

# Corporate Renewable Power Purchase Agreements in Australia

State of the PPA Market Report 2024



# Table of Contents

<b>Executive summary</b> .....	<b>3</b>
<b>Introduction</b> .....	<b>8</b>
<i>About this report</i> .....	8
<i>About the Business Renewables Centre Australia (BRC-A)</i> .....	8
<b>Large-scale renewable energy in Australia</b> .....	<b>10</b>
<i>Background: The National Electricity Market</i> .....	10
<i>New policy and programs for large-scale renewable energy are scaling up</i> .....	13
<b>What is a corporate renewable PPA?</b> .....	<b>14</b>
<b>Market themes: Growth of corporate renewable PPAs in Australia</b> .....	<b>15</b>
<i>Another record year for corporate renewable PPAs</i> .....	17
<i>Queensland the leading state for corporate PPAs for a third year</i> .....	18
<i>Across the market ups and downs, there is largely continuity in corporate drivers</i> .....	19
<i>The disappearing middle: Polarisation in deal sizes</i> .....	21
<i>Wholesale PPAs with new projects increased, but the future is uncertain</i> .....	23
<i>Corporate and government PPAs were the two largest market segments</i> .....	24
<i>Buyer strategies for LGCs</i> .....	27
<i>PPAs and firming</i> .....	29
<i>Buyer sectoral composition remains diverse</i> .....	31
<i>What is the future for corporate PPAs?</i> .....	32
<i>What are the implications for corporate PPAs?</i> .....	33
<b>Understanding buyers: Preferences and barriers</b> .....	<b>36</b>
<i>Corporate PPAs are still challenging, but are getting somewhat easier</i> .....	36
<i>Key barriers to corporate PPAs</i> .....	37
<b>Appendix 1: BRC-A activities in 2024</b> .....	<b>41</b>
<i>BRC-A impact to date</i> .....	41
<i>BRC-A projects and events 2024</i> .....	44
<i>BRC-A resources</i> .....	45
<i>Market Advisory Panel</i> .....	46
<b>Appendix 2: Industry survey participants profile</b> .....	<b>48</b>
<i>Energy buyers</i> .....	48
<i>Project developers</i> .....	49



<i>Service providers</i> .....	49
<b>Appendix 3: Industry survey questions</b> .....	<b>50</b>
<i>Energy buyers</i> .....	50
<i>Developers</i> .....	56
<i>Service Providers</i> .....	61

### About this report and the Business Renewables Centre Australia (BRC-A)

This report was prepared by the Business Renewables Centre Australia (BRC-A). BRC-A is an independent, not-for-profit initiative providing renewable energy procurement guidance, education and resources to Australian businesses seeking to decarbonise and to invest in Australian renewable energy. BRC-A is part of [Climate-KIC Australia](#) and the [Institute for Sustainable Futures, UTS](#). For more information, visit <https://businessrenewables.org.au>

This report should be referenced as:

Briggs, C., McKeon, J. & Weston, B. (2025). *Corporate Power Purchase Agreements in Australia – State of the PPA Market Report 2024*. Business Renewables Centre Australia.



## Executive summary

### This year was another record year for corporate PPAs

For the third year running, the volume of capacity negotiated through corporate PPAs hit a new record – breaking through 3 GW for the first time. Almost 3.4 GW of capacity was negotiated through corporate PPAs, almost double last year's record of 1.7 GW.

Since 2017, based on public information we estimate there have been 192 corporate PPAs negotiated, contracting over 10.7 GW of renewable energy generation.<sup>1</sup>

### Deal-making in 2024 was dominated by a small number of large buyers

There were a handful of very large PPAs which accounted for most of the deal volume. In particular, Rio Tinto concluded two PPAs over 1 GW – a 1120 MW PPA with Bungaban Wind Farm and a 1100 MW PPA with Upper Calliope Solar Farm. BHP Mitsubishi Alliance also signed a large-scale PPA in Queensland (296.8 MW) for metallurgical coal production. Other large PPAs were signed by repeat buyers IFM & QIC and Telstra and one new entrant (Equinix).

The dominance of the market by a handful of large PPAs was also reflected in the market share of wholesale PPAs and new PPAs. As with past years, larger buyers generally preferred wholesale PPAs so their market share relative to retail PPAs was much higher in 2024. PPAs with new projects were less common in the last couple of years, but again the higher market share this year reflects the dominance of these very large PPAs.

There was also a handful of smaller PPAs negotiated by universities, councils and private sector but there were fewer deals announced by buyers in this market segment than in past years.

### Same-same, but different: Stasis in the 2024 market for corporate PPAs

Many market participants described the Australian corporate renewables PPA sector in 2023 as a 'sellers' market'. Within the context of a slowdown in supply of new renewable energy projects due to a multitude of factors (e.g. transmission constraints), it was often noted there was an excess of demand for PPAs relative to supply.

Many of the same dynamics were at play in 2024 and market participants generally agree there is an excess of buyer demand relative to supply, but there was an element of stasis as more buyers appear to have been waiting for market conditions to change. On the supply-side, the volume of renewable energy and storage projects reaching financial close accelerated markedly throughout 2024. The Australian Energy Regulator is predicting a record volume of renewable energy capacity will be

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<sup>1</sup> These figures are drawn from BRC-A's PPA database based on publicly available information. Market advisers inform us that there are some PPAs that have been completed but are not yet public.



connected to the grid during 2025 and much more capacity is on the way as the Capacity Investment Scheme and Renewable Energy Zones gather pace.<sup>2</sup> Supply is on the way.

On the demand-side, there were less buyers in acute need to contract to meet 2025 targets. Buyers with 2030 targets do not need to contract just yet and some appear to have been waiting for new supply. Higher prices due to elevated supply-chain costs also dampened buyer interest in available projects. Whilst there is a big increase in supply on the way, the supply-demand balance is hard to predict in coming years as there will also be parties with PPAs expiring in 2030 entering the market as well as parties seeking to negotiate new PPAs ahead of 2030 target commitments.

BRC-A's annual survey has year after year found around two-thirds of buyers nominate sustainability targets or policies as the major driver for PPAs ahead of price or financial considerations regardless of the ups and downs in electricity prices. The growth in organisations with net zero targets continues to underpin demand for corporate PPA. Whilst these non-price factors are most commonly the primary catalyst for interest in PPAs, the on-going price volatility also underlines the financial value of PPAs as a hedge.

## The vanishing middle: Polarisation in deal size

The most striking feature of the market composition during 2024 was concentration amongst larger buyers and polarisation: there was only two 'mid-sized' deals from 20 – 100 MW. One of the features of the Australian market has been the diversity in buyer and deal sizes – unlike some overseas markets which are dominated by large buyers.

It is difficult to know if this is a passing phenomenon or a structural change occurring within the corporate PPA market. The concentration and bifurcation of deal size in the past couple of years may be a product of the supply slowdown and therefore the market will return to greater diversity as the market supply improves. Alternatively, there could be a structural shift towards a larger-buyer market. The cohort of public sector buyers (governments, universities, councils etc) that signed the small-to-medium sized PPAs in earlier years who are yet to sign a PPA is certainly diminishing. With new supply set to flow into the market, the picture on the composition of buyer sizes should become clearer over the next year.

## Government and corporate PPAs were the biggest market segments in 2024

There are five market segments in Australia's large-scale renewable energy market:

- **Utility PPAs.** Deals between electricity retailers and renewable energy projects.
- **Merchant projects.** Solar and wind farms that sell into the wholesale market without a PPA.
- **Government PPAs.** Auctions by government for renewable energy using general revenue (i.e. not for their own operations).
- **Corporate PPAs.** Deals with renewable energy projects by public and private sector buyers for their own operations.
- **State-owned utility PPAs.** PPAs signed by publicly-owned retailers.

The market was dominated in 2024 by large corporate PPAs and government auction rounds, headlined by the Capacity Investment Scheme round in December of over 6GW of capacity. There

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<sup>2</sup> Australian Energy Regulator (AER), (2024). *State of the energy market 2024*, <https://www.aer.gov.au/system/files/2024-11/State%20of%20the%20energy%20market%202024.pdf>.



was only a modest increase in utility PPAs negotiated by private retailers and less activity by state-owned utilities.

## More buyers retire LGCs with less selling LGCs

Prices for the green certificates associated with renewable electricity generation (Large Generation Certificates, or LGCs) have remained high in recent years. In the secondary market for LGCs, prices peaked at close to \$60 in the middle of both 2023 and 2024, reflecting concerns from some market participants about securing LGCs to meet 2025 targets. However, the spot price for LGCs has fallen significantly later in 2024 to less than \$30 before settling in the mid-30's by the end of year. The forward price curve for the next few years shows declining prices each year to a price of \$20 by 2028 reflecting market expectations on supply-demand balance.

Buyers face a choice on what to do with the LGCs. If they are 'retired' with the Clean Energy Regulator to claim the emissions reductions, there is an opportunity cost from the foregone revenue which could be made from selling the LGCs. BRC-A has for the last two years surveyed buyers and advisers about strategies for managing LGCs after market participants reported that some parties were postponing retirement of LGCs until the year of their emissions reduction commitments (e.g. 2025).

Whereas a significant minority of buyers were either selling LGCs and intending to retire certificates at a later day or just selling the LGCs during 2023, there was a notable increase in buyers retiring certificates last year, which is to be expected given the approach of emissions reduction commitments in 2025 and weaker prices. If lower forward prices do project the future of the LGC market, strategic selling of LGCs may have been a passing trend.

## Queensland is now the leading state for corporate PPAs

Queensland has led the rest of the states for the last few years and has overtaken NSW as the leading state for Corporate PPAs. In 2024, over 2.6 GW was contracted in Queensland followed by around 400 MW in NSW.

## PPAs, storage and firming: An emerging trend, but not quite here yet

There are macro and micro-drivers for the inclusion of storage and firming into PPAs. At a macro-level, utility-scale battery storage is growing very strongly and there is a trend towards the pairing of battery storage with solar farms, reflecting factors such as the growing incidence of negative price events and lower wholesale prices due to the growth of coincident solar generation.<sup>3</sup> At a micro-level, as a consequence of wholesale price volatility, high load-shape factors are being applied by retailers where businesses have exposure to higher-priced intervals – and load-shape factors can be higher after a PPA and rooftop solar if not well-matched with the load shape.<sup>4</sup> A leading review of European PPAs noted the emergence of 'hybrid PPAs' that include storage.<sup>5</sup>

Consequently, for the last two years, the BRC-A annual survey has also asked how often 'firming' was a component within PPAs to test the extent to which storage and firming is making its way into PPAs.

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<sup>3</sup> D.Lee (2024) 'So long solo solar and hi hybrids', <https://wattclarity.com.au/articles/2024/10/so-long-solo-solar-and-hi-hybrids>, October 15.

<sup>4</sup> G.Walgenwitz (2024) 'What are the most urgent challenges facing the transition to clean energy? How are corporates planning for the future uncertainties', <https://www.energetics.com.au/insights/thought-leadership/what-are-the-most-urgent-challenges-facing-the-transition-to-clean-energy-how-are-corporates-planning-for-future-uncertainties>, November.

<sup>5</sup> Pexapark (2024) European PPA Market Outlook 2024, <https://pexapark.com/european-ppa-market/>.



The answer so far from advisers and developers is generally ‘rarely’, though it’s notable that unlike developers, few advisers responded ‘never’.

From the BRC-A survey and intelligence from market participants, it would appear that market parties are still grappling with models to integrate storage and how to build products with different shapes and risk profiles but this is starting to happen. Walgenwitz, for example, predicts there will be a growth in fixed-shape products (fixed volume PPAs instead of pay-as-produce), shaped hybrid PPAs and more synthetic products to support retail hedging (e.g. renewable flat swaps).<sup>6</sup>

## The Third Phase for corporate PPAs?

The corporate PPA market continues to evolve and reflect the wider dynamics of the energy transition. In the first phase (2016-20), corporate PPAs were primarily developed by large corporates to leverage greater value and impact from their renewable energy procurement through wholesale PPAs negotiated directly with new projects. In the second phase (2020-23), corporate PPAs (partly) filled the void after the achievement of the RET and the market expanded to a wider diversity of buyers via de-risked PPAs with operational projects brokered by retailers.

Last year, we posited that corporate PPAs may be entering a third-phase as the post-RET policy architecture is established through the Capacity Investment Scheme, Renewable Energy Zones and a new green certificate regime (Renewable Energy Guarantee of Origin, or REGOs) from 2030.

There are in our view three scenarios or trends that could emerge for Corporate PPAs under this emerging policy framework. The stasis in the 2024 corporate PPA market and time for the Capacity Investment Scheme and REZs to get into gear means it is still unclear which of these scenarios or trends might dominate but market participants see evidence of all three in practice.

## Crowding out of corporate PPAs: Focus on the Capacity Investment Scheme

Since the emergence of Corporate PPAs, there has been a view in some circles that corporate PPAs are a passing trend that will decline once the major retailers or governments seriously return to contracting with large-scale renewable energy projects. Under this scenario, corporate PPAs are crowded out as retailers and project developers focus on bidding for contracts under the CIS. The CIS bidding process will be resource-intensive, but it offers greater revenue certainty for project developers than will be possible with all but the largest PPA buyers.

The scale of the CIS means this will undoubtedly occur with some parties, but it is unlikely that corporate PPAs will fade out in our view. Demand for corporate PPAs is underpinned by emissions reduction, ESG and reputational drivers that will continue so there will continue to be buyers seeking PPAs. The large PPAs signed by buyers such as Rio Tinto and BHP also demonstrates that large buyers are likely to see value in negotiating directly with projects outside the CIS.

## Corporate PPAs are incorporated into Capacity Investment Scheme bids and continue to support new projects

Whilst scenario 1 reflects the decision of bidders that negotiating corporate PPAs is not worth the time and resources in the context of complex bidding rounds, there are reasons why both projects and buyers could decide to incorporate corporate PPAs into bids for contracts under the Capacity Investment Scheme.

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<sup>6</sup> G.Walgenwitz (2024), op. cit, Footnote 3.



For project developers, tender criteria encourage and reward bidders with alternative contracts such as corporate PPAs because the aim is not to displace conventional market contracting. One of the weaknesses of earlier government auction processes was they effectively removed projects from the contracting market with impacts of liquidity and generator behaviour. Brad Hopkins (AEMO Services) noted after the announcement of the second round of NSW LTESAs (November 2023) that corporate PPAs were being incorporated into bids and enabling them to reduce the tenure and price terms being sought.

For buyers that are seeking higher standards of additionality – or seeking recognition under voluntary schemes that require contracting before financial closure – negotiating a PPA with a project before being awarded a contract is desirable or even essential. A senior lawyer from one of the major firms in corporate PPAs observed they have seen some buyers seeking to conclude agreements before CIS tender decisions for these reasons.

There is little information available to assess how common this is as a practice. AEMO Services do not release any information on inclusion of corporate PPAs and there is only anecdotal evidence on what buyers are doing.

## Growth in retailer PPAs and a Declining Role for corporate PPAs in underwriting new projects

The experiences of Queensland highlight the role of corporate PPAs could increasingly be on the other side of financial closure after projects secure contracts through the CIS. In Queensland, state-owned utilities with mandates to sign PPAs have been a key vehicle for contracting with new projects. Until this year, most (but not all) of these deals have been retail PPAs signed with solar and wind farms that are in commissioning or operational after one of the state-owned utilities have signed a PPA to underwrite construction. A similar dynamic could emerge as the CIS scales up. Some parties have observed this starting to occur already and noted shorter-term PPAs being negotiated.

It may be that the role and composition of corporate PPAs changes more than the volume. The scale of investment required adds confidence that offtake demand from corporate PPA buyers will continue to have a role. Corporate PPAs may be negotiated by large counter-parties outside the CIS and sometimes as part of bids through the CIS but remain the minority as in recent years. The role of PPAs increasingly centres on revenue certainty through commissioning and operational phases. The shift towards more PPAs signed with commissioned and operating PPAs could be consolidated as the big retailers re-enter the market and negotiate PPAs after securing a contract through the CIS.

If this were to be the case, the debate around environmental additionality of PPAs will grow. The decline of PPAs in recent years with new projects sparks debate about the additionality and impact of corporate PPAs. Under the RET, additionality was clear as any LGCs retired voluntarily were additional to the mandatory renewable energy liabilities for retailers, but additionality has become more complex since 2020 when the RET was achieved. Legally, additionality is achieved if the green certificates are retired but for many the ‘true’ meaning of additionality is negotiating a PPA that enables a project to secure finance and adds new capacity. For large buyers like Rio Tinto with the scale and expertise, negotiating PPAs with new renewable energy projects is achievable but for many the tender process through the CIS will make it more difficult, potentially with fewer projects available. The question of additionality and corporate PPAs is likely to become more complex.





# Introduction

This Report was prepared by the Business Renewables Centre Australia (BRC-A). BRC-A is an independent, not-for-profit initiative providing renewable energy procurement guidance, education and resources to Australian businesses seeking to decarbonise and to invest in Australian renewable energy projects.

For more on the BRC-A, visit <https://businessrenewables.org.au>

In Australia, under a corporate Renewable Power Purchase Agreement (PPA), business electricity buyers agree to buy power and/or Large-scale Generation Certificates (LGC) from a renewable energy project (currently solar or wind farms) at a fixed price for a longer duration than standard retail contracts (generally 5 years or more).

## About this report

This State of the Market 2024 report provides an overview of the Australia's Corporate Renewable PPA sector and its key trends. It has been prepared by the BRC-A with inputs from Australian industry via our [Market Advisory Panel](#).

The purpose of the report is to provide an overview of Australian PPA market trends. The original data in the report is drawn from two primary sources:

1. A database managed by the BRC-A, identifying corporate PPAs based on publicly available information and supplemented through industry contacts.
2. An annual survey of corporate buyers, project developers and professional Service Providers in the industry and BRC-A membership.

Qualitative information on market trends is also incorporated from a workshop with the Market Advisory Panel and discussions with market participants. BRC-A would like to acknowledge the support of ERM Energetics in managing database information.

Please cite as Briggs, C., McKeon, J. & Weston, B. (2025). *Corporate Power Purchase Agreements in Australia – State of the PPA Market Report 2024*. Business Renewables Centre Australia.

## About the Business Renewables Centre Australia (BRC-A)

BRC-A launched in September 2018 to support and facilitate the growth of corporate PPAs with funding from the Australian Renewable Energy Agency (ARENA) and the NSW and Victorian Governments, and later the Queensland Government.

BRC-A is a member-based organisation which helps prepare prospective PPA buyers for market-readiness through in-person and online procurement training (bootcamps and webinars) and a suite of educational resources, and facilitates connections between buyers, developers and professional service providers through an online marketplace and profiles platform.

BRC-A is a collaboration between Climate-KIC Australia, Institute for Sustainable Futures (University of Technology Sydney) and WWF-Australia. For more information go to [businessrenewables.org.au](https://businessrenewables.org.au).

As of the end of 2024, BRC-A has 220+ paying and non-paying members:



MEMBERSHIP GROUP	QUANTITY
Buyers	157
Developers	20
Service providers	14
Partners/supporters	29
<b>Total</b>	<b>220</b>

Table 1: BRC-A membership.



# Large-scale renewable energy in Australia

Australia is amid an energy transition from a coal-dominated electricity system to renewable energy.

The share of renewable energy in Australia's National Electricity Market (NEM) was around 38 per cent for 2024. In the 2024 Integrated System Plan (ISP), the Australian Energy Market Operator (AEMO) outlines a series of scenarios for energy transition which see the exit of coal-fired power in 2038, and an electricity system dominated by renewable energy from the early-2030s.

However, AEMO also highlights risks to achieving a successful energy transition, including enabling investment to fund 6 gigawatts (GW) of new large-scale renewable per annum. Whilst there is a very large pipeline of renewable energy projects at various stages of development, there has been a slowdown in investment, construction and connection of large-scale renewable energy in recent years due to factors such as delays in planning approvals, transmission congestion and inadequate commitments to offtake agreements. Most of the growth in renewable energy has occurred due to the installation of rooftop solar and corporate PPAs signed by businesses and governments.<sup>7</sup>

In this section, an overview of trends in large-scale renewable energy is provided before examining corporate PPAs.

## Background: The National Electricity Market

Covering around 5,000 kilometres, Australia's NEM is the world's longest interconnected power system stretching from Queensland along the Eastern Seaboard, across the Bass Strait to Tasmania.

The NEM is an 'energy-only' wholesale market in which generators are paid only for the electricity despatched into the grid. AEMO matches demand with supply in real time through a centralised despatch process.

