

# PPA ACADEMY AGENDA

**Date** 13 and 14 December, 2018

**Venue** Wiesenstrasse 5, 8952 Schlieren, Switzerland

## DAY 1

09:30 – 10:00	<i>Registration and coffee</i>
10:00 – 10:20	<b>Introductions and Overview</b> of the Academy Program
10:20 – 11:00	<b>From FiT to FiP and PPA Markets</b> <ul style="list-style-type: none"> <li>▪ What characterizes the post-FiT world</li> <li>▪ <i>Case works (20')</i>. Risk allocation in FIT, FiP and PPA Markets</li> <li>▪ <i>Discussion (15')</i>. Key PPA considerations of participants</li> </ul>
11:00 – 11:15	<i>Coffee break</i>
11:15 – 12:30	<b>Energy Trading Vocabulary</b> <ul style="list-style-type: none"> <li>▪ Basics on energy risk management</li> <li>▪ <i>Discussion (10')</i>. Three questions about risk and risk management</li> <li>▪ <i>Case works (10')</i>. How does the exposure change?</li> <li>▪ <i>Case works (15')</i>. Market prices</li> <li>▪ <i>Case works (15')</i>. How does the mark-to-market valuation change</li> </ul>
12:30– 13:30	<i>Lunch Break</i>
13:30 – 14:00	<b>Introduction to the Energy Risk Management (ERM) Framework</b> What is Energy Risk Management; overview on key activities and analytics applied along the ERM cycle: policy, energy risk analysis, hedge / PPA execution and monitoring
14:00 – 17:00 <i>with breaks</i>	<b>A Primer on Energy Risk Analytics</b> <ul style="list-style-type: none"> <li>▪ What is the market value concept for renewable energy. Characterization of principal energy risks faced by renewable generators in open markets (price risk, liquidity risk, profile risk, imbalance risk, volume risk, credit risk)</li> <li>▪ In-depth, risk-by-risk discussion on definition, drivers and ways to manage (incl. discussions and case works):               <ul style="list-style-type: none"> <li>○ <b>Flat Price Risk</b> <ul style="list-style-type: none"> <li>▪ Definition and drivers of Flat Price Risk</li> <li>▪ The Value of Forecasting versus Hedging</li> <li>▪ <i>Case Study</i> on Hedge Effectiveness or how to determine an optimal PPA in terms of volume and duration</li> <li>▪ Introduction to (PPA) risk metrics such as hedge ratio, expected earnings, Earnings at Risk</li> </ul> </li> <li>○ <b>Market Liquidity Risk</b> <ul style="list-style-type: none"> <li>▪ Definition and drivers of Market Liquidity Risk</li> <li>▪ <i>Case work (10')</i>. How can liquidity costs be reduced?</li> </ul> </li> <li>○ <b>Profile Risk</b> <ul style="list-style-type: none"> <li>▪ Definition and drivers of Profile Risk</li> <li>▪ <i>Case Work (15')</i>. How can profile and cannibalization risk be addressed?</li> </ul> </li> <li>○ <b>Imbalance Risk</b> <ul style="list-style-type: none"> <li>▪ Definition and drivers of Imbalance Risk</li> <li>▪ <i>Case Work (30')</i>: Imbalance cost example and mitigation strategies</li> </ul> </li> <li>○ <b>Volume Risk / Hedge Profile Risks</b> <ul style="list-style-type: none"> <li>▪ Definition and drivers of Volume Risk</li> <li>▪ <i>Case Study</i> on how hedge structure impacts volume risks</li> </ul> </li> <li>○ <b>Credit Risk</b> <ul style="list-style-type: none"> <li>▪ Definition and drivers of Credit risk</li> <li>▪ How to structure credit risk in PPA agreements</li> </ul> </li> </ul> </li> </ul>
19:00 – ...	<i>Dinner in Zurich (optional)</i>

**DAY 2**

09:30 – 10:00	<i>Coffee</i>
10:00 – 10:15	<b>Recap Day 1 and Overview Day 2</b>
10:15 – 11:00	<b>Execution Program Part I: Setup of a PPA Execution Program</b> The biggest risk in execution in PPA markets. What RfQs are good for (and what less). How to design an optimal RfQ program with the help of the energy risk management evaluation framework to achieve comparability and sharp offerings. Comparison of traditional RfQ and emerging execution approaches (such as the “PPA Facility”).
11:00 – 12:00	<b>Execution Program Part II: PPA Structures</b> <ul style="list-style-type: none"> <li>▪ Learn about typical PPA structures available on market to manage energy risks</li> <li>▪ <i>Case work (20’)</i>. Review PPA pricing formulas and describe what risks are covered by them</li> </ul>
12:00– 13:00	<i>Lunch Break</i>
13:00 – 13:45	<b>Corporate PPA as an Option for ERM</b> <ul style="list-style-type: none"> <li>▪ Putting Corporate PPAs in Context</li> <li>▪ Understanding what drives deal making in Corporate PPAs</li> <li>▪ What the difference is between a Corporate PPA and other PPAs</li> <li>▪ How Corporate PPAs can be structured on basis of standard market agreements</li> <li>▪ <i>Case Work (20’)</i>. Risk allocation under a Corporate PPA</li> <li>▪ Overview of risk allocation and discussion of structural elements of a Corporate PPA, such as Gurantees of Origin, long-term aspects and additionality criteria</li> <li>▪ <i>Case Work (10’)</i>. Structural elements of a Corporate PPA</li> </ul>
13:45 – 14:15	<i>Coffee break</i>
14:15 – 15:00	<b>How regulatory risks can be dealt with – an analytical framework</b> <ul style="list-style-type: none"> <li>▪ Introduction to a Regulatory Risk Framework that can be applied in PPA negotiations and review by commercial and legal negotiators</li> <li>▪ <i>Case Work (20’)</i> on a regulatory change clause in relation to imbalance risk and possible strategies to cope with</li> </ul>
15:00 – 15:30	<b>Wrap up</b> of PPA Academy

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*Agenda and content may change without further notice.*