

Media Release

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Axpo and Green Investment Group extend PPA cooperation to Norway

Axpo Nordic reinforces its role as a leading marketer of renewable energy in the Nordics by concluding two more long-term route-to-market power purchase agreements (PPA) with UK-based Green Investment Group's (GIG) wind farms Buheii and Tysvær in Norway. Currently under construction with commercial operation expected in the second half of 2021, the wind farms will provide energy to the Norwegian smelters of Eramet, a global mining and metallurgical group. Axpo Nordic is responsible for facilitating the corporate PPA between GIG and Eramet Norway through the balancing of the wind farms and managing the physical power delivery.

Axpo and GIG have been working together since 2019 when Axpo Nordic agreed with GIG to buy the output generated by the 43 MW Hornamossen wind farm, located in Sweden's Jönköping municipality. At a similar time, Axpo Polska concluded a ten-year route-to-market PPA with the leading renewables investor for a 42 MW wind farm in Kieselice, North-Eastern Poland.

Through the agreements for the Buheii and Tysvær wind farms, GIG and Axpo have now extended their existing cooperation to Norway. PPAs for onshore wind farms continue to be one of the most important growth areas for both investors and marketers of power from renewable energies in the Nordic markets.

Predictably priced green power for industrials through long-term PPAs

Kjetil Holm, Head Origination at Axpo Nordic, says: "We are seeing a clear trend: Going green is becoming increasingly more important, especially for energy-intensive industrials. Customer demand is constantly growing in this segment as these companies want to secure long-term power supply from renewable energies with predictable price conditions to ensure stable and efficient operation."

With the facilitation of corporate PPAs, Axpo continues to play a key role when it comes to matching output generated by wind farms with the consumption from energy-intensive industry. In relation to the PPAs with GIG, Axpo Nordic will be the balancing responsible party for the Buheii and Tysvær wind farms and manage the physical power delivery. Eramet Norway's processing plants in Porsgrunn, Sauda and Kvinesdal have an electricity demand of more than 2 TWh per annum.

Reducing CO2 emissions by 22,000 tonnes per year

Buheii is based in Kvinesdal, southern Norway. When operational, the 79.8 MW wind farm will produce enough low-carbon electricity to displace an estimated 15'000 tonnes of CO2 emissions per year. The 47 MW Tysvær wind farm, also located in southern Norway, will power the equivalent of 8,803 homes and annually reduce CO2 emissions by some 7'000 tonnes. The two wind farms will also contribute to Norway's goal of becoming a 'low emission society' by 2050 and achieve 'climate neutrality' by 2030.

Edward Northam, Head of Green Investment Group Europe, comments: "We are committed to accelerating the transition to a greener economy in Norway and supporting companies from the energy-intensive industrial sector such as Eramet Norway in achieving their requirements for long-term, predictably priced power on attractive commercial terms. Together with Axpo Nordic, we show that we can continue to deliver these types of contracts."

About Axpo:

Axpo is Switzerland's largest producer of renewable energy and an international leader in energy trading and the marketing of solar and wind power. 5,000 employees combine experience and expertise with a passion for innovation. Axpo develops innovative energy solutions for its customers based on state-of-the-art technologies in over 30 countries in Europe and the USA.

About Green Investment Group:

Green Investment Group Limited (GIG) is a specialist in green infrastructure principal investment, project delivery and the management of portfolio assets, and related services. Its track record, expertise and capability make it a global leader in green investment, dedicated to supporting the growth of the global green economy. GIG was acquired by Macquarie Group in 2017, creating one of Europe's largest teams of dedicated green infrastructure investors, and now operates under the name Green Investment Group.

Additional information

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