

## **E.ON Signs Innovative Virtual Power Purchase Agreement with Honda for Offtake from Boiling Springs Wind Farm in Oklahoma**

*Honda-E.ON deal part of largest-ever renewable energy purchase by automotive industry*

*E.ON's innovative "collar" financing structure provides flexibility, expands market for commercial & institutional renewable energy customers*

**AUSTIN, Texas, Sept. 23, 2019** – As part of the largest-ever renewable energy purchase by the automotive industry, E.ON today announced that it has signed an agreement with Honda for offtake from E.ON's Boiling Springs Wind Farm. Under the terms of the Virtual Power Purchase Agreement (VPPA), Honda has contracted for 120 megawatts (MW) of the power and renewable attributes from the 150 MW Boiling Springs Wind Farm, E.ON's first wind farm in the state of Oklahoma and in the Southwest Power Pool.

"Our agreement with Honda to help power its North American manufacturing facilities is another example of E.ON working closely with customers to find innovative solutions to bring more 100% clean, renewable power to the grid," said **Silvia Ortin, E.ON Chief Operating Officer North America**. "We're excited to enhance the value of our Boiling Springs Wind Farm through this agreement, the first project of what we hope will be many in Oklahoma and the Southwest Power Pool, a highly attractive market for C&I customers. We are proud to help our partners meet their sustainability goals by building best-in-class projects that create jobs and sustain local economies across America."

"This VPPA will help Honda meet its CO2 reduction goals by adding clean renewable electricity and by de-carbonizing the electricity grid," said **Ryan Harty, manager, Connected and Environmental Business Development, American Honda**. "We hope the addition of a 'collar' format in this deal will encourage other companies to consider VPPAs as a method to secure renewable power and reduce climate-altering carbon emissions."

The agreement between E.ON and Honda features an innovative collar structure, which sets upper and lower bounds on Honda's exposure to energy market price fluctuations in any given quarter, while ensuring strong and stable revenue for E.ON as the project owner and operator. The collar format also positions E.ON to effectively manage the energy risk around the collar, maximizing each counter-party's ability to achieve its goal in the contract. The deal with E.ON is part of a larger VPPA Honda signed for a combined 320 MW of wind and solar energy, the largest-ever renewable energy purchase by the auto industry.

The agreement is the latest in a series of deals by E.ON showcasing its ability to provide customer-focused solutions across multiple deal formats.

"Our experience, nimbleness, and willingness to craft an innovative agreement allowed us to address Honda's needs and make a significant investment in our Boiling Springs project, providing a win-win opportunity for both companies," said **Dr. Christoph Hunfeld, Head of Asset Commercialization, North America for E.ON**. "We work hard to

provide responsive, flexible, and pioneering structures to meet our customer's needs in the market. We look forward to more opportunities to work with our partners in the C&I segment to continue building a sustainable future powered by renewable energy."

The Boiling Springs Wind Farm is E.ON's first project in Oklahoma and in the Southwest Power Pool. The 150 MW project will begin onsite construction in early 2020 and be completed by the end of the year, and is part of more than 1 gigawatt of renewable wind and solar energy projects E.ON will deliver to the grid by the end of 2020.

#### **About E.ON**

E.ON is an international investor-owned energy company, focusing entirely on energy networks, customer solutions and renewables. In the 2018 financial year, more than 43,000 employees from 100 nations generated sales of around €30 billion. Around 32 million customers purchase gas and electricity from E.ON. Within the global renewables segment E.ON is a leading company. The company has already invested more than \$12 billion and operates nearly 5.4 gigawatts of renewable capacity.

#### **Press Contact**

Matt Tulis

Communication Manager

512.698.4043

[matthew.tulis@eon.com](mailto:matthew.tulis@eon.com)