Generators submit bids to supply the market every five minutes. AEMO accepts the cheapest bids and moves up the 'bid stack' until supply is sufficient to meet the demand – the last or most expensive bid sets the price for the whole bid stack. The wholesale electricity price can vary from -\$1,000/Megawatt-hour (MWh) to a market cap of \$15,500/MWh. Each Australian state has its own wholesale electricity price.

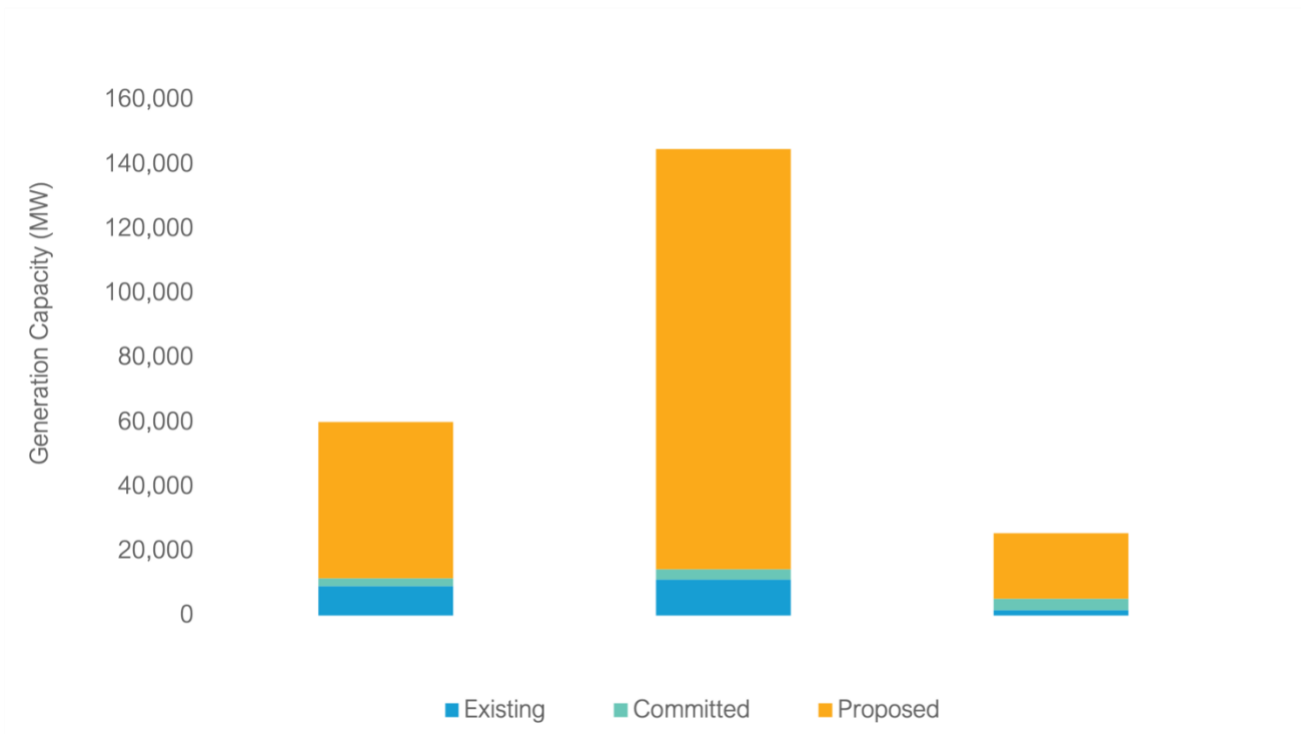
For more information on how the NEM works, refer to [this introduction by AEMO](#).

## The renewable energy pipeline is building momentum again

The installation of large-scale renewable energy slowed significantly in the past couple of years due to a combination of factors including lower retail investment, grid capacity and global supply-chain inflation. However, there is an enormous volume of renewable energy projects under development and the projects reaching financial close accelerated markedly during 2024.

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<sup>7</sup> AEMO, (2024). *2024 Integrated System Plan for the National Electricity Market*, <https://aemo.com.au/-/media/files/major-publications/isp/2024/2024-integrated-system-plan-isp.pdf?la=en>.



**Figure 1.** Large-scale renewable energy project pipeline (MW).<sup>8</sup>

Based on AEMO’s generator information, there is an extraordinarily large project pipeline; over 60 GW of solar, over 120 GW of wind and over 100 GW of battery storage projects are proposed.

The volume of renewable energy projects reaching financial close accelerated significantly throughout 2024. In Q3, 1,405 MW of projects reached financial close which is the highest result since 2021 and higher than the entirety of 2023. Across 2024, 3 GW of new renewable energy and 2.8 GW of storage projects were reported as reaching financial close.

<sup>8</sup> AEMO (2024). *NEM Generation Information October 2024*. <https://aemo.com.au/energy-systems/electricity/national-electricity-market-nem/nem-forecasting-and-planning/forecasting-and-planning-data/generation-information>



### Financially committed generation projects and capacity, quarterly MW

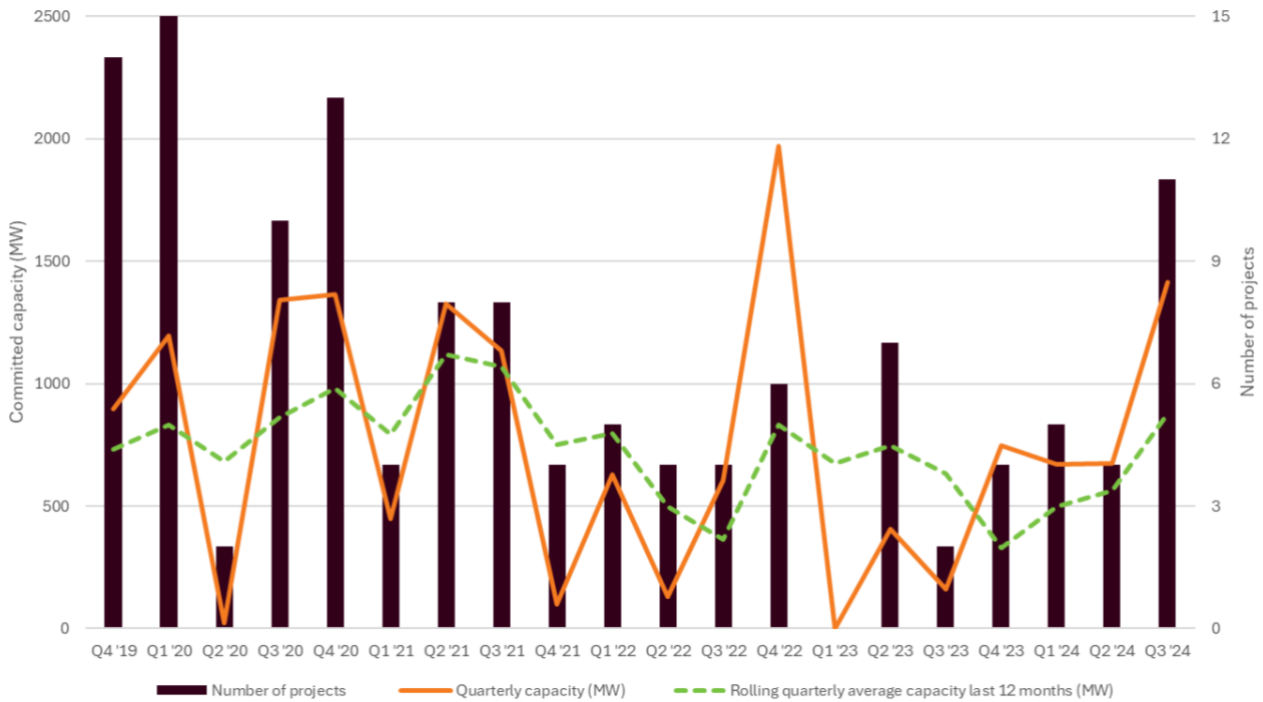


Figure 2. Financially committed generation projects and megawatt capacity (by quarter).<sup>9</sup>

In Q4, 6.4 GW of renewable energy and storage projects were awarded contracts under the latest tender by AEMO Services under the Capacity Investment Scheme (CIS), further adding to the supply that will move into construction.

Ahead of the construction of these projects, the Australian Energy Regulator (AER)<sup>10</sup> estimates that a record volume of renewable energy and storage will be commissioned during 2025 with over 5 GW of wind, solar and battery storage projects coming on-line.

<sup>9</sup> Clean Energy Council, (2024). *Renewable Projects Quarterly Report Q4 2024*, [https://cleanenergycouncil.org.au/getmedia/fe32c5ef-48be-462e-91aa-a39a33f467b6/cec\\_renewable-projects-quarterly-report\\_q2-2024.pdf](https://cleanenergycouncil.org.au/getmedia/fe32c5ef-48be-462e-91aa-a39a33f467b6/cec_renewable-projects-quarterly-report_q2-2024.pdf)

<sup>10</sup> Australian Energy Regulator (AER), (2024). *State of the energy market 2024*, <https://www.aer.gov.au/system/files/2024-11/State%20of%20the%20energy%20market%202024.pdf>.

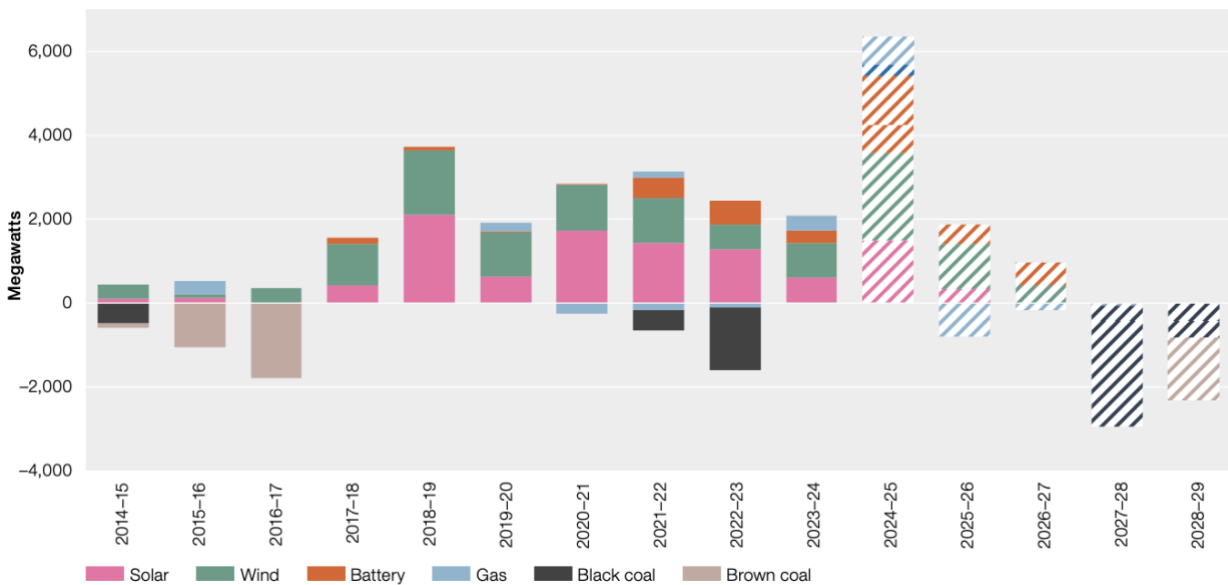


Figure 3. New and existing generation capacity, the national electricity market (MW).<sup>11</sup>

Consequently, the supply constraints that have been observed as a key factor shaping the dynamics of the corporate PPA market in recent years are easing.

### New policy and programs for large-scale renewable energy are scaling up

Since the election of the Labor Government in 2022, there have been a series of major policy and program developments at Federal and State level such as *Rewiring the Nation* designed to accelerate transmission construction. For large-scale renewable energy procurement, there are major programs in Federal and State jurisdictions. At a state level, the largest states - New South Wales (Electricity Infrastructure Investment Roadmap), Victoria (Victorian Renewable Energy Target) and Queensland (Energy and Jobs Plan) - continued to implement transition programs.<sup>12</sup>

The primary mechanism underpinning new renewable energy and storage projects is the Capacity Investment Scheme (CIS). Reverse auctions are being undertaken in partnership between the Federal and State Governments to support \$10 billion of investment in renewable energy generation supported by batteries, pumped hydro and other long-duration storage. In 2024, tenders were issued for 4 GW of wind, 3.1 GW of solar and 2.7 GW of battery storage capacity.<sup>13</sup>

AEMO has observed that 6 GW of renewable energy needs to be contracted per annum to achieve the 'Step Change' scenario in the 2024 ISP which is broadly aligned with the Australian Government's target of 82 per cent of electricity generation by 2030.<sup>14</sup> Whilst the pace of renewable energy development is not at that level, it is now accelerating and moving towards that scale.

<sup>11</sup> Australian Energy Regulator (2024), State of the Energy Market 2024, <https://www.aer.gov.au/system/files/2024-11/State%20of%20the%20energy%20market%202024.pdf>.

<sup>12</sup> Electricity Infrastructure Investment Roadmap: <https://www.energyco.nsw.gov.au/about-energyco/electricity-infrastructure-roadmap>, Victorian Renewable Energy Target: <https://www.energy.vic.gov.au/renewable-energy/victorian-renewable-energy-and-storage-targets>, Energy and Jobs Plan: <https://www.energyandclimate.qld.gov.au/energy>.

<sup>13</sup> <https://aemoservices.com.au/en/tenders>, accessed 12 January 2025.

<sup>14</sup> AEMO, (2024). *2024 Integrated System Plan for the National Electricity Market*, <https://aemo.com.au/-/media/files/major-publications/isp/2024/2024-integrated-system-plan-isp.pdf?la=en>.



## What is a corporate renewable PPA?

A corporate renewable PPA is an agreement between an entity that owns and operates a wind or solar farm and an organisation that purchases the power and/or environmental certificates generated by the plant.

The typical corporate PPA was originally a **wholesale PPA** – a financial Contract-for-Difference entirely separate from a typical retail electricity bill. In a Wholesale arrangement, the off-taker (buyer) pays a fixed price per megawatt-hour (MWh) of electricity to the solar or wind farm (usually with an annual escalation factor); in exchange, they receive the revenue from the electricity sold in the wholesale electricity market and usually the green certificates (LGCs). Typically, these are generally long-term deals lasting 10 or more years, underpinning project finance.

However, **retail PPAs** and models for buying renewable energy have now become an established part of the market. In a retail PPA, the buyer pays for electricity and/or LGCs from a solar or wind farm through the retailer's contract with the project; that is, the buyer is not a direct party to the PPA between the project (developer) and the retailer. There is a contracted price for the output from the solar and wind farm and contracted price(s) for the electricity supplied by the retailer when the solar or wind farm is not generating. There are also hybrid PPAs whereby a retailer 'sleeves' the wholesale PPA under a retail agreement.

The growth of Retail PPAs has brought an influx of smaller, mid-sized buyers (using 1-2 GWh p.a. to 30 GWh p.a.) drawn into the off-site renewable energy market. Retailers have further responded by providing a growing variety of deal structures, pricing models and term lengths such as:

- **LGC-only.** The buyer purchases only the LGC certificates e.g. government and infrastructure projects with existing supply contracts may use LGC-only PPAs.
- **Long-term (7-10-years) PPAs from a portfolio of operating projects.** PPAs directly linked to or sourced from a group of renewable projects.
- **Short-term (3-5 years) PPAs from operating projects.** There has been strong growth in a secondary market for retailers on-selling capacity from operating projects to renewable energy buyers.

For more information on deal structures, see the BRC-A's guides to corporate PPA Deal Structures in our Resource Library by visiting <https://businessrenewables.org.au/resources/>

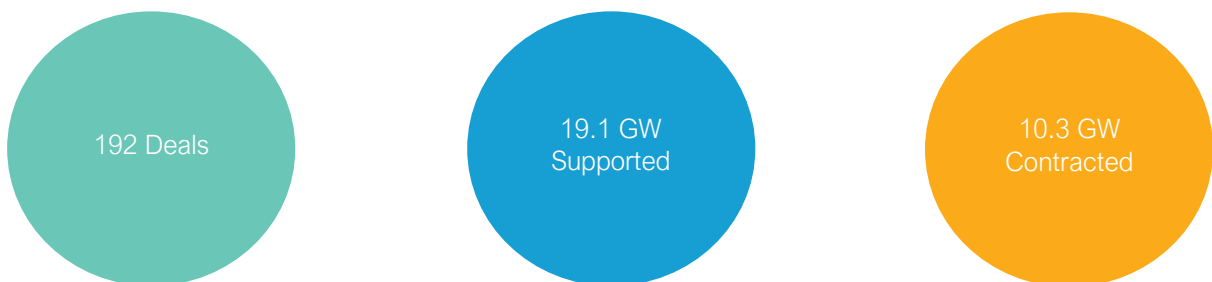


## Market themes: Growth of corporate renewable PPAs in Australia

Corporate renewable PPAs are an important source of investment in the large-scale renewable energy market. There are different ways of measuring the impact of corporate PPAs and renewable energy procurement:

- **Capacity contracted.** The volume of capacity contracted by the PPA.
- **Project capacity supported.** Most PPAs only buy some of the capacity of the project but contribute towards the project securing finance for construction. If, for example, a buyer commits to buy 40MW for a 100MW project, 40MW is allocated to capacity contracted and 100MW to project capacity supported.
- **Renewable energy purchased (Gigawatt-hours).** Whereas the first two metrics measure the capacity of infrastructure supported, buyers are contracting for a volume of electricity to meet organisational requirements and reduce emissions.

As of the end of December 2024, there have been 192 publicly confirmed corporate renewable PPAs in Australia (with offtake of over 5 GWh pa) which have contracted more than 10 GW of renewable electricity and enabled or supported roughly 19 GW of project capacity.

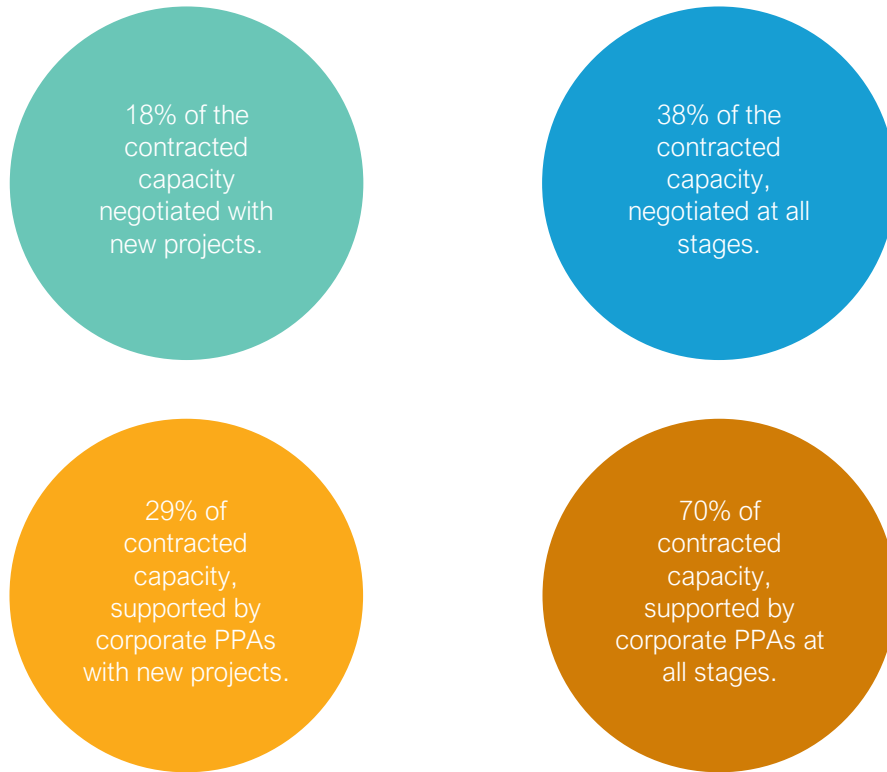


**Figure 4.** Summary statistics, BRC-A PPA database, 2024.

Since 2017, Corporate PPAs have made a major contribution to renewable energy investment in Australia. We estimate that Corporate PPAs have directly contracted almost one-fifth of the capacity of new renewable energy projects and supported new projects accounting for just under one-third of the capacity installed over that time.

As many Corporate PPAs are signed for projects that are either committed or operational, their involvement extends further to include the majority of projects once these are included. Since 2017, corporate PPAs have directly contracted for almost 40 per cent of the capacity and supported projects that account for 70 per cent of capacity installed. In other words, only 30 per cent of the renewable energy capacity installed since 2017 has not been supported at some stage by a Corporate PPA.





