

PRESS RELEASE:

Headline:

Universities respond to the “net zero” carbon challenge with £50m green energy deal

The Energy Consortium (TEC) has established for twenty pioneering universities including [Newcastle](#), [Exeter](#) and [Aberystwyth](#); a UK first – an aggregated power purchase agreement (PPA) delivering renewable power. This ground breaking deal means the parties lock-in a proportion of their power at a fixed price over a ten-year period. This in turn directly supports the amount of ‘renewables’ in the UKs generation mix and makes a stated contribution to a ‘net-zero’ carbon environment for their community and the UK.

Under the new, much tougher legislative target of "net zero" greenhouse gases by [2050](#), the emissions from estates will have to be completely eliminated or, in the most difficult examples, offset by schemes with clear, robust auditing of activity proving removal of CO2 from the atmosphere. The TEC PPA is from onshore wind, a totally clean renewable energy product that produces zero carbon and can be reported as such.

To meet the highest standards demanded by the Universities in buying renewable energy the deal was structured so the power from the wind farms contractually flows with the Renewable Energy Guarantees of Origin (REGOs).

The deal is sleeved through TEC’s current and future framework energy partner(s) (presently [EDF Energy](#)), with renewable British onshore wind power provided by [Statkraft](#), the largest renewables generator in Europe and [Squeaky Clean Energy](#), a 100% renewable supplier providing balancing services.

“The corporate PPA market has long been touted as a means for larger organisations to procure renewable power and enable subsidy-free development,” said Richard Murphy, Managing Director, TEC. “But to date, it has largely been the preserve of very large companies, requiring substantial commitments from buyers. By acting together in a collaborative approach facilitated by the energy expertise here at TEC, these institutions, whether large or small, have been able to navigate a previously inaccessible market.

“It allows members to protect budget, they know what they are going to pay for power over the term, but it also provides flexibility – because they are not committing 100 per cent of annual baseload volume to the agreement,” Murphy said.

“For example, by committing to 20 per cent of baseload via the PPA, if a university subsequently outsources part of its campus, such as student accommodation and volume falls, or they add self-generation energy assets they have sufficient headroom to allow for future developments.

“The combined challenge facing the Higher Education and wider public sector is to secure reduced carbon emissions whilst saving money and I am delighted that the TEC team have secured both through this ground breaking deal”

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The Energy Consortium (TEC)

[TEC](#) is a member owned not-for-profit public buying organisation. They are committed to supporting their members to effectively manage their energy estate assets from the perspective of cost, consumption and carbon.