



# PPA Settlement Guarantee Agreement

The PPA Settlement Guarantee Agreement is a financial product that protects Clean Energy Buyers against power price risk. Less risk means more financial certainty and better budgeting.

Clean Energy Buyers buy renewable energy today through virtual power purchase agreements (vPPAs). Buyers receive the project’s environmental credits and accept settlement amounts that go up or down depending on the price of wholesale power.

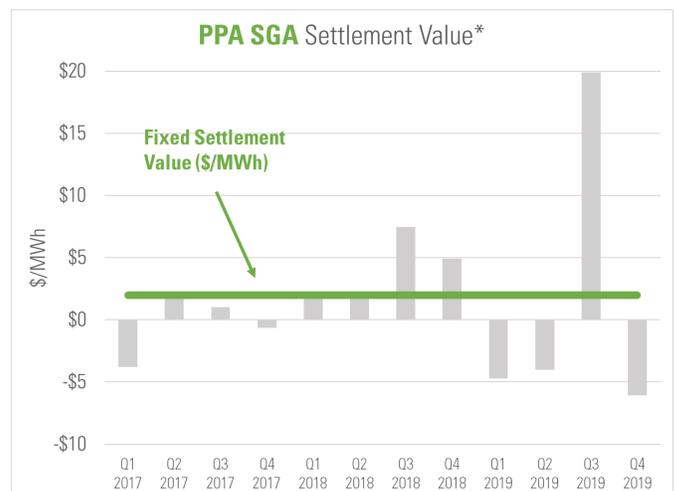
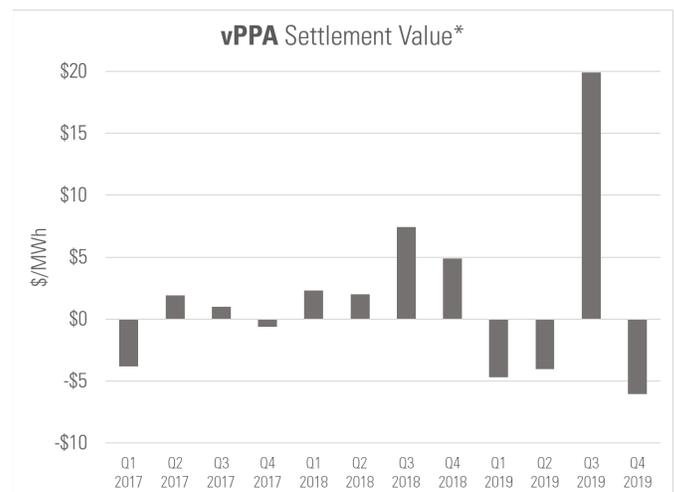
**The Problem:** vPPA settlement amounts vary with the price of power, and power prices are volatile.

**The Solution:** The **PPA Settlement Guarantee Agreement**, a contract that transfers power price risk from the Clean Energy Buyer to a global insurance company and preserves the sustainability benefits of the vPPA.

| Settlement Value*  |         |  |
|--------------------|---------|--|
|                    | vPPA    | vPPA + <b>PPA Settlement Guarantee Agreement</b> |
| Risk               | High    | <b>Low</b>                                       |
| Standard Deviation | \$7/MWh | <b>\$0/MWh</b>                                   |