**Figure 5.** Corporate PPA share of Renewable Energy Capacity, 2017-2024.<sup>15</sup>

<sup>15</sup> The Clean Energy Council estimates a total of 26,843 MW of solar and wind farm capacity has been installed from Q4 2017 – Q4, 2024; *Quarterly Investment Report: Large-Scale Renewable Generation and Storage*, <https://cleanenergycouncil.org.au/getmedia/baf51990-48e7-4d0c-b88d-8920eb78d55f/cec-quarterly-report-q4-2024.pdf>.



## Another record year for corporate renewable PPAs

For the third year running, a new record for the contracted volume under corporate Renewable PPA deals was set in 2024; almost 3400 MW was contracted, almost double the previous high of 1700 MW (2023), and the fourth year in a row where deal volumes have been over 1 GW.

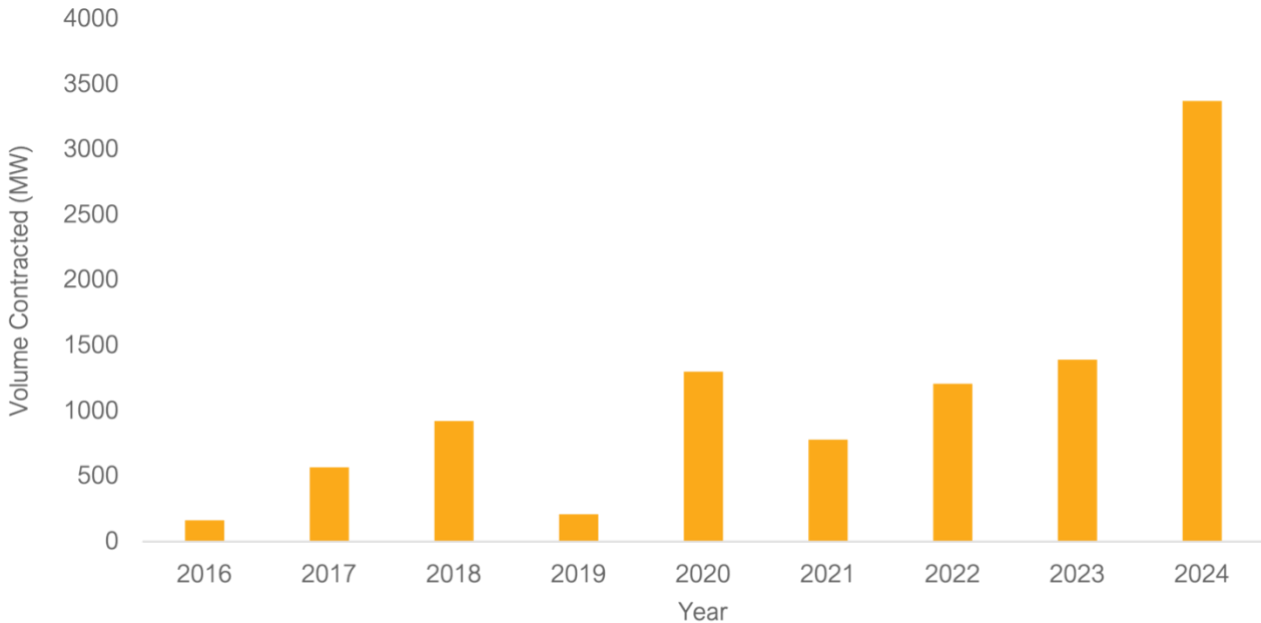


Figure 6. Capacity contracted (MW) via corporate PPAs since 2016.

However, after a 'big boom' in deals at start the year, deal volumes were similar to recent years.

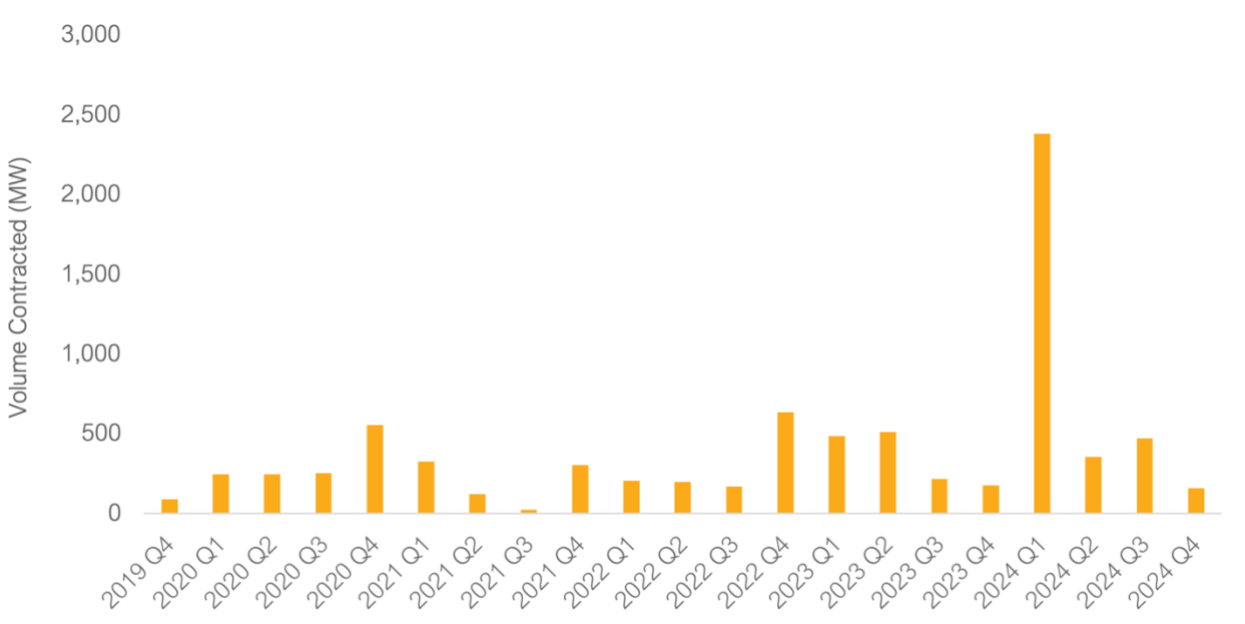


Figure 7: Volume of corporate PPA contracts executed quarterly since Q4 2019 (MW).



## Queensland the leading state for corporate PPAs for a third year

Queensland has led the pack for the last few years and has overtaken NSW as the leading state for corporate PPAs. Large PPAs by Rio Tinto, BHP Mitsubishi Alliance and Amazon were all signed in Queensland with the result Queensland now dominates the profile of corporate PPAs.

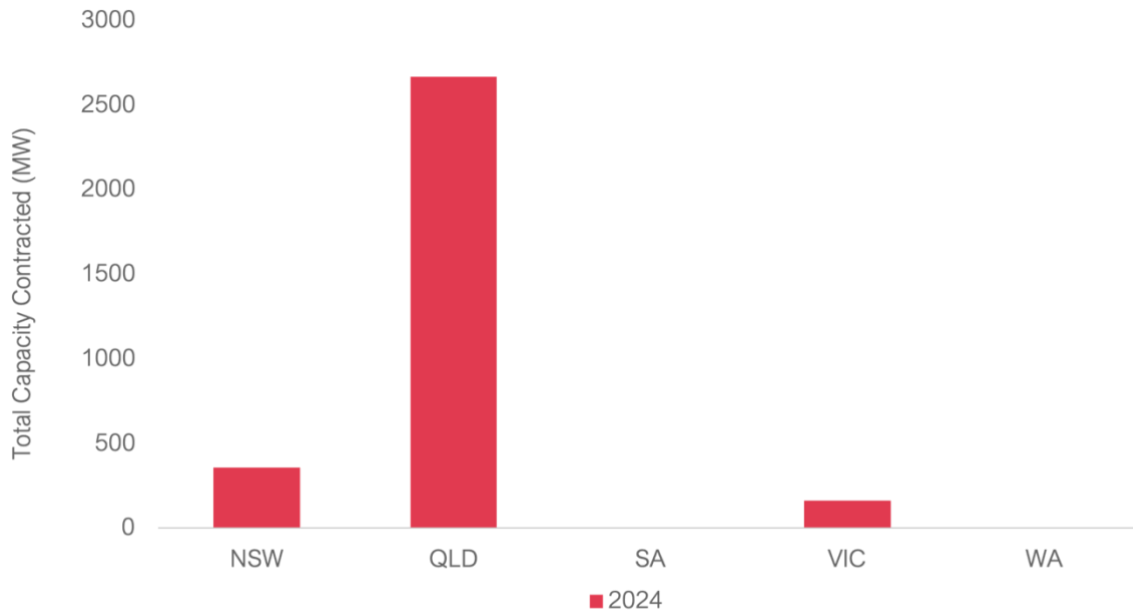


Figure 8. Corporate PPAs executed by state (MW) in 2024.

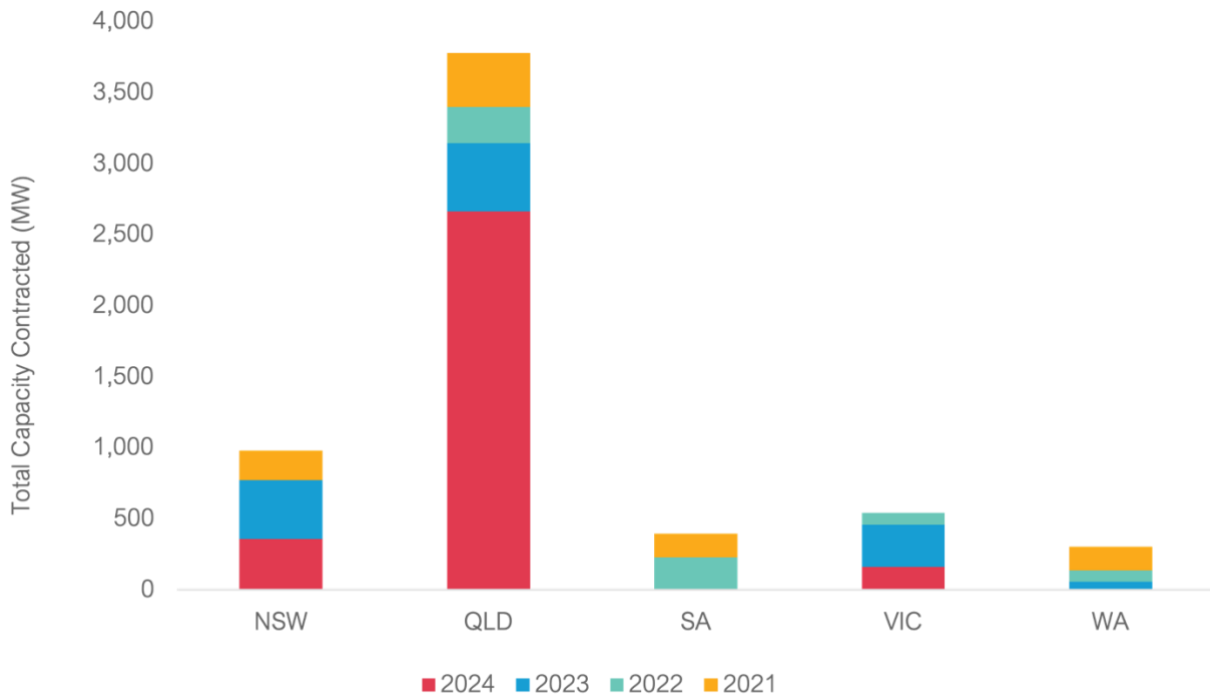


Figure 9. Corporate PPAs executed by state (MW) since 2021.



## Across the market ups and downs, there is largely continuity in corporate drivers

Wholesale electricity market prices have been highly volatile. After the unprecedented price rises during 2022, prices stabilised in 2023, but average wholesale electricity prices rose again last year.

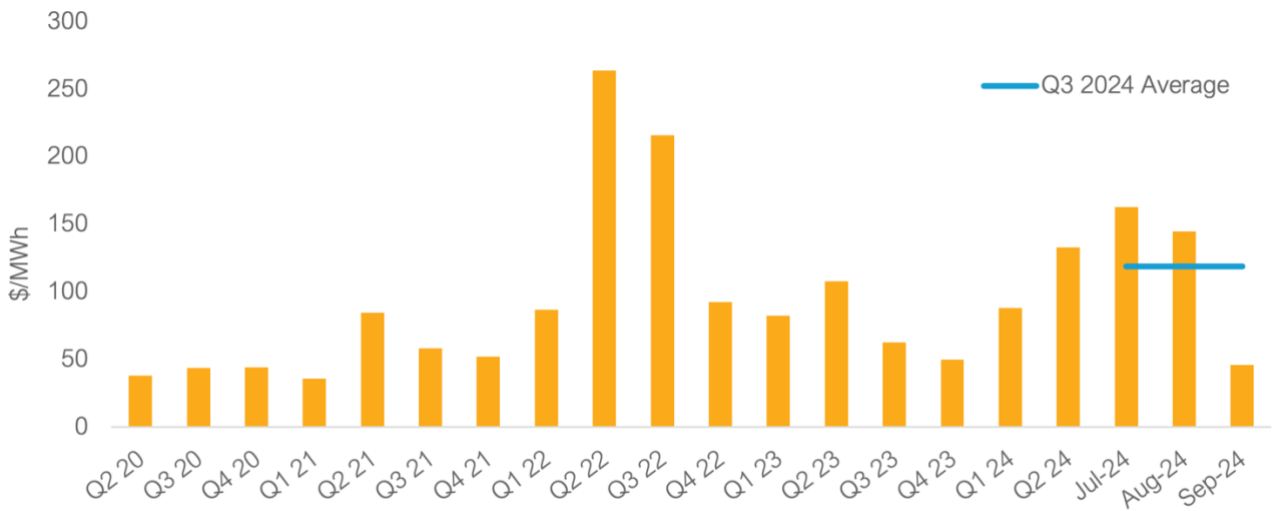


Figure 10. NEM Average Wholesale Prices, Quarterly.<sup>16</sup>

Notably, behind the rising average price, AEMO’s quarterly energy dynamic reports highlight there has been an increase in both negative price intervals and high-price events across all state jurisdictions.

However, buyer demand for corporate PPA has been relatively stable across these price cycles. Annual BRC-A survey responses in the past two years have found most advisers and buyers considered the wholesale market volatility has either had no impact or a positive impact on buyer demand for corporate PPAs.

One of the factors underpinning the consistency in buyer demand for corporate PPAs is the primary driver of interest is non-price factors. Across all the annual surveys undertaken by BRC-A, around two-thirds of buyers have consistently nominated non-price drivers as the primary motivating factor for their interest in PPAs. Lower electricity prices and price certainty are together nominated by around one-third of buyers. In practice, buyers consider a mix of financial and sustainability issues when they are negotiating PPAs, but the primary drivers for the initial interest are sustainability, greenhouse targets and corporate social responsibility (CSR) goals.

<sup>16</sup> AEMO, Energy Dynamics, Q3 2024.

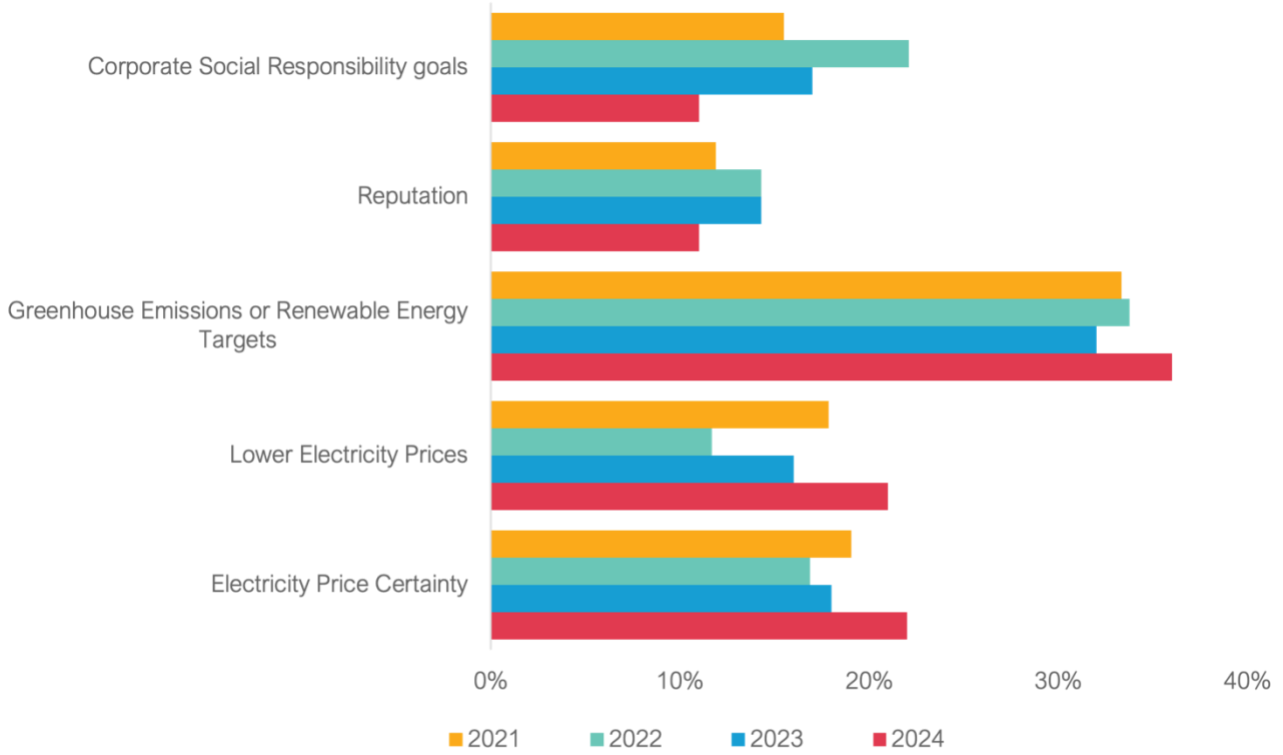


Figure 11. What is the primary driver for your interest in corporate renewable PPAs?



## The disappearing middle: Polarisation in deal sizes

The corporate PPA market was largely split into two halves in 2024 – large buyers and small buyers.

### LARGE BUYERS

2024 was headlined by two enormous PPAs signed by Rio Tinto in Queensland. BM Alliance Coal also signed a large PPA in Queensland. Telstra concluded its 6<sup>th</sup> PPA in 2024 and IFM concluded its second PPA. Equinix was the only new entrant in the large PPA category.

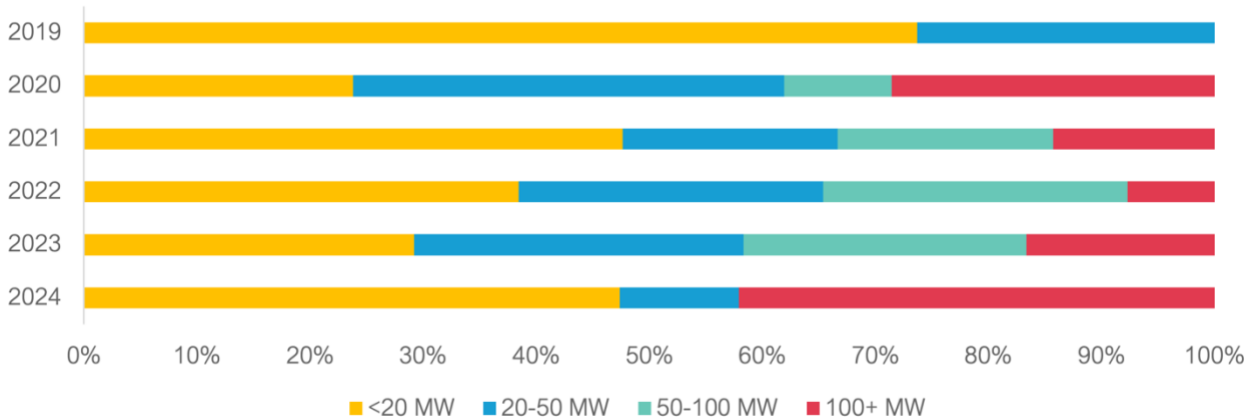
- Rio Tinto (1120 MW, Bungaban Wind Farm).
- Rio Tinto (1100 MW, Upper Calliope Solar Farm).
- BHP Mitsubishi Alliance (296.8 MW, Western Downs Solar Farm, Dulacca Wind Farm, MacIntyre Wind Farm and Kaban Wind Farm).
- Equinix (151 MW, Golden Plains Wind Farm).
- IFM & QIC (190 MW, not disclosed).
- Telstra (130 MW, Glenellen Solar Farm).
- Hunter Joint Organisation & Mid-North Coast Joint Organisation (148.8 MW, Capital Wind Farm, Avonlie Solar Farm and Bodangora Wind Farm).
- Amazon (125 MW, Amazon Solar Project - Wandoan).
- IKEA (87 MW, Golden Plains Wind Farm Stage 2).

