

Tariff Structures for Large Scale Hydroelectric IPPs

“As a dispatchable renewable energy technology, hydropower has a significant role to play in the energy transition. The growing penetration of intermittent renewable energy on many grids has increased the need for ancillary services such as frequency regulation. The fast response times and high ramp rates of hydropower make it well suited to provide these services, enabling further penetration by other renewable energy resources. Although relatively few hydroelectric projects have been developed as independent power projects (“IPPs”), the growing value of hydroelectric resources in facilitating the energy transition is likely to change that,” writes Ryan T. Ketchum in *Hunton Andrews Kurth Insights*.

“The structure of tariffs for large scale hydroelectric IPPs has a significant impact on the bankability of these projects. This article examines the principal options for structuring tariffs for both storage and run of river hydroelectric projects.”

Read the article.