

RETHINKING ELECTRICITY

PPA – ER VEDVARENDE ELINDKØB EN GENVEJ TIL LAVERE ELUDGIFTER?

reel

OPLÆG TIL FORÅRSMØDE I PLASTINDUSTRIEN

20. APRIL 2023

HVAD SKAL VI TALE OM I DAG?

**Plastic is a spectacular material used
in anything from food packaging to
high-tech space applications**

HVAD SKAL VI TALE OM I DAG?

**Men plastindustrien er energiintensiv
– og energi er dyrt og klimabelastende**

HVAD SKAL VI TALE OM I DAG?

Er vedvarende elindkøb en genvej til lavere eludgifter?

- 1. Kort intro til Reel**
- 2. Hvad er "grøn" strøm?**
- 3. Hvad er PPA'er?**

Reel er en B2B elleverandør, funderet i klimavidenskaben

BØRSEN.

Elselskab vil af med kritiserede certifikater: Små virksomheder skal købe el som Google

ENERGIWATCH

Energiselskab lanceret: Vil give SMV'er reel grøn strøm frem for certifikater

INTRO TIL REEL

Reel is working with more than 200 of
Denmark's **most ambitious**
companies on the climate agenda.
We have a pipeline of over **1 TWh**
annual demand

+ more than 200 companies, including:



Faerch

 **SCHOELLER PLAST**

AGENDA

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WHY

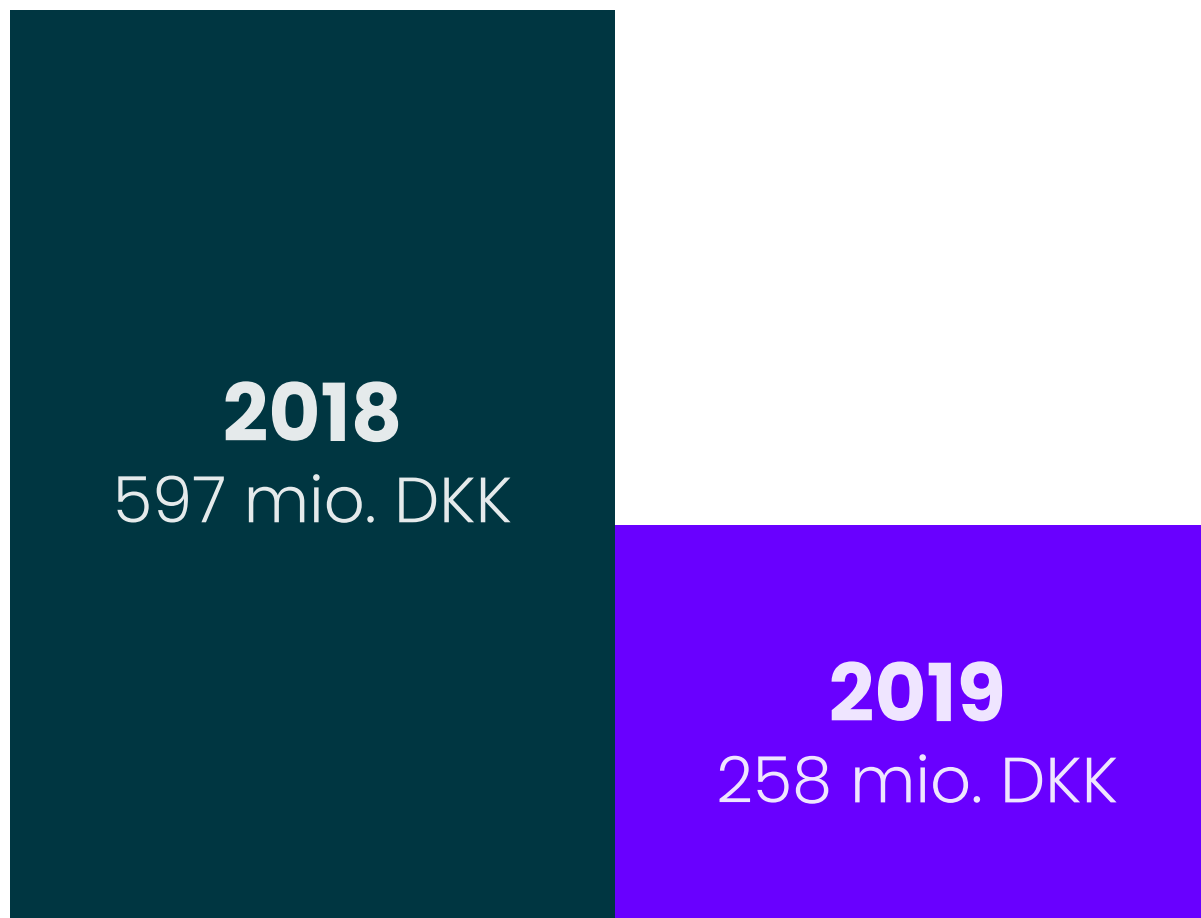
**Electricity is the most
important sector to
prevent climate
disaster**