### SMALL BUYERS

There was a handful of small PPAs, signed by new entrants with the exception of Asahi.

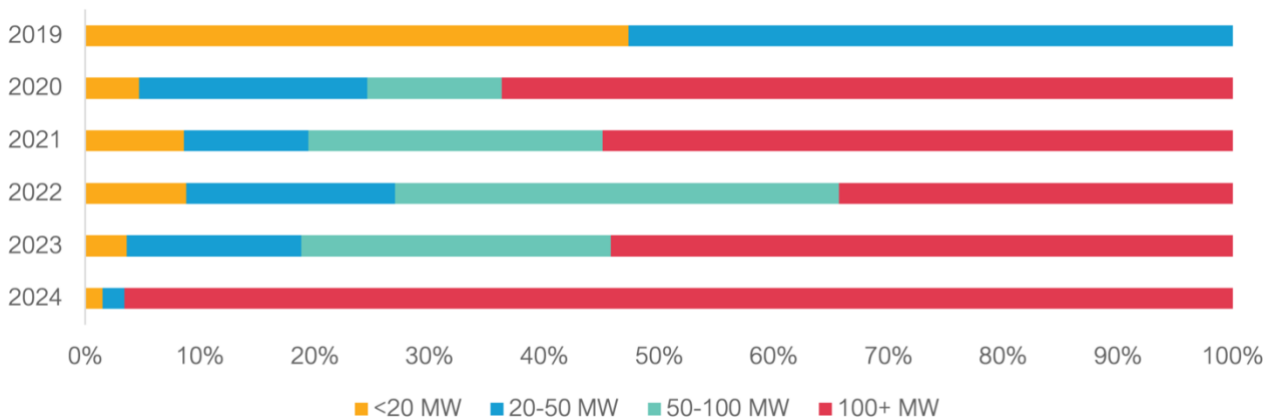
- La Trobe University (10 MW, Cherry Tree Wind Farm).
- IAG (1.7 MW, Grong Grong Solar Farm).
- SBS (1.4 MW, Collector Wind Farm)
- Asahi Beverages (13 MW, New England Solar Farm).
- Queensland Airports Limited (11 MW, Portfolio).
- Ipswich City Council (11 MW, Dulacca Wind Farm, Kaban Wind Farm, & Swanbank Battery).
- Seek (0.3 MW, not disclosed).
- Ampcontrol (1 MW, not disclosed).
- NuFarm (12 MW, Stockyard Hill Wind Farm).

In previous years, there was high diversity in deal sizes. However, in 2024 there was a concentration in deal-making amongst large buyers, continuing a trend that was apparent in 2023. There were only two 'mid-sized' PPAs (20 – 100 MW) signed during 2024, by Coca Cola (33 MW) & Hunter Water Corporation (30.4 MW). The proportion of deals under 20 MW increased this year but this is mostly reflective of the disappearance of mid-sized PPAs (Figure 12).



**Figure 12.** Corporate PPAs, Segments by size (% of deals).

Not surprisingly, the shift in concentration towards larger deals was especially pronounced in the distribution of capacity between deal sizes (Figure 13). Where small and mid-sized deals represented a significant portion of the market in previous years, large deals accounted for over 95 per cent of capacity announced in 2024.



**Figure 13.** Corporate PPAs, Segments by size (% of capacity).

BRC-A has observed that demand amongst smaller buyers is growing and on-going (especially public sector and private services with ESG or sustainability targets) with increasing interest in buyers' groups, however the recent slowdown in construction of solar and wind farms has translated into less supply of operational projects being available to this market segment.

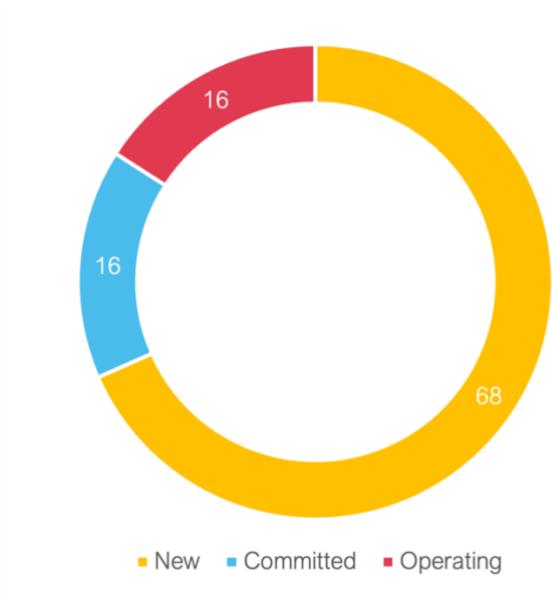
Internationally, corporate PPA markets have tended to be dominated by very large buyers. One of the distinctive features of the Australian market has been the diversity of buyer and deal sizes. There are different ways to interpret the significance of these trends – whether it's a passing phenomenon or a structural change occurring within the corporate PPA market is unclear.

Under the first interpretation, the concentration and split during the past couple of years may be a result of the supply slowdown, indicating that the market may return to greater diversity as the project pipeline improves. Under the second interpretation, there may be a structural shift towards a market where larger buyers are the primary buyers. The cohort of public sector buyers (governments, universities, councils etc.) that signed the small-to-medium PPAs in earlier years who are yet to sign a PPA is diminishing, and more larger electricity users are now moving into the market. With new supply set to flow into the market, the picture on the composition of buyer sizes should become clearer over the next year.

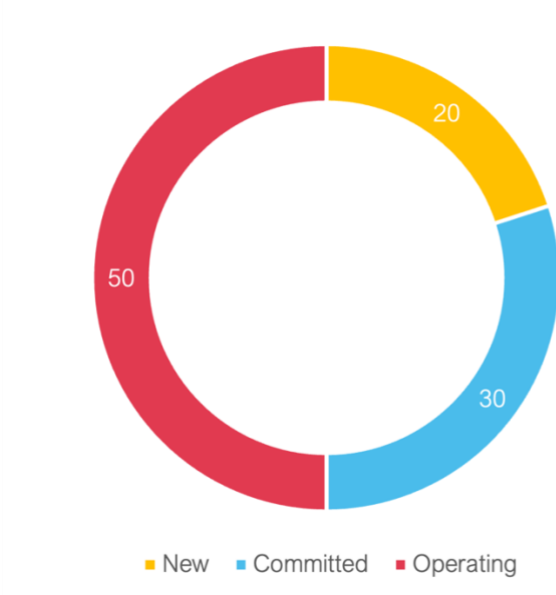


## Wholesale PPAs with new projects increased, but the future is uncertain

In recent years, the volume of wholesale corporate PPAs with new projects declined markedly, before a modest recovery last year. Very large PPAs dominate the profile for this year, so the market share of capacity for PPAs with new projects is correspondingly high.



**Figure 14.** Corporate PPAs by capacity, project stage, 2024 (%).



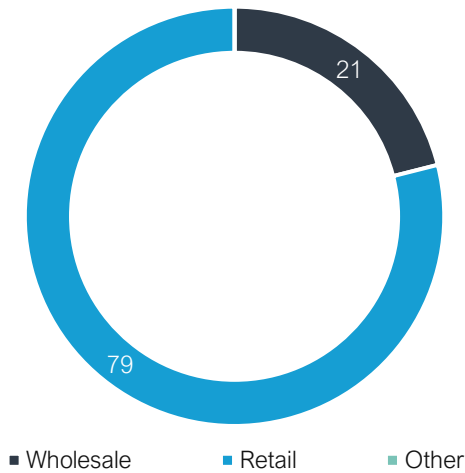
**Figure 15.** Corporate PPAs by deal numbers, project stage, 2024 (%).

In recent years, the low share of PPAs with new projects has raised questions about their role and additionality. It is difficult to read too much into this year's rebound because of the exceptional characteristics of this year, being a combination of lower volumes of deals combined with some very large PPAs. The role of corporate PPAs and whether they will continue to be a vehicle for underwriting new projects is inter-twined with the emergent policy frameworks (see p. 32).

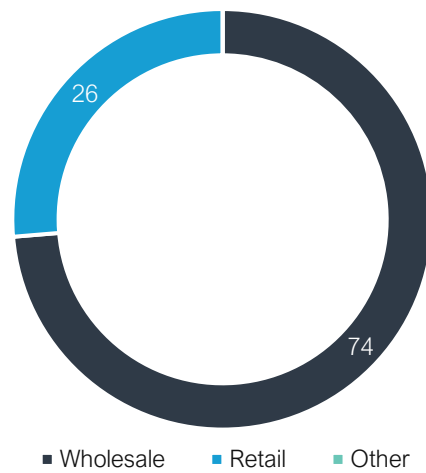




Similarly, in previous years, it has been clear that the balance between retail and wholesale PPAs depends primarily on the mix of buyers in the market; larger buyers are more likely to sign wholesale PPAs (though certainly not always the case). Last year, we observed larger buyers had swung away from retail PPAs (as the costs of firming through retail PPAs rose amidst the market volatility and risk premiums). Again, the market share of capacity contracted between retail and wholesale PPAs in 2024 primarily reflects the very large PPAs signed.



**Figure 16.** Wholesale & Retail PPAs, market share by number of deals, 2024 (%).



**Figure 17.** Wholesale & Retail PPAs, Market Share by capacity (MW), 2024 (%).

## Corporate and government PPAs were the two largest market segments

There are five market segments in Australia's large-scale renewable energy market:

- **Utility PPAs.** Deals between electricity retailers and renewable energy projects.
- **Merchant projects.** Solar and wind farms that sell into the wholesale market without a PPA.
- **Government PPAs.** Auctions by government for renewable energy using general revenue (i.e. not for their own operations).
- **Corporate PPAs.** Deals with renewable energy projects by public and private sector buyers for their own operations.
- **State-owned utilities.** Since 2020, publicly owned retailers in Queensland and Snowy Hydro in NSW have signed major PPAs so they are now separately represented below to differentiate from utility PPAs signed by private sector retailers.

After the RET (which mandated renewable energy procurement by retailers) was achieved in 2020, utility PPAs signed by private retailers slowed dramatically and the market was constituted almost entirely by state-owned utilities and corporate PPAs. Whilst retailers have since returned to the market, their activity has remained modest. The 'big three' retailers that cover around 75 per cent of Australian electricity consumption will need to contract with a large volume of renewable energy and storage projects in coming years.

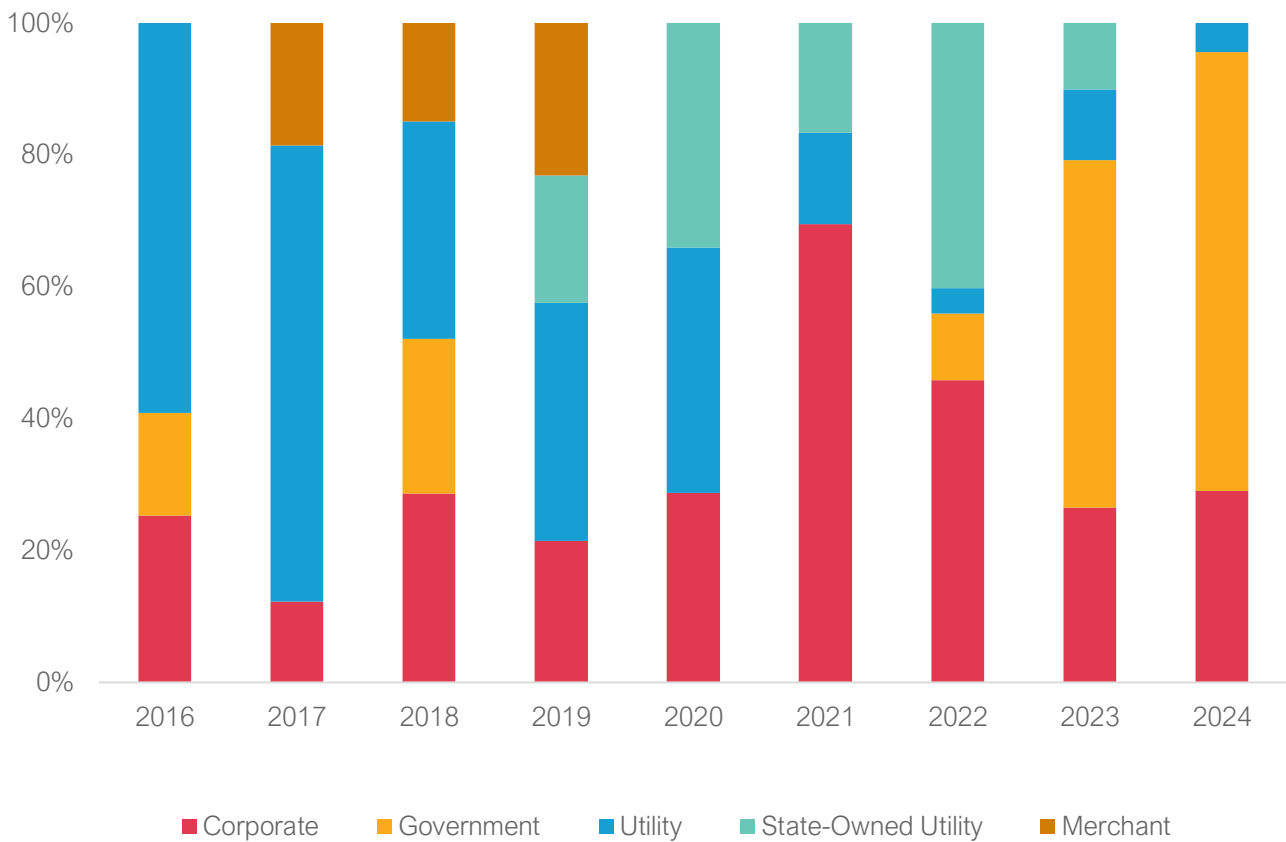


Figure 18. PPA Market Segments, 2016-24.<sup>17</sup>

Consequently, the contracting market was again dominated by corporate PPAs and Government PPAs (See Figure 18). There was a large increase in the government segment due to the awarding of Long-Term Energy Supply Agreements in NSW and the Capacity Investment Scheme (CIS) tenders listed below.

<sup>17</sup> Note: The market segments are measured on an annual basis. Sometimes, PPAs change market segment over time. For example, CleanCo has negotiated PPAs with projects (classified as a state-owned utility) and then subsequently on-sold capacity to a corporate buyer (classified as a corporate PPA). The volume of the PPA is not double counted in the capacity estimates, but for the purposes of measuring share between market segments the same capacity will be counted in different years as a different type of PPA when it changes status.



TENDER	DATE	CAPACITY (MW)	PROJECT NAME
NSW Roadmap Tender Round 4	June 2024	312	<ul style="list-style-type: none"> <li>Maryvale Solar and Energy Storage</li> <li>Flyers Creek Wind Farm</li> </ul>
CIS South Australian-Victoria Tender	September 2024	995	<ul style="list-style-type: none"> <li>Wooreen Battery Energy Storage System (BESS)</li> <li>Solar River Energy Storage System (ESS)</li> <li>Limestone Coast West BESS</li> <li>Springvale Energy Hub</li> <li>Clements Gap BESS</li> <li>Hallett BESS</li> </ul>
CIS Tender 1 NEM Generation	December 2024	6400	<ul style="list-style-type: none"> <li>Barnawartha Solar and Energy Storage</li> <li>Barwon Solar Farm</li> <li>Campbells Forest Solar Farm</li> <li>Elaine Solar Farm</li> <li>Ganymirra Solar Power Station</li> <li>Glanmire Solar Farm</li> <li>Goulburn River Solar Farm</li> <li>Goyder North Stage 1 Wind Farm</li> <li>Hopeland Solar Farm</li> <li>Junction Rivers</li> <li>Kentbruck Wind Farm</li> <li>Majors Creek Solar Power Station</li> <li>Mokoan Solar Farm</li> <li>Palmer Wind Farm</li> <li>Sandy Creek Solar Farm</li> <li>Spicers Creek Solar Farm</li> <li>Thunderbolt Wind Farm</li> <li>Valley of the Winds</li> <li>West Mokoan Solar Farm</li> </ul>

**Table 2.** Government tenders in 2024.



Looking at the market share of the five market segments on a quarterly basis, corporate PPAs dominated the first half of the year and Government tenders dominated the second half of the year.

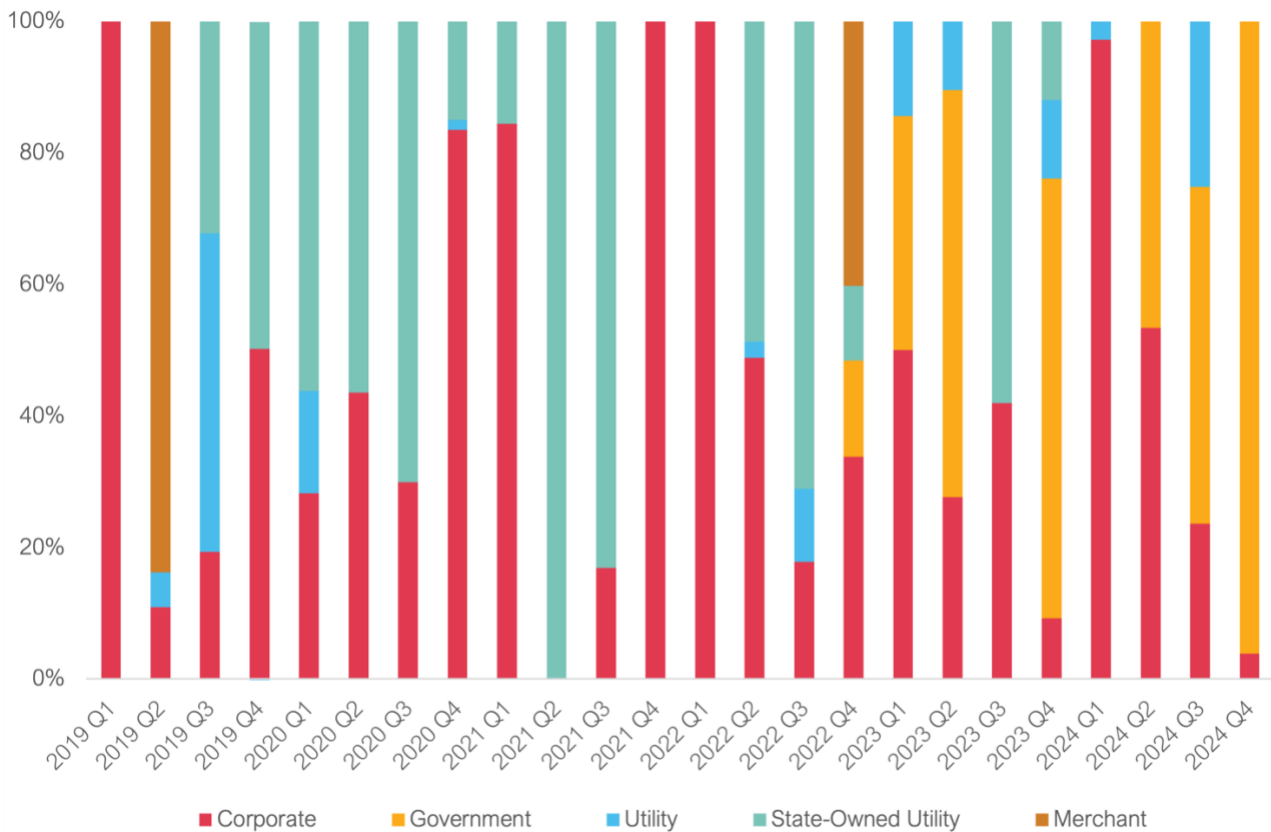


Figure 19. PPA Market Segments, 2019-24, quarterly.<sup>18</sup>

## Buyer strategies for LGCs

For some years, the market expectation was that the price of LGCs would inevitably fall under \$10 at some point once the mandatory demand for the RET was satisfied. However, the spot price for LGCs has remained higher than expected for longer. The LGC spot price increased from around \$35-\$40 (2021) to \$55-\$60 (2022) and peaked just short of \$60 in both 2023 and 2024. LGC prices dropped sharply in the latter months of 2024, falling to a low of just over \$25 before settling back over \$30. Forward prices for LGCs are settling for lower LGC prices in each of coming years until \$20 for 2028.<sup>19</sup> LGC prices negotiated directly between parties outside the brokered market including PPAs are not publicly known but industry sources note prices have been significantly lower.

