

VIRTUAL POWER PURCHASE AGREEMENTS

AND HOW THEY COMPLEMENT YOUR
NET ZERO STRATEGY



Shawton
ENERGY

IF ON-SITE SOLAR ISN'T POSSIBLE RENEWABLE ENERGY STILL IS

For many organisations, installing solar on their own sites is the most direct route to reducing energy costs and carbon emissions. But in reality, not every site is suitable. Grid constraints, lease lengths, roof limitations, or operational risk can all make on-site generation impractical.

That does not mean renewable energy is off the table.

Virtual Power Purchase Agreements (VPPAs) offer a credible alternative, allowing organisations to support new renewable generation while managing long-term price exposure and sustainability targets.

Businesses increasingly recognise that energy strategy cannot rely on a single solution. While on-site solar often

delivers the strongest cost benefit, some organisations face structural barriers that limit what can be installed locally.

These barriers might include grid connection delays, planning constraints, limited physical space, or short property leases. In other cases, energy demand simply exceeds what can be generated on site.

Virtual PPAs provide a route to renewable energy that sits alongside on-site solutions rather than replacing them. They allow organisations to diversify their approach while still contributing to new renewable capacity.

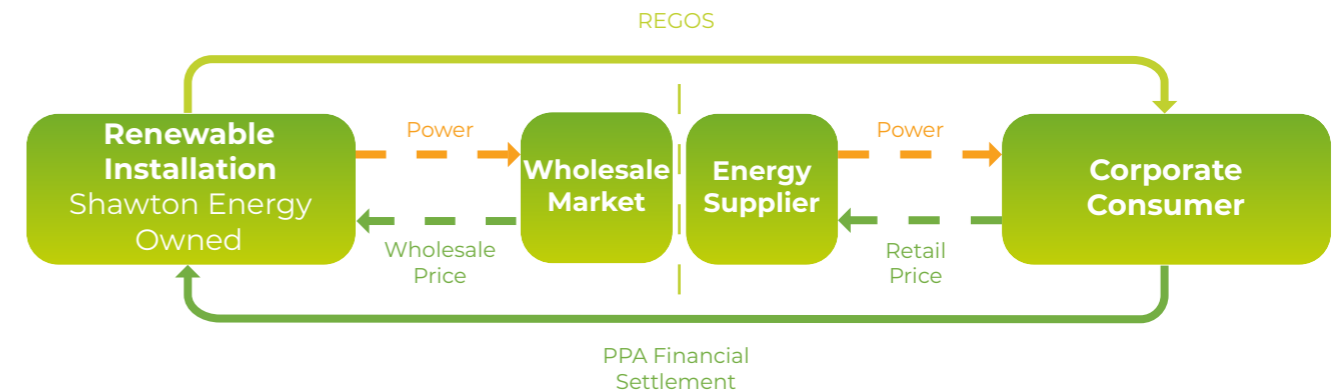
WHAT IS A VIRTUAL POWER PURCHASE AGREEMENT

A Virtual Power Purchase Agreement is a long-term financial agreement linked to the output of a renewable energy project. Rather than physically receiving electricity from that project, the organisation agrees a fixed price for its output over a defined period.

The electricity is sold into the grid, and the difference between the market price and the agreed price is settled financially between the parties.

This structure allows organisations to secure long-term price visibility, support the development of new renewable assets, and demonstrate measurable progress towards sustainability commitments.

HOW IT WORKS



WORKING WITH SHAWTON ENERGY ON A VPPA

Delivering a VPPA requires alignment between financial, operational, and sustainability objectives. Shawton Energy supports organisations through this process from the outset.

OUR APPROACH

We begin by understanding energy usage, cost exposure, and long-term targets. From there, we help identify whether a VPPA is appropriate, what structure would be most suitable, and how it fits alongside other renewable options.

Our role includes guiding commercial discussions, coordinating project partners, and ensuring the agreement supports both financial outcomes and sustainability reporting requirements.

HOW WE DELIVER



Understand

Analyse energy usage and long-term targets.



Assess

Evaluate VPPA suitability and options.



Structure

Develop the VPPA framework and structure.



Deliver

Finalise and implement VPPA agreement.

HOW A VPPA CAN SUPPORT YOUR NET ZERO STRATEGY



Supports Net Zero

Additionality / new renewable projects



Improves Reporting

Scope 2 emissions alignment



Manages Risk

Protection from Market Volatility



Complements On-Site Energy

Works with Solar across multiple sites

BRINGING TOGETHER COST CERTAINTY AND CARBON REDUCTION

Virtual PPAs are not the right solution for every organisation. But where on-site generation is limited or where long-term energy certainty is a priority, they can provide a practical route to renewable energy adoption.

For organisations looking to build a credible, balanced Net Zero strategy, they offer a way to combine financial stability with measurable environmental progress.

If you would like to explore whether a Virtual PPA could support your energy strategy, Shawton Energy would be happy to begin that conversation.



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