Demand for electricity will double

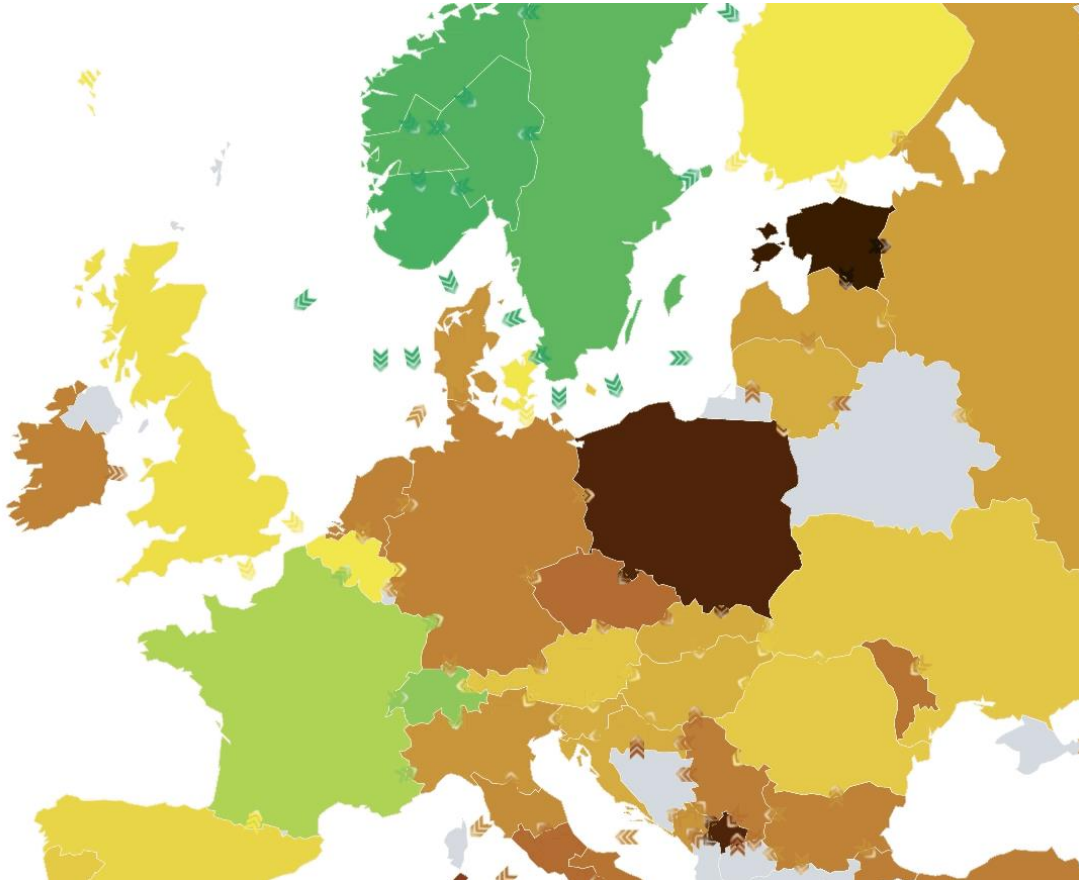


Subsidies are phased out

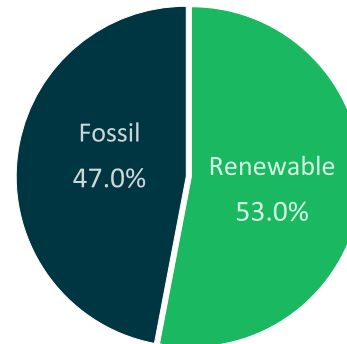


GENERATION AND CONSUMPTION OF GREEN ELECTRICITY

FORBRUG



INDKØB



ENERGY MIX



CERTIFICATES

THE PROBLEM WITH 'GREEN' ELECTRICITY

NO CLIMATE IMPACT

|X| No CO₂-savings (no additionality):
Current system does not lead to more renewable energy on the grid

