expert Group

on the need for voluntary template for Power Purchase Agreements

Monday, 30 September 2024 | 9:30 - 12:00

Online, MS Teams

DRAFT MINUTES FOR ADDITIONS BY EXPERTS (V1) (CHATHAM HOUSE RULES, NO NAMES BASIS IN QUOTES)

Name	Surname	Organisation
EXPERTS		
Stefano	ALAIMO	Gestore Mercati Enegetici (GME), Europex
Masoud	ASGARPOUR	Google
Francis	BROWNE	S&P Global Commodity Insights
Margaux	DELAUNE	Energy Pool, smartEn
Janos	HETTYEY	World Kinect Energy Services
Inger Kristin	HOLM	Norsk Hydro, IFIEC Europe
Mariya	MANOLOVA	Statkraft
Joshua	ROBERTS	REScoop.eu
Annie	SCANLAN	RE-Source
Colin	SPAIN	Lightsource bp
Stefan	ULREICH	Energy Traders Europe
Wouter	VANDORPE	Fieldfisher
Mathieu	VILLE	Pexapark
ACER/EUROPEAN COMMISSION/NRAs		
Patrick	LUICKX	ACER
Francesco	ROSSETTO	ACER
Pedro Mallen	CESPEDES RUIZ	ACER

Karolina	ANTOS	ACER
Dorottya	IGRICZ	ACER
Iztok	ZLATAR	ACER
Martina	VAJDIC	ACER
Anne	RADERMECKER	European Commission
Ignacio	ASENJO	European Commission
Jose	ELIAS CABRERA	European Commission
Alejandro	EGUEZ	EI (Sweden)

1. MEETING OPENING PART

The fourth meeting of the Expert Group on the Power Purchase Agreements ('the Group') in a virtual format was opened and the agenda was approved.

The Chair provided a brief overview of the meeting's purpose.

2. PUBLIC CONSULTATION REVIEW AND UPDATES ON ACER'S ASSESSMENT.

ACER presented the key findings from the public consultation held between 20 June 2024 and 18 July 2024. The Agency received over 100 submissions to the public consultation, including contributions from stakeholders across the EU and beyond. This extensive feedback revealed not only a strong market interest in the topic but also a clear need for ongoing discussion and monitoring.

ACER provided an update on the ongoing assessment regarding the need of additional voluntary PPA contract templates. The assessment is still in progress, and the publication of the findings is anticipated mid-October 2024.

3. BRAINSTORMING SESSION. ANALYSIS AND STATISTICS FOR ANNUAL MONITORING.

3.1 Part one: barriers

Experts discussed barriers to the growth and effectiveness of PPAs and of the European PPA market in general, categorising them into five main spheres:

- **Finance and accounting** – issues such as complex derivative accounting, strict requirements from off-takers, and challenges related to credit risk and bankability were highlighted as significant issues.
- **Regulation** – the complexity of the Guarantee of Origin (GO) system, project and administrative delays, and ongoing regulatory uncertainties were identified as major obstacles.
- **Transparency and negotiation** – limited transparency, non-disclosure of deals, and prolonged negotiation processes were recognised as key barriers.
- **Market** – factors such as area price hedging, price cannibalisation, the competitive and non-competitive support schemes, and liquidity issues in future markets were broadly discussed.
- **Other (system and expertise)** – challenges such as stalling electrification, in-house knowledge gaps, lack of experience, and high costs were also noted.

Please consider the forementioned list of barriers and categories as a non-exhaustive list.

There was broad agreement on the importance of gathering data on these barriers for annual monitoring, with the experts proposing various metrics to measure them.

Various mitigation strategies were also explored during the discussion.

3.2 Part two: success

In the second part, the discussion shifted to identifying the key indicators that will play a significant role in understanding the success of PPAs and the overall development of the EU PPA market.

Experts explored how to establish a robust monitoring approach, emphasising the need for clear and measurable success metrics.

4. REMIT REPORTING REQUIREMENTS AND DATA COLLECTION

ACER provided updates on the public consultation regarding the revision of the Annex of the REMIT Implementing Regulation, which commenced on 28 June 2024 and closed on 16 September 2024. The Agency shared some initial high-level insights derived from the stakeholder consultation process, highlighting key messages and concerns raised by participants.

5. CLOSING SESSION

5.1 Next steps

The publication of ACER's assessment on additional voluntary PPA contract templates is expected mid-October 2024.

5.2 Next meeting

The next meeting of the Expert Group on PPAs is tentatively scheduled for January 2025 (to be confirmed). Participants will be notified of the exact date closer to the time.