The on-going strength of LGC prices has reflected some of the wider trends in the renewable energy market (e.g. delays in grid connections have reduced the expected supply of LGCs), but also the demand from organisations voluntarily retiring LGCs for environmental claims and emissions commitments. In 2024, the Clean Energy Regulator (CER) estimated that 10 million LGCs would be

<sup>18</sup> Note: LTESAs are defined here as 'government PPAs'. There are some features which distinguish the LTESAs from conventional PPAs (e.g. the design as options contracts) but they are defined here as 'government PPAs' as they perform an equivalent role.

<sup>19</sup> <https://www.mercari.com.au/lgc-closing-rates/>, accessed January 8 2025.



retired for non-RET demand (i.e. voluntary demand).<sup>20</sup> Falling prices and forward prices would appear to reflect market expectations of a major shift in the supply-demand balance in coming years.

For the last two years, BRC-A has surveyed advisers and buyers to understand how buyers are approaching LGCs, especially in a high-price environment. Buyers face a choice on what to do with the LGCs. If they are 'retired' with the CER to claim the emissions reductions, there is an opportunity cost from the foregone revenue which could be made from selling the LGCs. Market participants reported that some parties were postponing retirement of LGCs until the year of their emissions reduction commitments (e.g. 2025). Consequently, in our 2024 industry survey, we asked buyers and advisers about their strategies for managing LGCs.

Based on the survey responses received, there has been a notable shift in buyer strategies over the past year as targets approach and LGC prices fall. Last year, most buyers retired their LGCs, but a significant minority (around 20-25%) were now selling LGCs and intending to retire them at a later date. However, in 2024, advisers in particular reported this was much less common.

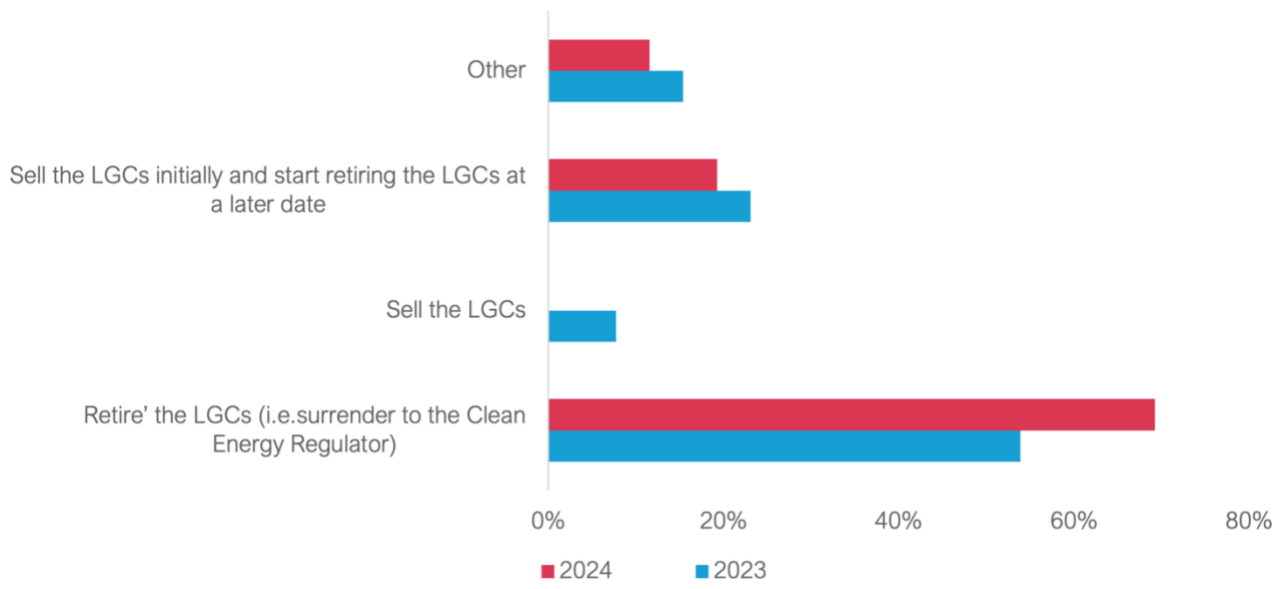
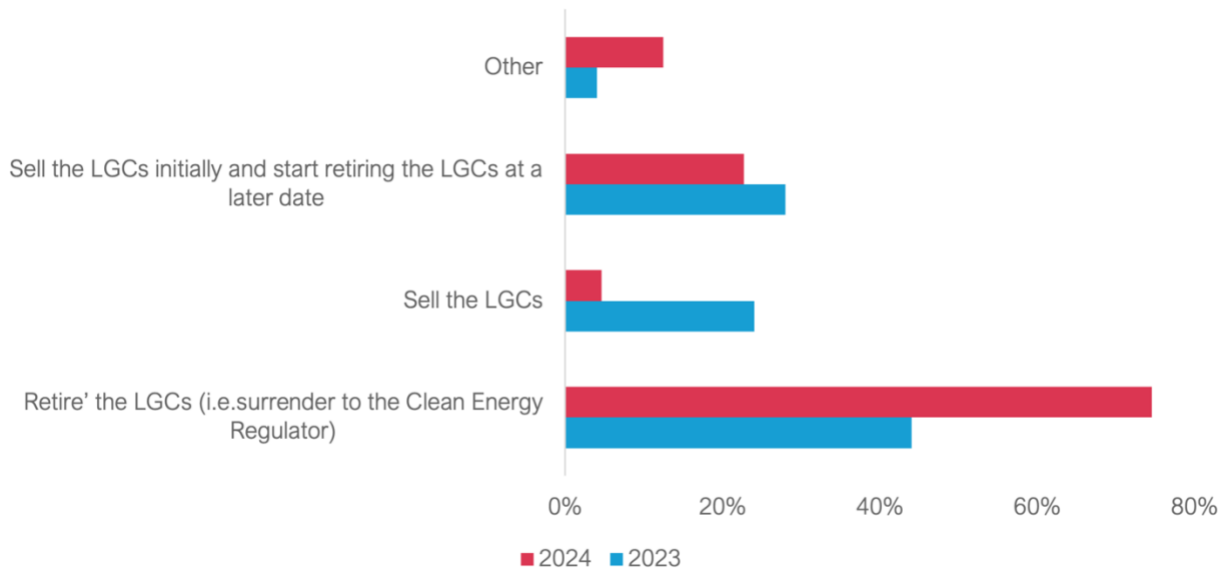


Figure 20. LGC strategies Buyers, 2023 & 2024 (%).

<sup>20</sup> Clean Energy Regulator, (2024). *Quarterly Carbon Market Report Highlights*, <https://cer.gov.au/markets/reports-and-data/quarterly-carbon-market-reports/quarterly-carbon-market-report-september-quarter-2024>.



**Figure 21.** LGC strategies service providers, 2023 & 2024 (%).

Whilst there has been some uncertainty about the future of green certificates and impacts on prices and availability beyond 2030 (when the RET finishes), advisers report that it has become increasingly standard to negotiate clauses that ensure buyers retain rights to any green certificates or products. The Federal Government passed legislation for a new class of certificate (the Renewable Energy Guarantee of Origin, or REGOs) late in the year.

## PPAs and firming

There are macro and micro-drivers for the inclusion of storage and firming into PPAs. At a macro-level, utility-scale battery storage growth is strong, and there is a trend towards the pairing of battery storage with solar farms. Currently, there are 25 utility-scale batteries operating with a combined capacity of 2 GW; as much as 4 GW of utility battery storage could come online in the next year and there are many more projects in the pipeline.<sup>21</sup>

A range of factors are driving the trend towards hybrid solar-storage projects, including the growing incidence of negative price events and lower wholesale prices due to the growth of coincident solar generation, falling marginal loss factors, increasing curtailment and FCAS prices.<sup>22</sup> At a micro-level, as a consequence of wholesale price volatility, high load-shape factors are being applied by retailers where businesses have exposure to higher-priced intervals – and load-shape factors can be higher after a PPA and rooftop solar if not well-matched with the load shape.<sup>23</sup> A leading review of European PPAs noted the emergence of ‘hybrid PPAs’ that include storage in that jurisdiction.<sup>24</sup>

<sup>21</sup> W.Hortop (2024) ‘Australia: the state of Battery Storage in the NEM’, <https://modoenergy.com/research/australia-the-state-of-battery-energy-storage-in-the-nem>, November 28.

<sup>22</sup> D.Lee (2024) ‘So long solo solar and hi hybrids’, <https://wattclarity.com.au/articles/2024/10/so-long-solo-solar-and-hi-hybrids>, October 15.

<sup>23</sup> G.Walgenwitz (2024) ‘What are the most urgent challenges facing the transition to clean energy? How are corporates planning for the future uncertainties’, <https://www.energetics.com.au/insights/thought-leadership/what-are-the-most-urgent-challenges-facing-the-transition-to-clean-energy-how-are-corporates-planning-for-future-uncertainties>, November.

<sup>24</sup> Pexapark (2024) European PPA Market Outlook 2024, <https://pexapark.com/european-ppa-market/>.



Consequently, for the last two years, the BRC-A annual survey has also asked how often ‘firming’ was a component within PPAs to test the extent to which storage and firming is making its way into PPAs. The answer so far from advisers and developers is generally ‘rarely’, though it’s notable that unlike developers few advisers responded ‘never’.

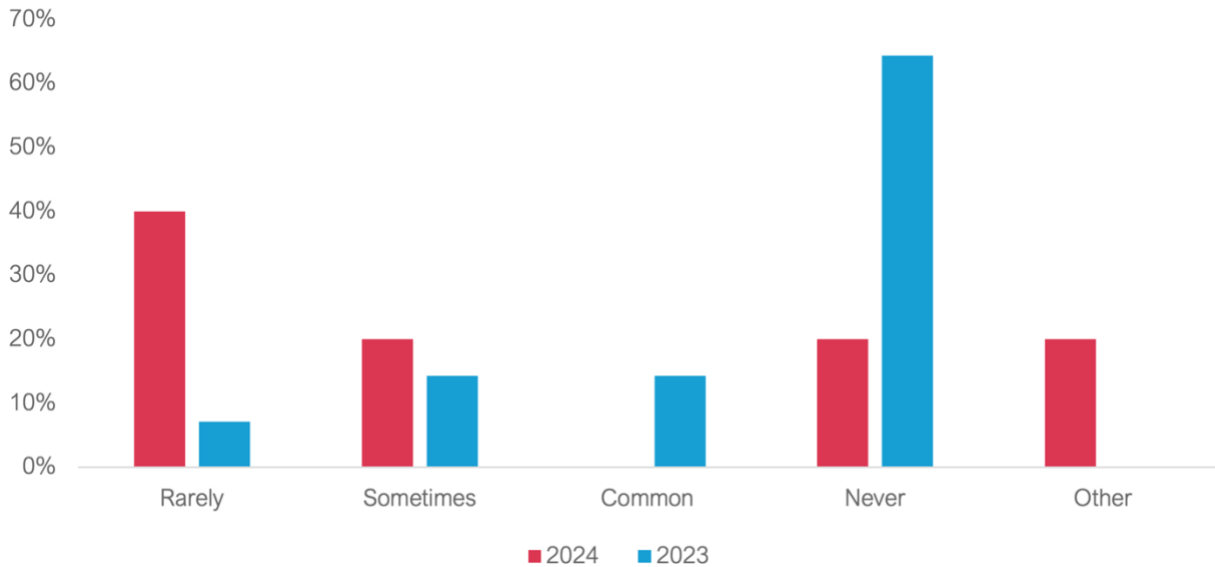


Figure 22. Firming frequency in PPAs, developers 2023-24 (%).

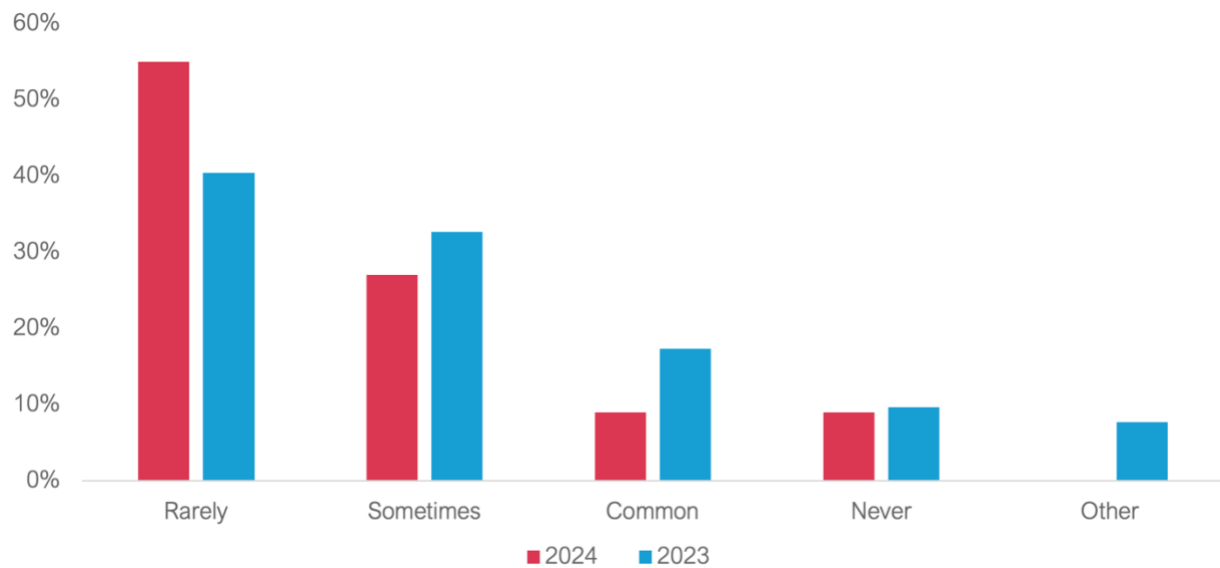


Figure 23. Firming frequency in PPAs, service providers 2023-24 (%).<sup>25</sup>

Battery storage projects themselves are underpinned by either tolling or long-term revenue agreements where the off-taker has full operational control over the battery but also increasingly ‘virtual tolling’ arrangements under which the off-taker sends despatch requests but is otherwise operated by the owner.

From the survey and intelligence received from market participants, it would appear that market participants are still grappling with models to integrate storage, and understanding how to build

<sup>25</sup> Note: the question asked was ‘How often do PPAs, on which you have signed, include a project solution to firming (e.g. use of battery storage)?’



products with different shapes and risk profiles, but this is starting to occur. Walgenwitz, for example, predicts there will be a growth in fixed-shape products (fixed volume PPAs instead of pay-as-produced), shaped hybrid PPAs and more synthetic products to support retail hedging (e.g. renewable flat swaps).<sup>26</sup>

Another related trend is the emergence of 24/7 time-matched renewable. Led by some of the global pioneers of corporate PPAs such as Google and Microsoft, some companies are examining models and platforms for renewable energy supply that fully matches their usage at all times (24/7). This trend is also being driven by the focus of policy-makers in the US and Europe to have a mechanism to monitor and certify that hydrogen is truly 'green' and being produced with renewable energy. Renewable Energy Guarantee of Origin certificates, which will replace Large Generation Certificates in 2030, will include time-stamping to enable companies to demonstrate matched supply and demand.

Whilst there is interest in time-stamped renewables amongst some renewable energy buyers in Australia, a recent study by researchers at the University of New South Wales found it remains a niche trend and for a variety of factors it is considered to remain this way in the short-term; PPAs are already considered complex and few buyers viewed the additional benefit as being worth the extra time and cost at this point. However, this could change in the medium-term if, for example, there is a scale-up in hydrogen production or if there are changes in reporting mechanisms and definitions for additionality.<sup>27</sup>

## Buyer sectoral composition remains diverse

One of the key features of the PPA market continues to be the diversity of buyer sectors. Information technology, mining and resources and infrastructure are now the most common sector alongside local government however we continue to see buyers from a broad range of sectors executing corporate PPAs.

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<sup>26</sup> G.Walgenwitz (2024), op. cit, Footnote 3.

<sup>27</sup> Samarakoon, S., Kallmier, E., McConnell, D., Roberts, M., MacGill, I. and Bruce, A. *TRUZERO: tracking renewable energy utilization for Zero Emission Reporting and Operation*, RACE for 2030: [https://issuu.com/racefor2030/docs/247truzero\\_final?fr=xGAEoAT3\\_NTU1](https://issuu.com/racefor2030/docs/247truzero_final?fr=xGAEoAT3_NTU1); Samarakoon, S., Roberts, M., McConnell, D., Kallmier, E., MacGill, I. and Bruce, A. *'The right time for real-time? Stakeholder perspectives on the role of temporal matching in renewable energy procurement in Australia'*, Energy Research and Social Science (forthcoming).



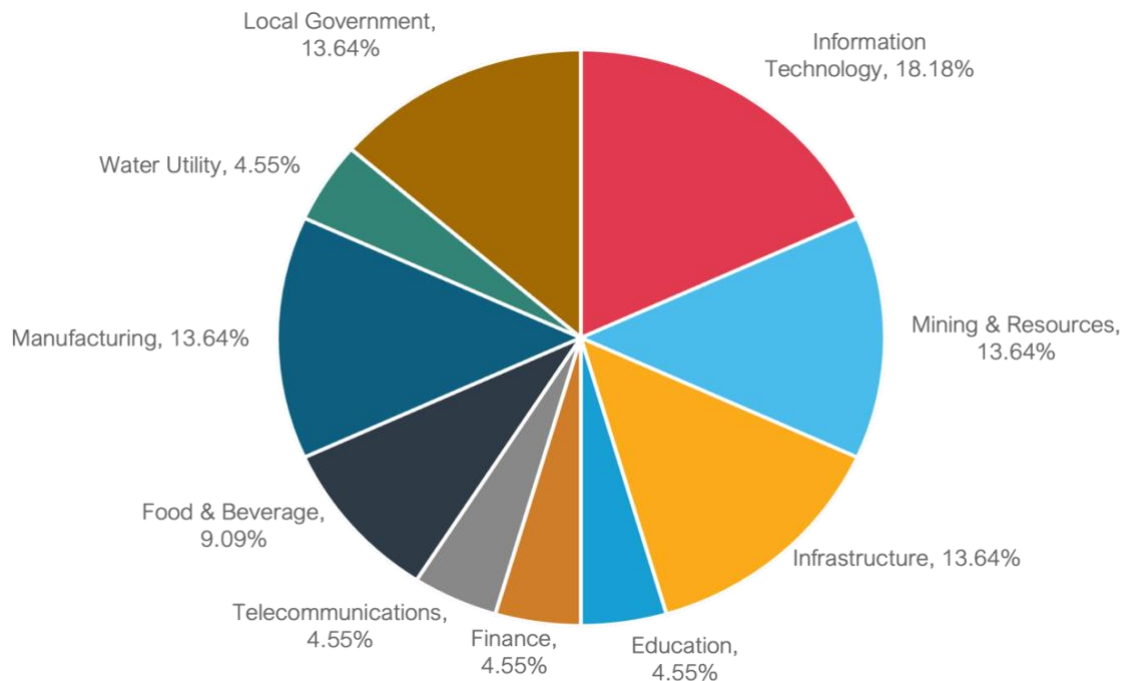


Figure 14. Number of corporate PPAs by sector, 2024 (%).

## What is the future for corporate PPAs?

Last year, we observed corporate PPAs were moving into a third phase of development. Broadly, there have been two major phases in the development of corporate PPAs:

1. **Phase One (2016-19).** Corporate PPAs were primarily developed by large corporates to leverage greater value and impact and some pioneers in the public sector. Large corporates, following on the breakthroughs in the US, negotiated wholesale PPAs directly with new projects.
2. **Phase Two: (2019 – 2023).** An influx of retailers broadened the market to a wider diversity of buyer types and sizes via de-risked PPAs with operational projects brokered by retailers corporate PPAs (partly) filled the void after the achievement of the RET and the market expanded. As more and more organisations have committed to climate or sustainability targets, a vibrant market has developed encompassing most sectors of the Australian economy and a mix of deal types and options for projects across the lifecycle from pre financial close, construction through to operational phase.

Throughout the development of the corporate PPA market, there has been a view in some circles that corporate PPAs are a passing trend that will decline once the major retailers or governments seriously return to contracting with large-scale renewable energy projects. That view will be tested now as corporate PPAs may be entering a third-phase: the end is approaching for the fleet of coal generators, the post-RET policy architecture is being established through the Capacity Investment Scheme, Renewable Energy Zones (REZs) and a new green certificate regime (Renewable Energy Guarantee of Origin, or REGOs) and rapid, large-scale investment is required to achieve policy targets.