🕒 No transparency: No link to time and place (annual vs. hourly)

🔄 Not futureproof: Certificate system is under review and will change

GREENWASHING RISK

FINANS

Experts criticize popular environmental maneuver in companies: "It does not create any improvements"



Experts: Danish companies' CO₂-accounts are "greenwashing"



Expensive electricity in green disguise

POLITIKEN

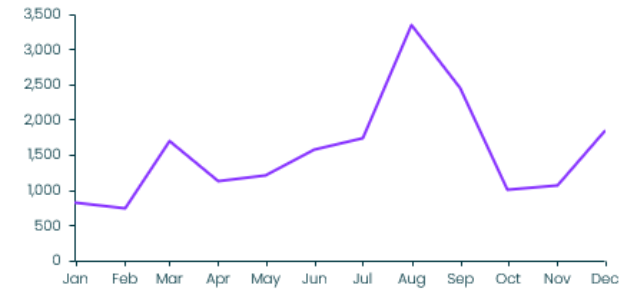
»Shocking and embarrassing«: Novo and Rockwool accused of greenwashing



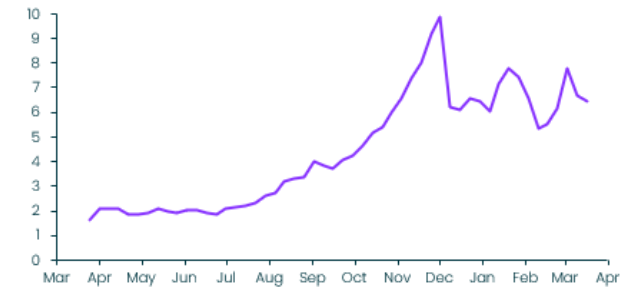
Politicians in Copenhagen have decided to »wash« electricity consumption green

EXTRA COSTS

ELECTRICITY PRICES 2022 (DKK/MWh)



CERTIFICATE PRICES LAST 12 MONTHS (EUR/MWh)



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WHAT IS A POWER PURCHASE AGREEMENT?



WHAT IS A POWER PURCHASE AGREEMENT (PPA)?



PPA



Commits to buying a fixed amount of electricity at a fixed price for up to 10 years