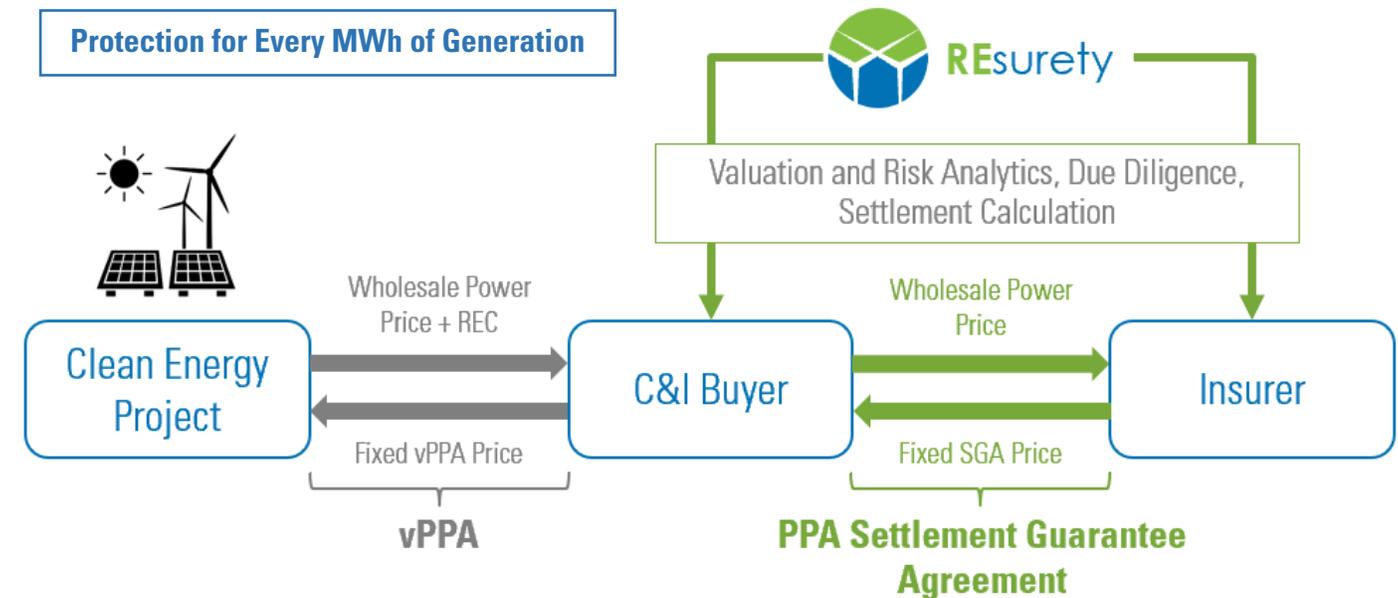
The **PPA Settlement Guarantee Agreement** enables Clean Energy Buyers to:

- Transfer power price exposure for **3 years**
- Preserve an existing vPPA and retain valuable environmental credits
- Continue to hold a long-term price hedge



\*Hypothetical example demonstrating transfer of power price volatility assuming a \$25/MWh vPPA settling at ERCOT South. Data include ERCOT South hourly real-time market prices and actual generation data from a Texas wind project.

## PPA Settlement Guarantee Agreement: How It Works



### Results

**Lower Risk**

**Financial assurance**

**Sustainability**

### About REsurety

REsurety is the leading provider of valuation analytics and risk management services to buyers and sellers of renewable energy. Having supported nearly 6,000 MW of transactions since 2015, REsurety is rapidly changing the way renewable energy is bought and sold across the globe through:

- Deep expertise at the intersection of weather and power markets
- Unrivalled databases and analytical systems
- Precise understanding of the value and risk of intermittent power generation

For more information visit <https://resurety.com/>.

## Disclaimers

Certain risk management tools offered by REsurety, Inc. ("REsurety") involve utilizing products and transactions regulated by the US Commodity Futures Trading Commission ("CFTC"). Such tools involve risk and are not suitable for all clients. All information, communications, publications, reports, and other materials, including but not limited to, this document, which may be utilized or distributed by REsurety, should be construed and considered solicitations relative to entering into a derivatives transaction. Trading commodity interest products, which include swaps, involves substantial risk of loss and may not be suitable for all investors. You should carefully consider whether trading is suitable for you in light of your circumstances, knowledge, and financial resources. You may lose all or more of your initial investment. Opinions, market data, and recommendations are subject to change at any time. Past performance is not indicative of future results. REsurety does not distribute research reports, employ research analysts, or maintain a research department as defined by CFTC Regulation 1.71.