The key elements of the post-RET policy architecture are being established and continue to emerge:

- **Energy transition plans.** Each of the three largest states (NSW, Queensland, Victoria) have energy transition plans and are developing REZs as the key sites for new transmission and large-scale renewable energy and storage.



- **REGOs.** The Federal Government has legislated for a voluntary renewable energy certificate regime to replace LGCs from 2030.
- **Capacity Investment Scheme (CIS).** Regular competitive tenders are being held to contract 23 GW of renewable energy and 9 GW of dispatchable resources (e.g. battery storage).

A review of the NEM was announced at the end of 2024. At the end of 2025, the review is expected to report on reforms to be implemented at the end of the CIS in 2027.

## What are the implications for corporate PPAs?

There are in our view three scenarios or trends that could emerge for corporate PPAs under this emerging policy framework.

### Scenario 1: Capacity Investment Scheme results in a crowding out of corporate PPAs

Certainly, one scenario is that corporate PPAs are crowded out as retailers and project developers focus on bidding for contracts under the CIS instead of corporate PPAs. The CIS bidding process will be resource-intensive, but it offers larger-scale revenue certainty for project developers than will be possible with all but the largest PPA buyers.

Nonetheless, in our view, it is unlikely that corporate PPAs will fade out. Demand for corporate PPAs is underpinned by emissions reduction, ESG and reputational drivers that will continue, so there will continue to be buyers seeking PPAs. The large PPAs signed by buyers such as Rio Tinto and Equinix also demonstrates that large buyers are likely to see value in negotiating directly with projects outside the CIS.

### Scenario 2: Corporate PPAs are incorporated into CIS bids and continue to support new projects

Whilst Scenario 1 is underpinned by the idea that negotiating corporate PPAs is not worth the project developers time and resources in the context of complex bidding rounds, there are reasons why both projects and buyers could decide to incorporate corporate PPAs into bids for contracts under the CIS.

Because the aim of the CIS is not to displace conventional market contracting, the CIS tender criteria encourage and reward project developers with alternative contracts such as corporate PPAs. One of the weaknesses of earlier government auction processes was they effectively removed projects from the contracting market with impacts of liquidity and generator behaviour. Brad Hopkins (AEMO Services) noted after the announcement of the second round of NSW LTESAs (November 2023) that corporate PPAs were being incorporated into bids and enabling them to reduce the tenure and price terms being sought.<sup>28</sup>

For buyers that are seeking higher standards of additionality – or seeking recognition under voluntary schemes that require contracting before financial closure – negotiating a PPA with a project before being awarded a contract is desirable or even essential. A BRC-A member and senior lawyer from one of Australia's major firms in corporate PPAs recently observed that some buyers seeking to conclude rights before CIS tender decisions for these reasons.

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<sup>28</sup> G.Parkinson (2023) 'Bowen capacity plan means a power shift from big utilities, but will there be enough wind?', Renew Economy, November 24. <https://reneweconomy.com.au/bowen-capacity-plan-means-a-power-shift-from-big-utilities-but-will-there-be-enough-wind/>.



There is little information available to assess how common this is as a practice. AEMO Services does not release any information on inclusion of corporate PPAs and there is only anecdotal evidence on what buyers are doing in this context.

### Scenario 3: Growth in retail PPAs and a declining role for corporate PPAs in underwriting new projects

Recent experiences in NSW and Queensland suggest corporate PPAs could increasingly play a role following financial close once projects have secured contracts through the CIS. In Queensland, state-owned utilities with mandates to sign renewable PPAs have been a key vehicle for contracting with new projects. Until this year, most (but not all) of these corporate PPAs have been retail PPAs signed with solar and wind farms that are in commissioning or operational after one of the state-owned utilities have signed a PPA to underwrite construction. A similar dynamic could emerge as the CIS scales up. Already, some market participants have observed this starting to occur with projects negotiating PPAs after success in CIS tenders, enabling them to negotiate deals of varying tenor off the back of these tenders.

#### Which scenario will win?

The stasis in the corporate PPA market during the year and the time required to scale up the CIS means that the picture is still not yet clear regarding the relative position of these three scenarios or trends. Outcomes will be dependent on a range of factors such as the strategies of market participants, but it may be that the role and composition of corporate PPAs changes more than the volume.

The scale of investment required adds confidence that offtake demand from corporate PPA buyers will continue to have a role. Corporate PPAs may be part of bids through the CIS auctions for new projects but remain the minority as in recent years because only larger parties would be attractive to enhance bids for the CIS – and the role of PPAs increasingly centres on revenue certainty through commissioning and operational phases. The shift towards more PPAs signed with commissioned and operating PPAs could be consolidated as the big retailers re-enter the market negotiate deals after securing a contract through the CIS.

If this were to be the case, the debate around environmental additionality of PPAs will grow. The decline in PPAs with new projects in recent years has sparked debate about the additionality and impact of corporate PPAs. Under the RET additionality was clear, as any LGCs retired voluntarily were additional to the mandatory renewable energy liabilities for retailers, but additionality has become more complex since 2020 when the RET was achieved. Legally, additionality is achieved if the green certificates are retired, but for many the ‘true’ meaning of additionality is negotiating a PPA that enables a project to secure finance and adds new capacity. For large buyers like Rio Tinto with the scale and expertise, negotiating PPAs with new renewable energy projects is achievable but for many the tender process through the CIS will make it more complex, potentially with fewer projects available.

In BRC-A’s [Best Practice Guide](#), we highlighted the spectrum of impact from PPAs with new projects through to PPAs with operational projects that play a lesser role but add to demand and improve the financial position of projects across their lifecycle. The strength of the corporate PPA market can enable projects to proceed with greater confidence knowing there is offtake demand. A healthy corporate PPA market should exhibit a mix of buyer sizes across sectors and PPA models to reflect market segments, stretching from PPAs with larger buyers underwriting new projects, and retailers on-selling PPAs from operating projects to medium-sized buyers. As the CIS scales up, debates around



additionality could become more complex if the PPA market becomes a secondary market for projects after they have secured finance.<sup>29</sup>

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<sup>28</sup> To support buyers negotiate PPAs with higher environmental impact, the BRC-A has a *Best Practice Guide*.

There are three key principles buyers should consider when assessing PPAs:

1. To what extent does it support decarbonisation of the electricity grid?
2. To what extent does it support further decarbonisation of the electricity grid by enabling other projects (e.g. matching consumption with supply to minimise grid constraints associated with integrating renewable energy)?
3. To what extent does it support environmental and social benefits to build 'social licence' for renewable energy?

Recognising the differences between larger and small/ medium-sized buyers, the guide contains a spectrum of options on what 'best' and 'better practice looks like for different types of buyers to assist in assessing PPA offers.



## Understanding buyers: Preferences and barriers

BRC-A is a 'buyer-facing' organisation that provides capacity-building, supporting buyers to make informed decisions about corporate PPAs. In surveys we have conducted over the past three years, we have asked buyers, developers and service providers about the barriers to and transaction costs of PPAs and preferences and criteria of buyers when making PPAs.

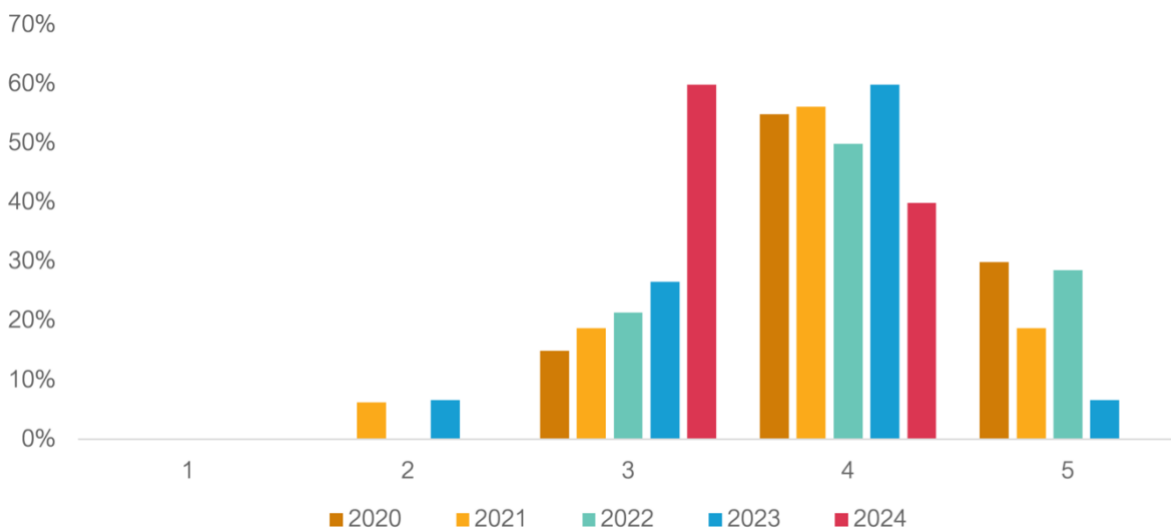
A striking feature of the results of these surveys over the past three years is that the responses of buyers have been relatively consistent.

Our key findings include:

1. **PPAs remain a challenging undertaking.** There has been trend towards lower buyer ratings in terms of difficulty.
2. **Major barriers to PPA execution are internal to buyer organisations.** Buyer understanding, complexity and building organisational support for PPAs are the key challenges – but market uncertainty has increased as a barrier, as has finding the right project.
3. **PPAs take time.** The most common deal length was 12-18 months, and some buyers indicated they took greater than 18 months.
4. **Financial risk, price and developer reputation are the most important factors for buyers.** For three years these have been the most important factors nominated by buyers when assessing PPAs.
5. **Community support and benefits, local jobs and environment and biodiversity are less important but more significant to buyers than developers recognise.** Whilst they are not rated as important as the top-line considerations, social and environmental considerations are more important than most developers recognise. Around half of buyers rate social and environmental considerations as very important or important.

### Corporate PPAs are still challenging, but are getting somewhat easier

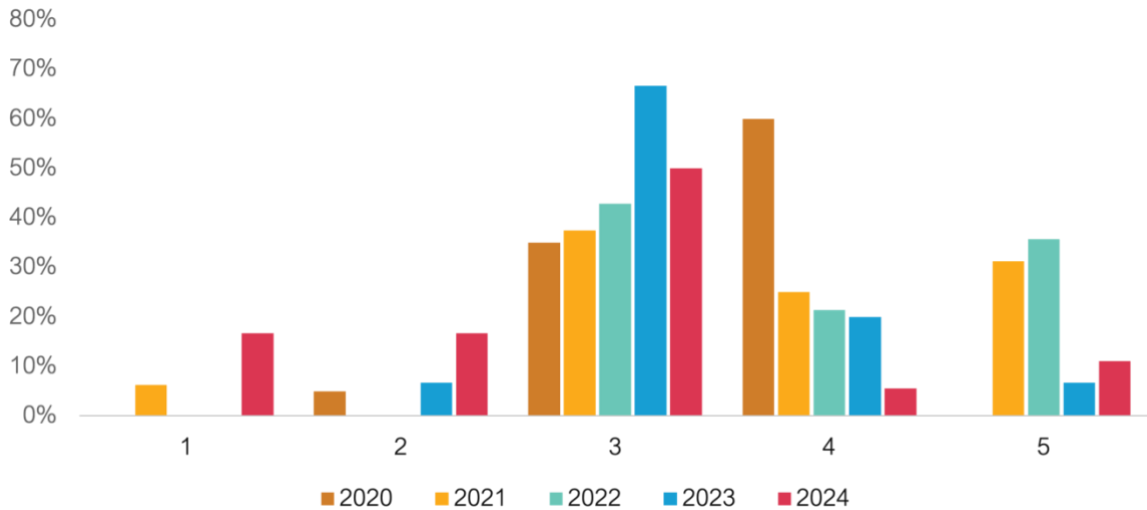
Every year, the BRC-A surveys, buyers on their rating of the difficulty of PPAs easier and transaction costs. Buyers are asked to rate the difficulty on a scale of 1 (easy) – 5 (hard). The proportion of buyers who answer '5' has declined over several years with most of the growth in buyers rating the process as a '3' (Figure 25) and overcoming '4' as the most common rating.





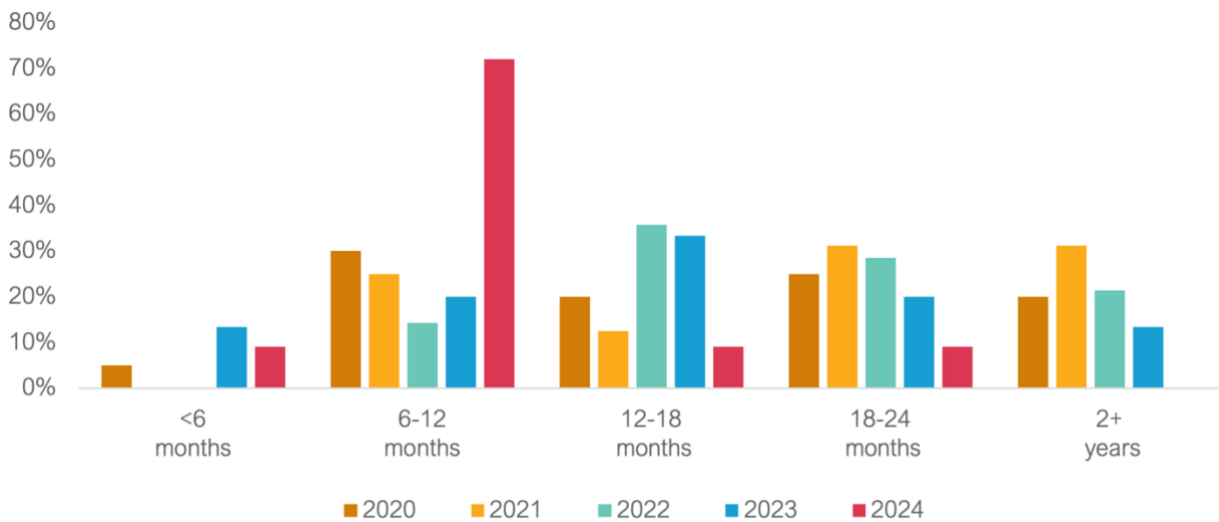
**Figure 25.** How hard are corporate PPAs? (1 = easy; 5 = difficult)

When asked about transaction costs, a majority of buyers rate their PPA process as a ‘3’ - which also supports the conclusion that PPAs are becoming somewhat easier for buyers – and there is a spread across the other ratings (Figure 26).



**Figure 26.** Buyer ratings of transaction costs.

Likewise, the duration of deals reported by buyers has been falling. Notably fewer deals were reported as taking longer than 18 months (Figure 27). This would indicate most of the survey respondents are smaller buyers and the results need to be considered with that in mind.



**Figure 27.** Corporate PPAs, process duration.

## Key barriers to corporate PPAs

When asked about the single greatest barrier to executing a PPA buyers identified building internal organisational support, complexity and choosing the right model for the organisation as major obstacles. Another factor that has increased in significance is market uncertainty and finding the right



project. The diversity of responses in each survey is a notable feature as buyers do not cluster heavily around particular barriers.



Figure 28. What is the major barrier to corporate PPAs for Buyers? (%).

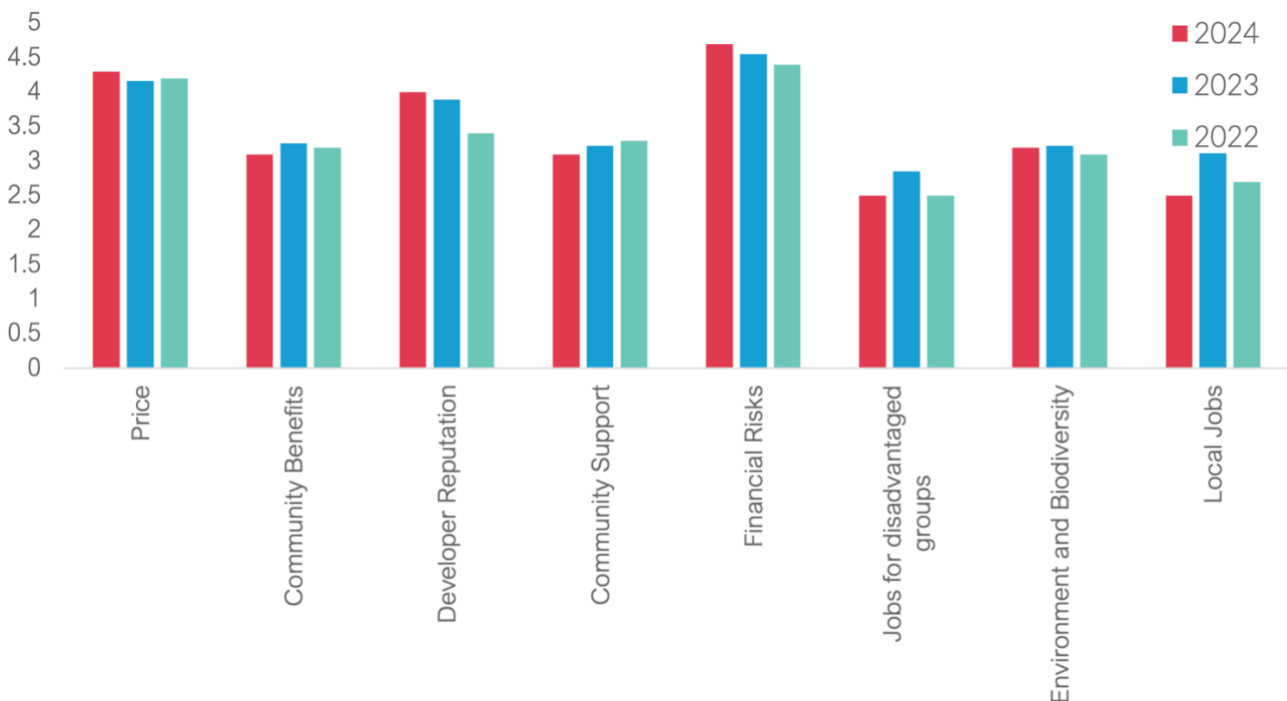


## Buyer preferences: What matters when buyers are evaluating PPAs?

What are the key factors for buyers when procuring PPAs and evaluating different projects? Buyers, developers and service providers were asked about the preferences of buyers to gain insight into their priorities and differences between the parties. Survey respondents are asked to rank the importance of different criteria on a scale of 1 – 5 when assessing PPAs; specifically, price, financial risks, developer reputation, community benefits, local jobs and environment and biodiversity.

Broadly, there is consistency in the average ratings of buyers across multiple years:

- Top 3 issues were financial risks, price and developer reputation.
- Second tier issues were environment and biodiversity, community support, community benefits and local jobs.



**Figure 29.** Key factors for PPA Buyers, average rating.

Whilst community support, community benefits and environment and biodiversity are on average ranked lower than the headline issues of financial risk, price and developer reputation, there is still a significant minority of buyers that rate these issues as very important.

Over the past three years, 40 – 50 per cent of buyers have consistently ranked the community benefits and support as a '5' or a '4' when assessing PPAs. Around 40 per cent rank environmental impact as a '5' and '4' but almost 45 per cent rank it as a 3 so few consider it unimportant to their tender decision (Figures 30 – 33). Local jobs have a notably lower ranking.



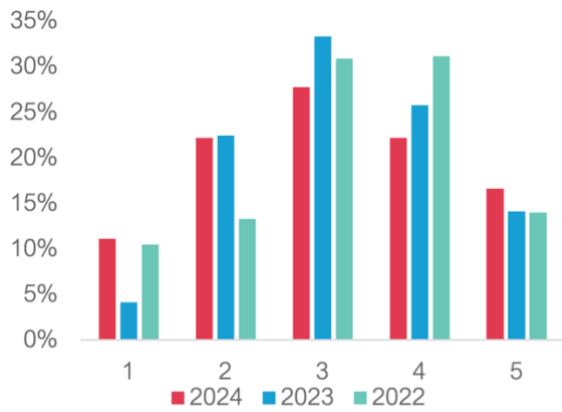


Figure 30. Ratings on community benefits, buyers (%).

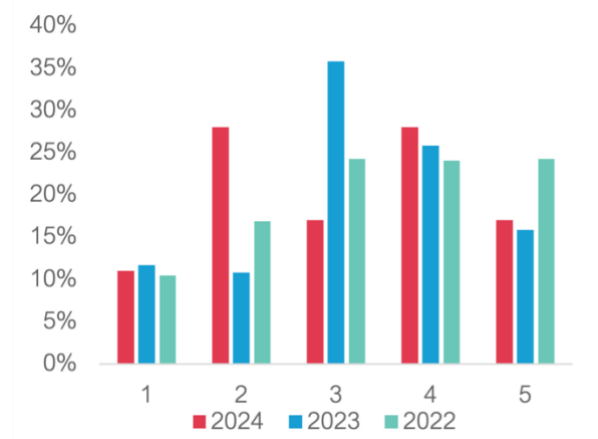


Figure 31. Ratings on local community support, buyers (%).