Needs this commitment to secure financing for new solar parks and wind farms

- ✓ Actual CO₂-reductions
- ✓ Attractive budget certainty

- ✓ Project bankability
- ✓ More projects

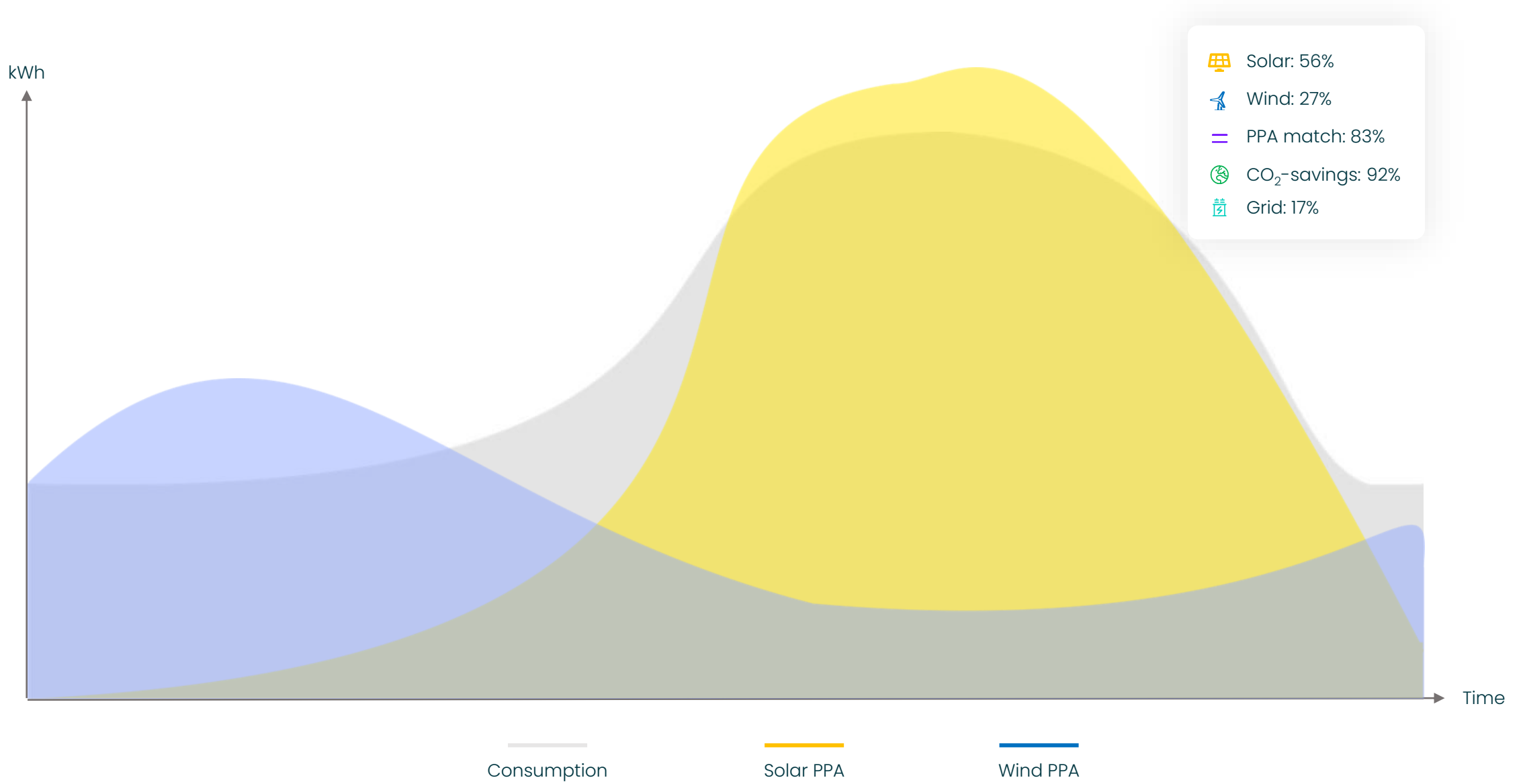
THE PROBLEM

**99.7 % of companies cannot sign PPAs and
are limited to buying normal green
electricity**

REEL'S SOLUTION
TAILORMADE MIX OF SOLAR AND WIND

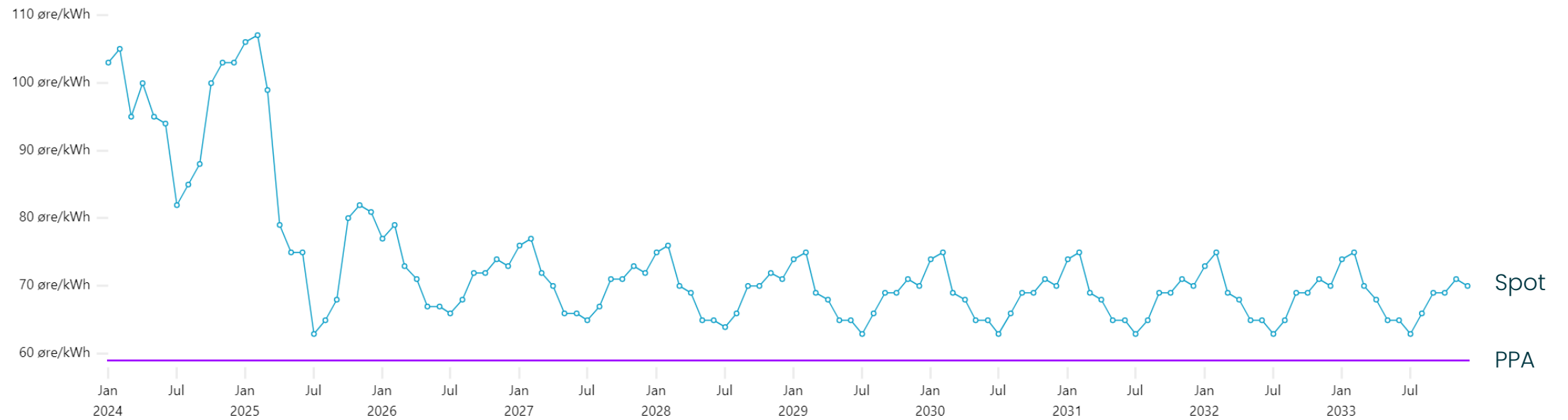


REEL'S SOLUTION – TAILORMADE MIX OF SOLAR AND WIND



PPA PRICE EXAMPLE – COMPARED TO THE FORWARD MARKET

How is a PPA priced compared to current market forecasts?



BENEFITS – GOOD FOR THE PLANET AND YOUR FINANCES

Financial benefits



Lowest price in the market: PPAs are priced below the forward market and are the lowest available prices on the market



Budget certainty and hedging: Fixing your electricity costs with PPAs allows you to plan and price your products with certainty

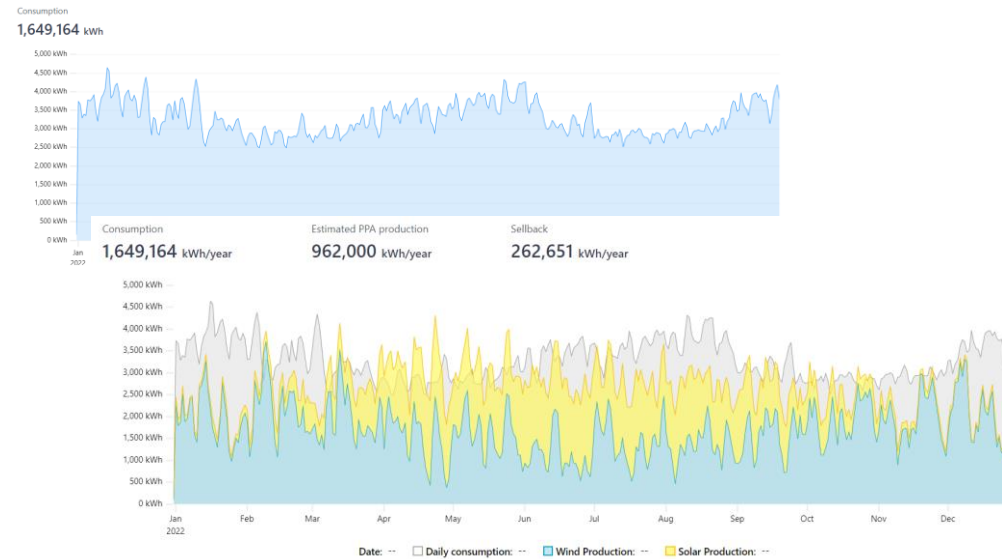


Diversification and flexibility: Get benefits of both wind and solar and add PPAs over time at your own pace

HOW TO GET STARTED?

Consultation

A walkthrough of Reel's solution tailored to your consumption profile



WHAT CUSTOMERS AND PARTNERS SAY

"With Reel, we get the opportunity to be a small part of something big, and we want to contribute to investments in renewable energy sources while getting budget safety in a volatile market where we don't know the prices in the short or long run"

Klaus Juhl Wulff

Chief Financial Officer at Aquaporin



"I've negotiated some of the biggest PPAs in the world, and I'm confident that Reel's solution will revolutionize the electricity market, and make it possible for all companies to get the same attractive prices and terms as Google, Novo Nordisk and Microsoft, while making a real contribution to the fight against climate change"

Daniel Nathan

Former Chief Commercial Officer, Ørsted



"We are in the middle of a climate crisis that we are all aware of. I find Reel's business model very convincing. To assemble multiple companies in order to resemble a large counterpart to the developers and ensure the construction of new solar parks and wind farms"

Michael Zwicky Hauschild

Professor of Environmental and Resource Engineering



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