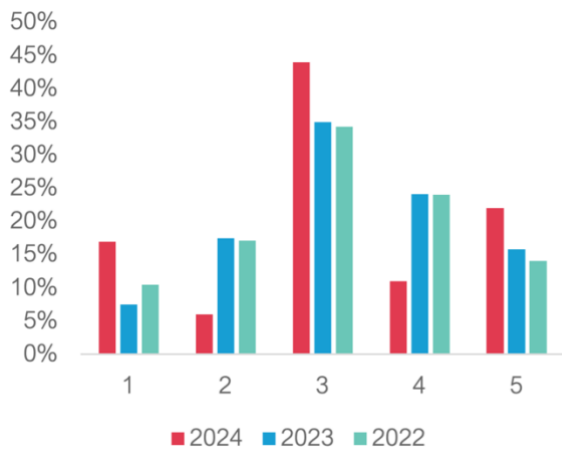


Figure 32. Ratings on environment and biodiversity, buyers (%).

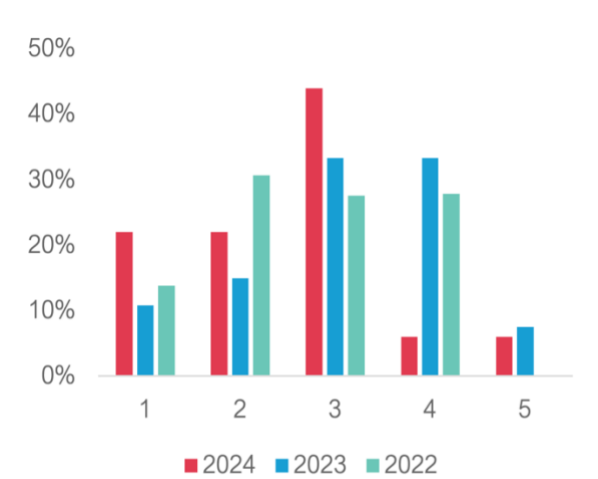


Figure 33. Ratings on local jobs and industry, buyers (%).



## Appendix 1: BRC-A activities in 2024

The BRC-A was established to support the development of the corporate PPA market. Established through a licence agreement with the Rocky Mountain Institute's Business Renewables Centre in the United States, the BRC-A is a member-based organisation that provides buyer education and training, develops informational resources (guides, primers, tools, templates), and connects buyers and developers through an online marketplace platform and networking events. The core function of the BRC-A is to help bring build the capacity of PPA buyers, grow the pipeline of buyers who are better informed and able to negotiate PPAs and reduce the transaction costs of corporate PPAs.

### BRC-A impact to date

As corporate PPAs generally take longer than a year and upwards to negotiate, it takes some time for the impact of an initiative focussed on early-stage buyers to demonstrate impact. However, there are now BRC-A members and buyers coming through 'buyer bootcamps' to negotiate PPAs.

Since launching in October 2018, BRC-A has had an immense impact.

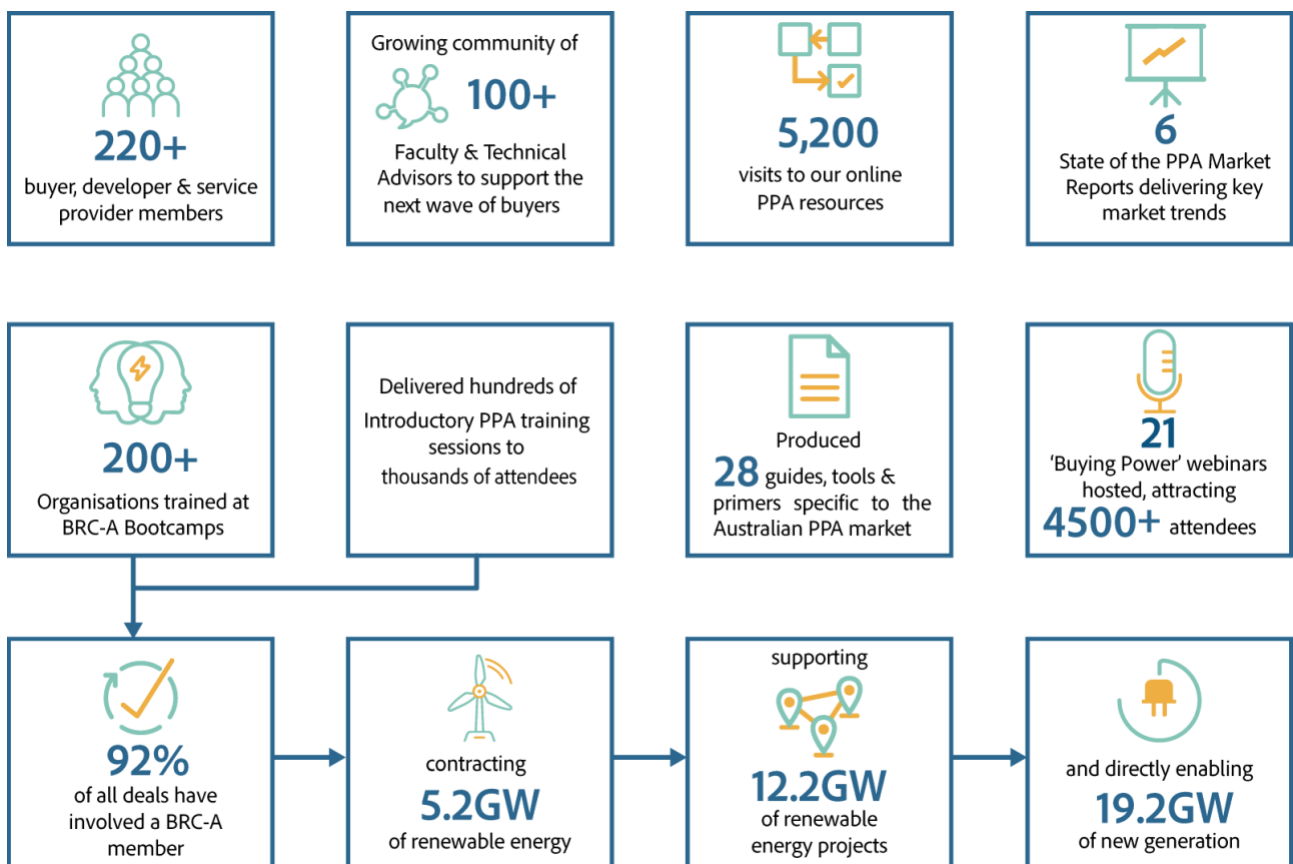


Figure 34. BRC-A impact to date.



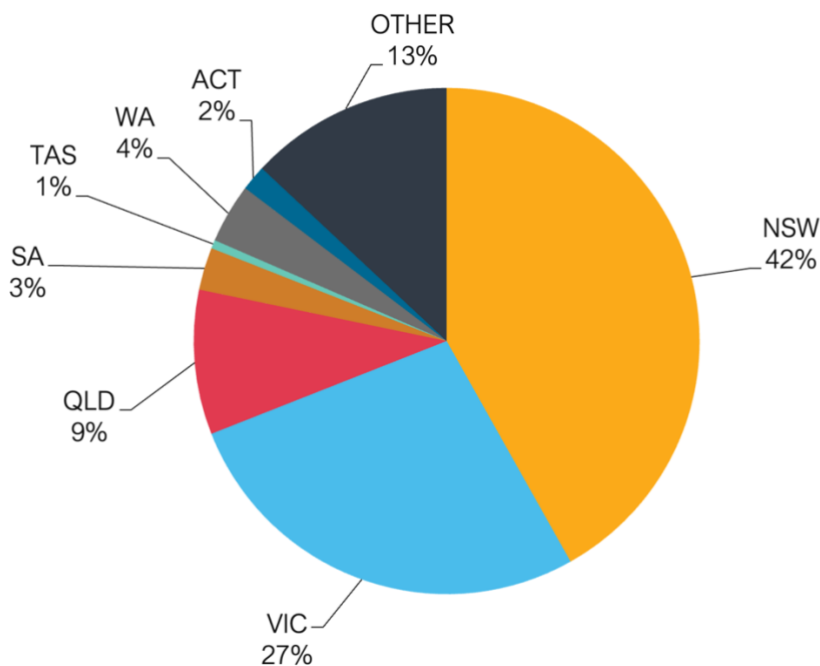
The BRC-A surveyed its members and the broader industry in 2024 to understand their experiences with corporate PPAs.

BUYERS	DEVELOPERS	SERVICE PROVIDERS
70	13	16

**Table 3.** Breakdown of survey participants.<sup>30</sup>

BRC-A Members are drawn primarily from New South Wales and Victoria, with a growing base in Queensland.

BRC-A Buyer members are drawn from a diverse range of economic sectors, with strong representation among public sector organisations (local and state governments, higher education) and private enterprises spanning mining, metals and resources, food & beverage manufacturing, consumer goods retailers, transport, property and real estate, financial services and more.



**Figure 35.** BRC-A Membership, by region (%).

<sup>30</sup> Note: The above represents the total number of partial and full responses to the survey.

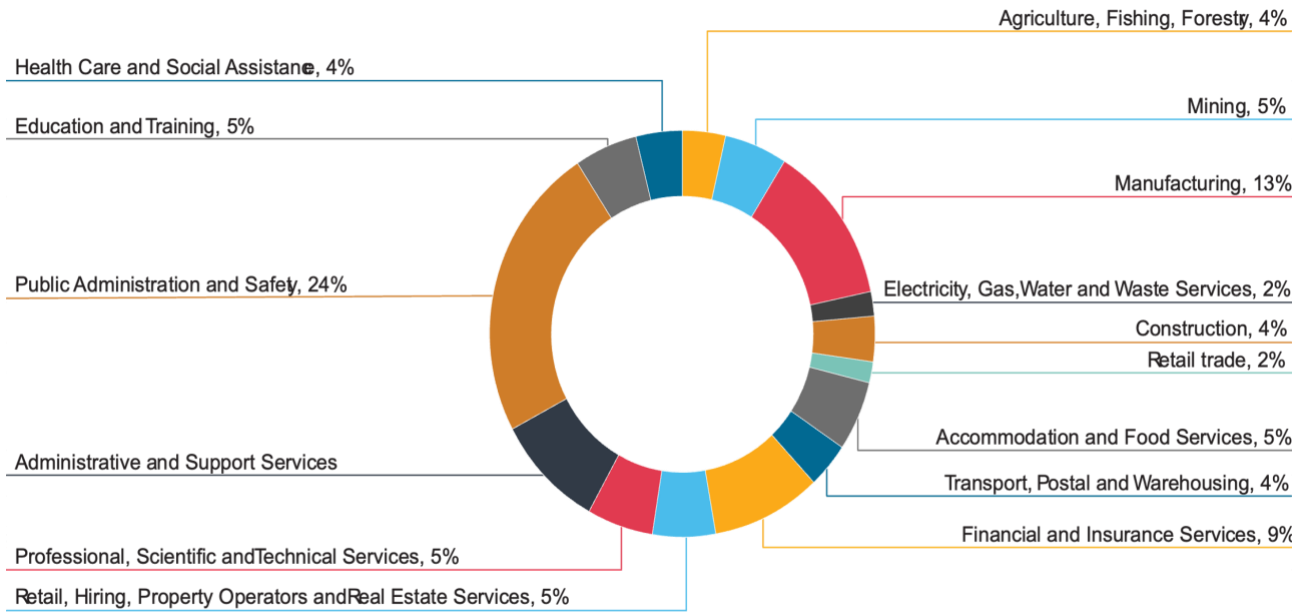


Figure 36. Economic sector distribution of Buyer members.



## BRC-A projects and events 2024

The BRC-A hosts and participates in a range of events to build capacity and facilitate knowledge-sharing in the PPA ecosystem. 2024 was BRC-A's biggest year yet for number of events held. In 2024, we facilitated and delivered over 30 online and in-person workshops and webinars with approximately 1300 attendees across business and government. To learn more, visit our [events page](#).

### Hunter-New England REZ PPA Training

In collaboration with EnergyCo NSW, BRC-A delivered 5 in-person and online events (Newcastle, Tamworth, Armidale and online) designed to engage and educate councils and businesses with annual electricity usage of over 2 GWh pa (target audience for PPAs). To learn more, visit our [Hunter-Central Coast & New England PPA Training sessions page](#).

### Queensland REZ PPA & Community Benefits Training

BRC-A partnered with the Queensland Government to deliver PPA & Community Benefit Training in the Southern, Central & Far North Queensland regions. In 2024, we delivered 8 in-person and online workshops (Toowoomba, Dalby, Warwick, Rockhampton, Townsville, Cairns, Mackay and online). In 2025, we will deliver a 1-day PPA Training Bootcamp Workshop for energy buyers and a guide specifically for the Queensland market addressing the unique challenges of buying PPAs in that state. To learn more, visit our [Queensland Community Benefits PPA Training Program page](#).

### City of Sydney Buyers' Group Program

Supported by funding granted by the City of Sydney under its Innovation Grant program, BRC-A lead an early-stages project to commence a Buyers' Group Program for medium energy users in NSW. We delivered a total of 4 webinars, with over 220 registrants, facilitated and secured group formation, and developed an MoU. To learn more, visit our [Buyers' Group webpage](#).

### Industry events

The BRC-A also participates in industry events to build awareness and understanding of corporate PPAs through presentations on market trends, deal structures, case studies and by participants themselves. Since the launch in November-December 2018, BRC-A has participated regularly in All Energy, the Australian Clean Energy Summit and a range of other industry events (including Australian Milling Conference, GBCA Course, IMPACT X Summit, & Industrial Net Zero).

### Our 'Buying Power' webinars

Educational webinars for BRC-A members are hosted as a quick, easily accessible way for members to get information on PPAs. In 2024 the BRC-A continued its annual webinar series, Buying Power, which saw the following topics covered:

[Buying Power 1: 2022 Annual Report and Key Insights for 2023.](#)

[Buying Power 2: 24/7 Renewables and Additionality.](#)

[Buying Power 3: Renewable Fuels for corporates.](#)

[Buying Power 4: RECs & iRECS.](#)

BRC-A would like to thank the industry speakers and panel participants who shared their learnings and PPA insights at these webinars and events, a list of each can be seen at the web page links provided.



## BRC-A resources

The BRC-A is developing and adapting a range of primers, guides, tools and templates from the US for the Australian market. The centrepiece for BRC-A resources is the Buyer's Roadmap, which includes a step-by-step guide to corporate PPA procurement with supporting resources for each step of the process.

### Our guides

In 2024, we published two new guides for industry:

- Stadler, A., Antunes, J., McKeon, J., Gerrard, E., Briggs, C., & Law, R. (2024). [Renewable PPAs that are good for nature, people and your business.](#)
- Briggs, C., McKeon, J., Cunsolo, A., Mantovani, C., Stadler, A., Antunes, J., Fennell, J., Harley, P., Nithyanand, A., Riley, A., Crestias, M., & Bell, N. (2024). [Meeting your corporate sustainability targets with renewable electricity.](#)

Our 'Renewable PPAs that are good for nature, people and your business' guide is for corporate energy buyers and sellers who are seeking to understand how well renewable electricity perform against environmental and social criteria. The guide contains a self-assessment checklist to guide your business towards best practice during the tender process.

Our 'Meeting your corporate sustainability targets with renewable electricity' guide outlines how renewable electricity purchasing is treated under the five key voluntary sustainability initiatives, Climate Active, Green Star, NABERS, RE100 and Science Based Targets Initiative (SBTi).

Each of these guides was reviewed by a sub-set of our Market Advisory Panel – we wish to thank everyone who participated to ensure these guides were accurate. Please visit these resources for a list of those who participated in reviewing our guides in 2024.

### Our resource library

The BRC has a licence from the Rocky Mountain Institute to adapt its primers, guides and tools to the Australian market. The BRC-A has to date adapted the following resources to the Australian market for its members:

- [Accounting Primer.](#)
- [Chief Financial Officer \(CFO\) Pitch Deck.](#)
- [Deal Structure Primer.](#)
- [Deal Team Guide.](#)
- [Energy Management Principles Primer.](#)
- [Renewable Retail PPAs Guide.](#)
- [Request for Proposals \(RFP\) Template.](#)
- [Social Licence Primer.](#)
- [Term Sheet Template .](#)
- [Economic Analysis Primer.](#)
- [Consultants and Renewable Energy PPA Guide.](#)
- [Internal Support Guide.](#)



- [Term Sheet for Retail PPAs.](#)
- [Risk Allocation Guide.](#)
- [Best Practice Corporate PPA Guide.](#)
- [BRC-A Buyers Roadmap.](#)

## Market Advisory Panel

The BRC-A's Market Advisory Panel (MAP) is a group of professionals from leading industry organisations (including government, finance, consulting, academia) that collaborate with the BRC-A on industry-relevant matters, including but not limited to the development of BRC-A resources. The 2024 membership of the MAP is:

- Abhi Nithyanand, CORE Markets.
- Amber Shergis, Ernst & Young.
- Angela Riley, Smartest Energy.
- Anita Stadler, Energetics.
- Aylin Cunsolo, Baker McKenzie (Chair).
- Ben Waters, Presync.
- Caetano Mantovanni, IAG (Co-Chair).
- ChunKiu Ng, CORE Markets
- Daniel Smith, SmartestEnergy.
- Daniel Trujillo, ESCO Pacific.
- David Stavridis, X-ELIO.
- Edward Irving, Octopus Investments.
- Emily Wood, EUAA.
- Gavin Hughes, Port Macquarie-Hastings Council.
- Jade Fennell, City of Sydney.
- Liam Henderson, City of Melbourne.
- Astarini Suyono, Lightsource bp.
- Liz Fletcher.
- Marilyne Crestias, Renewable Energy Insights Pty Ltd.
- Nicholas Bell, World Kinect Energy Services.
- Tom Shillson, Octopus Investments.
- Ben Spencer, Schneider Electric.
- Pip Harley, NSW Ports.
- Rob Bruce, DELWP.
- Thimo Mueller, AEMO Services.



- Tony Costantini, Sydney Metro.

The BRC-A would like to express its gratitude for the ongoing contributions made by members of its MAP.





## Appendix 2: Industry survey participants profile

The survey captured a range of annual electricity loads, with 42% being large or very large consumers ( $\geq 50$  GWh p.a.), and a growing, now majority, segment of small and mid-sized buyers ( $< 50$  GWh p.a.) constituting the remainder. There is significant load among Buyers that are currently pursuing or investigating a PPA, with this survey capturing 3 Buyers using 200 or more GWh of electricity per annum, along with many smaller and mid-sized energy Buyers.

### Energy buyers

The distribution among economic sectors of Buyers that answered the industry survey was largely representative of BRC-A Buyer membership.

Just over one-third of Buyer respondents are from businesses employing over 500 people, with small and medium enterprises constituting the remaining two thirds.

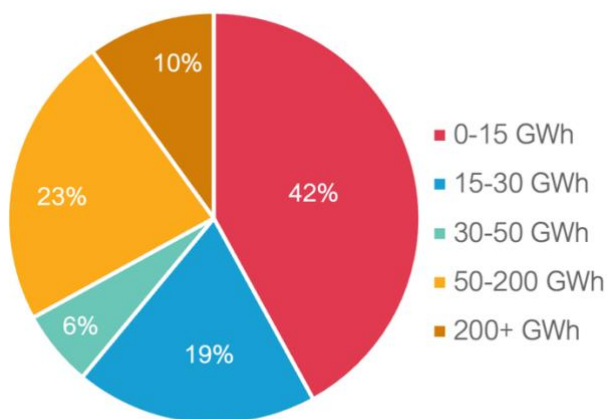


Figure 37. Buyer respondent annual electricity loads (%).

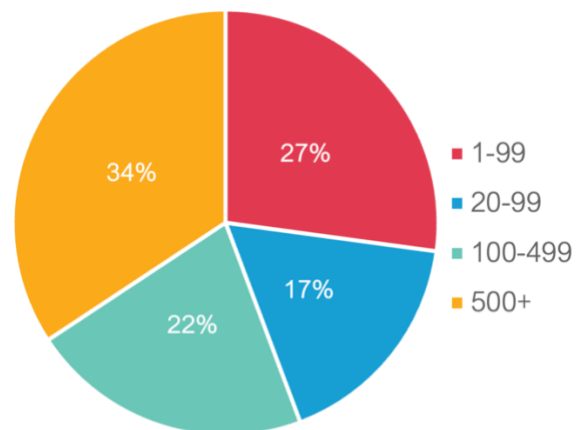
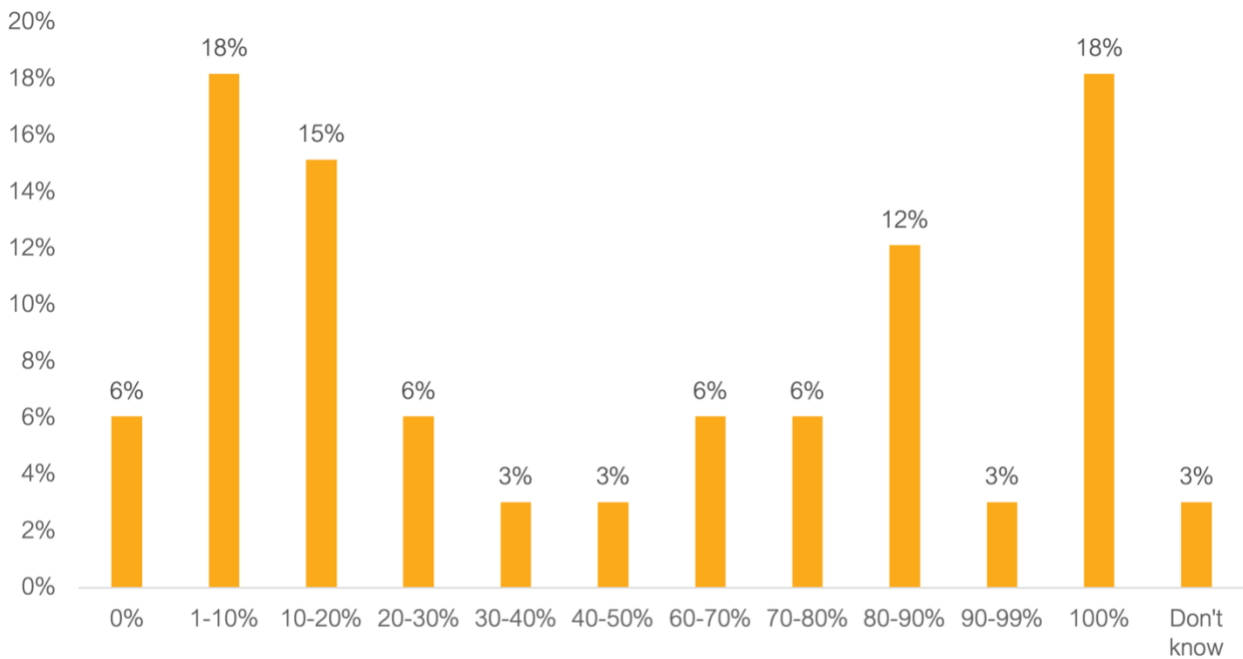


Figure 38. Buyer respondent employee count (%).

Organisations responding to the survey tended to be heavily clustered at either end of the spectrum in relation to their current purchase of renewable energy. Consequently, most are either at an Early stage when it comes to renewable energy, or they have negotiated a PPA which covers all of their electricity consumption.



**Figure 39.** Buyer respondent current level of renewable energy in 2024 (%).

### Project developers

Unfortunately, the sample size for developers was insufficient this year so data is not provided on developer responses.

### Service providers

Unfortunately, the sample size for service providers was insufficient this year so data is not provided on service provider responses.



## Appendix 3: Industry survey questions

### Energy buyers

Which of the following sectors best describes the primary activities of your organisation?

- Education and Training
- Public Administration and Safety
- Construction
- Manufacturing
- Retail, Hiring, Property Operators and Real Estate Services
- Accommodation and Food Services
- Electricity, Gas, Water and Waste Services
- Financial and Insurance Services
- Retail Trade
- Mining
- Arts and Recreation Services
- Health Care and Social Assistance
- Professional, Scientific and Technical Services
- Transport, Postal and Warehousing
- Administrative and Support Services
- Agriculture, Fishing, Forestry
- Information Media and Telecommunications
- Wholesale Trade
- Other

How many persons does your organisation employ?

- 500+
- 100-499
- 1-19
- 20-99

What is the size of your annual electricity load?

- 0-15 GWh
- 15-30 GWh
- 30-50 GWh
- 50-200 GWh
- 200+ GWh

What proportion of your electricity load is currently sourced from renewable energy?

- 0%
- 1-10%
- 10-20%
- 20-30%
- 30-40%
- 40-50%
- 50-60%
- 60-70%
- 70-80%
- 80-90%
- 90-99%
- 100%
- Don't know

### Experience with Corporate Renewable Power Purchase Agreements (PPA)\*

Which of the following best describes the level of experience of your organisation with a renewable energy PPA:

- Our organisation has completed a PPA
- Our organisation is currently pursuing or investigating whether to pursue a PPA
- Our organisation is interested in learning more about PPAs but has not taken any major steps
- We looked at PPAs but have decided they are not a good option for our organisation
- We don't know much about PPAs and are not interested



Why is your organisation disinterested in PPAs?

- Insufficient cost savings
- Long terms unsuitable for our organisation
- Too risky
- Too complex
- Other

If your organisation has completed a PPA

How long did the process take from start to finish?

- < 6 months
- 6-12 months
- 12-18 months
- 18-24 months
- 2+ years

On a scale of 1-5, how challenging was it to develop a PPA?

- 1
- 2
- 3
- 4
- 5

At what stage of the process would independent assistance have been most helpful?

- Business case and internal stakeholder support
- Investigating/assessing options
- Procurement process
- Negotiation

What were the 3 major barriers you experienced?

- The complexity of PPAs and understanding the options
- Market uncertainty
- Securing internal agreement
- Negotiating a deal that met the needs of your organisation and the developer
- Finding the right specialists
- Accounting issues
- Finding the right project or developer
- Transaction costs
- Policy uncertainty
- COVID-19 impacts
- Licensing issues
- No major barrier
- Other

On a scale of 1-5, how would you rate the scale of transaction costs of a PPA?

- 1
- 2
- 3
- 4
- 5

What type of PPA did you choose?

- Wholesale (direct agreement with RE project separate from retail contract)
- Retail (PPA integrated into retail contract)
- Sleeved (PPA negotiated with project and then integrated into retail contract)
- Other

Why did you choose this type of PPA?



- Most familiar
- Less complexity
- Risk management
- Financial/price
- Transaction costs
- Legal or accounting issues
- Impact/sustainability/PR
- Other

When evaluating Corporate PPAs, how important was \*PPA price\*? (5 = extremely important, 1 = not important at all)?

- 1
- 2
- 3
- 4
- 5

How important were \*community benefits (benefit fund, infrastructure etc.)\*?

- 1
- 2
- 3
- 4
- 5

\*The\* \*developer's reputation\*?

- 1
- 2
- 3
- 4
- 5

\*Local community support (i.e. social licence)\*?

- 1
- 2
- 3
- 4
- 5

\*Financial risks\*?

- 1
- 2
- 3
- 4
- 5

Jobs and other benefits for disadvantaged groups\*?

- 1
- 2
- 3
- 4
- 5

\*Impacts on local environment and biodiversity\*?

- 1
- 2
- 3
- 4
- 5

\*Local employment and industry\*?



- 1
- 2
- 3
- 4
- 5

What is – or will be – your approach to Large-scale Generation Certificates (LGCs) generate by your PPA?

- 'Retire' the LGCs (i.e. surrender to the Clean Energy Regulator)
- Sell the LGCs initially and start retiring the LGCs at a later date (e.g. to meet a 2025 emissions or renewables target)
- Other (please explain)

Were there any other important criteria when evaluating Corporate PPAs? Please list.

In retrospect, what is the one change you would recommend to make it easier to do RE PPAs?

If your organisation is currently pursuing or investigating whether to pursue a PPA

What is the main driver for your organisation?

- Electricity price certainty
- Lower electricity prices
- Greenhouse emissions or renewable energy targets
- Brand leadership
- Corporate Social Responsibility goals
- Other

What has been the impact of the electricity market volatility in 2022 level of buyer interest in PPAs?

- No impact – we are still considering or pursuing a renewable PPA
- No impact – we were not considering or pursuing a renewable PPA
- Positive impact – our interest in a renewable PPA has increased
- Negative impact – our interest in a renewable PPA has decreased
- Unsure

Why has your interest in a PPA increased?

- Buyers are seeking greater price certainty
- There are more buyers with climate or renewable energy targets
- There are more buyers with Corporate sustainability goals
- Other

Why has your interest in a PPA decreased?

- Waiting for greater market stability
- Focussing on core business
- Focussing on other energy projects
- Other

How advanced are you in the process of pursuing a PPA?

- We are in negotiations with project developers
- We have issued or are about to issue a Request for Proposal
- We are currently assessing the business case for an PPA
- We are investigating the feasibility of an PPA

What are the primary areas on which you're seeking information and/or support for PPAs?



- Understanding the electricity market
- Options assessment
- Economic or financial aspects
- Legal and/or accounting issues
- Electricity markets pricing
- Strategies for securing internal support
- Template documents (e.g. RFPs, term sheets)
- Strategies for aggregated deals

What are the major barriers you have encountered to date?

- Choosing the right model that meets your organisation's needs
- Internal agreement or commitment
- Understanding of electricity markets and pricing
- Transaction costs
- Legal or accounting standards
- Finding the right project or developer
- Finding the right specialists to support you
- Market uncertainty
- Policy uncertainty
- COVID-19 impacts
- None
- Other

When evaluating Corporate PPAs, how important do you expect \*PPA Price\* will be? (5 = extremely important, 1 = not important at all)?

- 1
- 2
- 3
- 4
- 5

How important do you expect \*community benefits (benefit fund, infrastructure etc.)\* will be?

- 1
- 2
- 3
- 4
- 5

\*The developer's reputation\*?

- 1
- 2
- 3
- 4
- 5

\*Local community support (i.e. social licence)\*?

- 1
- 2
- 3
- 4
- 5

\*Financial risks\*?

- 1
- 2
- 3
- 4
- 5

\*Jobs and other benefits for disadvantaged groups\*?



- 1
- 2
- 3

- 4
- 5

\*Impacts on local environment and biodiversity\*?

- 1
- 2
- 3

- 4
- 5

\*Local employment and industry\*?

- 1
- 2
- 3

- 4
- 5

Are there any other criteria you expect will be important when evaluating Corporate PPAs? Please list.

If your organisation is interested in learning more about an PPA

What is the main driver(s) for your organisation?

- Electricity price certainty
- Lower electricity prices
- Greenhouse emissions or renewable energy targets
- Brand leadership
- Corporate Social Responsibility goals
- Other

What are the primary areas on which you seeking information and/or support for PPAs?

- Costs and benefits of PPAs
- Options and deal structures
- Economic or financial aspect
- Legal and accounting issues
- Electricity markets
- Strategies for securing internal support
- Template documents (e.g. RFPs, term sheets)
- Strategies for aggregated deals
- Other

Is your organisation a BRC-A Member?

- Yes
- No
- I don't know

What was your primary reason for joining?

- Education and training
- Networking and industry connections
- Access to the marketplace platform
- Making connections with buyers
- Making connections with developers
- Events





## Developers

How many persons does your organisation employ?

- 1-19
- 20-99
- 100-499
- 500+

What is the size of your current (operating) portfolio in Australia?

- 0-100 MW
- 100-500 MW
- 500-1000 MW
- 1000-2000 MW
- 2000+

What is the size of your future project pipeline in Australia?

- 0-100 MW
- 100-500 MW
- 500-1000 MW
- 1000+ MW

In which states do you have operating projects?

- NSW
- VIC
- QLD
- SA
- TAS

### Experience with corporate RE PPAs

Which of the following best describes the level of experience of your organisation with a corporate renewable energy PPA:

- Our organisation has completed a Corporate Renewable PPA in the past 2 years
- Our organisation is considering or pursuing a Corporate Renewable PPA
- Our organisation is not interested in pursuing a Corporate Renewable PPA
- 

### If your organisation has completed a Corporate Renewable PPA

How long did the process take from start to finish?

- < 6 months
- 6-12 months
- 12-18 months
- 18-24 months
- 2+ years

On a scale of 1-5, how challenging was it to develop a PPA?

- 1
- 2
- 3
- 4
- 5

At what stage of the PPA process could independent assistance be most helpful?

- Helping buyers assess options
- EOs
- RFPs
- Negotiation
- Other



What were the major barriers you experienced?

- Transaction costs
- The complexity of the process
- Buyer understanding of PPAs
- Buyer legal or accounting issues
- Buyer price expectations
- Finding the right buyer
- Negotiating a deal that met the needs of your organisation and the buyer
- Market or policy uncertainty
- COVID-19 impacts
- No major barrier
- Other

On a scale of 1-5, how would you rate the scale of transaction costs of a corporate RE PPA?

- 1
- 2
- 3
- 4
- 5

In your experience, when Buyers are evaluating Corporate PPAs, how important is \*PPA price\*?

- 1
- 2
- 3
- 4
- 5

In your experience, how important are \*community benefits (benefit fund, infrastructure etc.)\*?

- 1
- 2
- 3
- 4
- 5

\*Developer reputation\*?

- 1
- 2
- 3
- 4
- 5

\*Local community support (i.e. social licence)\*?

- 1
- 2
- 3
- 4
- 5

\*Financial risks\*?

- 1
- 2
- 3
- 4
- 5

\*Jobs and other benefits for disadvantaged groups\*?

- 1
- 2
- 3
- 4
- 5

\*Impacts on local environment and biodiversity\*?



- 1
- 2
- 3

- 4
- 5

\*Local employment and industry\*?

- 1
- 2
- 3

- 4
- 5

Were there any other important criteria for Buyers when evaluating Corporate PPAs? Please list.

In retrospect, what is the one change you would recommend to make it easier to do RE PPAs?

If your organisation is currently pursuing or investigating whether to pursue a corporate RE PPA

How advanced are you in the process of pursuing a PPA?

- We are in negotiations with project buyers
- We have responded or are about to respond to a Request for Proposal
- We are currently searching for RE PPA off-takers
- We are investigating the feasibility of a RE PPA

What are the major barriers you have encountered to date?

- Buyer understanding (e.g. electricity markets and pricing)
- Finding a buyer
- Buyer price expectations
- Other buyer expectations or requirements (e.g. RFP)
- Negotiating a deal that meets the needs of your organisation and the buyer
- Market and policy uncertainty
- Transaction costs
- COVID-19 impacts
- None
- Other

What kind of independent assistance would be most helpful in supporting your PPA processes or the market at large?

- Educating buyers
- Connections with buyers
- Template documents (e.g. RFPs, term sheets)
- Strategies for aggregated deals
- Lower transaction costs
- Other

In your experience, when Buyers are evaluating Corporate PPAs, how important is \*PPA price\*?

- 1
- 2
- 3

- 4
- 5

In your experience, how important are \*community benefits (benefit fund, infrastructure etc.)\*?



- 1
- 2
- 3
- 4
- 5

\*Developer reputation\*?

- 1
- 2
- 3
- 4
- 5

\*Local community support (i.e. social licence)\*?

- 1
- 2
- 3
- 4
- 5

\*Financial risks\*?

- 1
- 2
- 3
- 4
- 5

\*Jobs and other benefits for disadvantaged groups\*?

- 1
- 2
- 3
- 4
- 5

\*Impacts on local environment and biodiversity\*?

- 1
- 2
- 3
- 4
- 5

\*Local employment and industry\*?

- 1
- 2
- 3
- 4
- 5

Are there any other important criteria for Buyers when evaluating Corporate PPAs? Please list.

What is the minimum contract \*length (years)\* you're seeking in a PPA?

What is the minimum \*off-take agreement scale (GWh)\* you're seeking in a PPA?

Why are you not interested in Corporate Renewable PPAs?

- The transaction costs are too high
- There are insufficient buyers at the right scale for our project
- There is not interest from buyers at the moment
- Other

What impact will the development of the Renewable Energy Zones have on the volume of Corporate PPAs?



- Increase
- Decrease
- No change
- Don't know

Why in your assessment has the interest in PPAs amongst buyers increased?

- Buyers are seeking greater price certainty
- There are more buyers with climate or renewable energy targets
- There are more buyers with Corporate sustainability goals
- Other

Why in your assessment has the interest in PPAs amongst buyers decreased?

- Less scope for cost savings
- Focussing on core business
- Other

Is your organisation a BRC-A Member?

- Yes
- No
- I don't know

What was your primary reason for joining?

- Education and training
- Networking and industry connections
- Access to the marketplace platform
- Making connections with buyers
- Events



## Service Providers

What is the size of your current (operating) portfolio in Australia?

- 0-100 MW
- 100-500 MW
- 1000-2000 MW
- 2000+

What type of services do you provide?

- Accounting
- Financial
- Legal
- Corporate Strategy/marketing
- Energy advice
- Sustainability advice
- Other

Which of the following best describes the level of experience of your organisation with a corporate renewable energy PPA:

- Our organisation has provided services for a PPA
- Our organisation has not yet provided services for a PPA

If your organisation has been involved in a PPA

How long did the process take from start to finish?

- < 6 months
- 6-12 months
- 12-18 months
- 18-24 months
- 2+ years

On a scale of 1-5, how challenging was it to develop a PPA?

- 1
- 2
- 3
- 4
- 5

What are the major barriers experienced in PPA transactions?

- Transaction costs
- The complexity of the process
- Buyer understanding of PPAs
- Buyer legal or accounting issues
- Buyers securing internal agreement
- Developer understanding of buyer needs or processes
- Negotiating a deal that met the needs of both organisation
- Market uncertainty
- Policy uncertainty
- COVID-19 impacts
- No major barrier
- Other

On a scale of 1-5, how would you rate the scale of transaction costs of an RE PPA?

- 1
- 2
- 3
- 4
- 5

In your experience, when Buyers are evaluating Corporate PPAs, how important is \*PPA price\*? (5 = extremely important, 1 = not important at all)



- 1
- 2
- 3
- 4
- 5

When Buyers are evaluating Corporate PPAs, how important are \*community benefits (benefit fund, infrastructure etc.)\*?

- 1
- 2
- 3
- 4
- 5

\*The developer's reputation\*?

- 1
- 2
- 3
- 4
- 5

\*Local community support (i.e. social licence)\*?

- 1
- 2
- 3
- 4
- 5

\*Financial risks\*?

- 1
- 2
- 3
- 4
- 5

\*Jobs and other benefits for disadvantaged groups\*?

- 1
- 2
- 3
- 4
- 5

\*Impacts on local environment and biodiversity\*?

- 1
- 2
- 3
- 4
- 5

\*Local employment and industry\*?

- 1
- 2
- 3
- 4
- 5

Were there any other important criteria when evaluating Corporate PPAs? Please list.

In retrospect, what is the one change you would recommend to make it easier to do PPAs?

In your view, what impact will the development of the Renewable Energy Zones have on the volume of Corporate PPAs?



- Increase
- Decrease
- No change
- Don't know

Do you have any other comments on the role of Corporate PPAs in the REZs?

Why in your assessment has the interest in PPAs amongst buyers increased?

- Buyers are seeking greater price certainty
- There are more buyers with climate or renewable energy targets
- There are more buyers with Corporate sustainability goals

Why in your assessment has the interest in PPAs amongst buyers decreased?

- Waiting for greater market stability
- Focussing on core business
- Focussing on other energy projects
- Other

What are the primary areas on which BRC-A should provide information?

- Options assessment
- Economic or financial aspects
- Legal and/or accounting issues
- Deal structuring
- Electricity markets and pricing
- Template documents (e.g. RFPs, term sheets)
- Strategies for aggregated deals
- Other

Is your organisation a BRC-A Member?

- Yes
- No
- I don't know

What was your primary reason for joining?

- Education and training
- Networking and industry connections
- Access to the marketplace platform
- Making connections with buyers
- Making connections with developers
- Events
- Other

At what stage of the PPA process could independent assistance be most helpful?

- When buyers are seeking to understand the electricity market and how PPAs work
- When buyers are assessing options
- When developers are seeking connections/advice
- EOIs
- RFPs
- Negotiation
- Other

In your experience, when Buyers are evaluating Corporate PPAs, how important are impacts/benefits on local environment and biodiversity? (5 = extremely important, 1 = not important at all)

- 1
- 2
- 3
- 4
- 5

In your experience, when Buyers are evaluating Corporate PPAs, how important are local jobs? (5 = extremely important, 1 = not important at all)





- 1
- 2
- 3

- 4
- 5

What is the minimum contract length (years) you're seeking in a PPA?

What is the minimum off-take agreement scale (GWh) you're seeking in a PPA?