

PIONEERING PROJECT PUTS **NETWORK RAIL** ON THE RIGHT TRACK FOR A NET ZERO FUTURE

Network Rail owns, operates and develops Britain's railway infrastructure. Keeping the country moving makes Network Rail one of the largest consumers of electricity in the UK. So we've helped pioneer a new partnership to get the organisation on track to net zero, kicking off the first phase of its mass decarbonisation programme through an innovative Corporate Power Purchase Agreement with EDF Renewables UK.



MORE IMAGINATION **MORE IMPACT**

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THE CHALLENGE

Network Rail wants to source 100% of its non-traction energy from renewables by 2030. Helping Network Rail make this critical first step on this journey towards fully renewable non-traction operations, EDF Renewables UK will be building a brand-new solar farm in Bloy's Grove, Norfolk which will exclusively supply Network Rail and allow Network Rail to demonstrate it is bringing new renewable energy capacity to the grid (known as "additionality").

But generating electricity offsite for use across Great Britain is complex, often requiring the involvement of multiple parties to ultimately "sleeve" the generated renewable electricity into the corporate purchaser's supply arrangements.

Network Rail is also required to comply with public procurement rules when procuring major contracts which means extra rules and procedures to navigate when procuring a Corporate Power Purchase Agreement of this scale and nature - a complexity not faced by private sector corporate purchasers.

THE IMAGINATION

With this project acting as a pathfinder on the road to complete sustainability, we were careful to craft an agreement that would meet the needs of the business now - and in the future. That meant engaging early with stakeholders across Network Rail, running brainstorming sessions to collaboratively devise the best contract structure and solutions to meet Network Rail's needs.

Regulatory requirements mean a licensed supplier is required to take delivery of the electricity generated by the solar farm. So we needed to create a framework which allowed Network Rail to appoint a third party licensed supplier to fulfil this role - while keeping an eye on the procurement horizon, mindful that the licensed supplier may very well change during the life of a 15 year Corporate Power Purchase Agreement.

Combining our vast renewables sector expertise, a pragmatic approach and a readiness to flex in what is an incredibly dynamic space, we were able to put this pioneering project on the right track to achieving Network Rail's green ambitions.

THE IMPACT

This deal is a landmark moment in Network's Rail's ambitions to make its operations greener and an important step on its way to achieving its 30-year Environmental Sustainability Strategy. Once complete, the solar farm will generate enough electricity to satisfy 15% of Network Rail's annual non-traction demand, powering its railway stations, train maintenance depots and offices nationwide.

It will be adding more capacity to the grid, in line with HM Government's ambitions for green energy initiatives. The power generated and received by Network Rail will be fully traceable and certified as green with EDF Renewables UK providing Renewable Energy Guarantees of Origin (REGO) certificates to Network Rail under the terms of the arrangement.

And there's no capital expenditure outlay or development costs for Network Rail and it hasn't had to find a site, or free up an inch of its own land, to do it. With total decarbonisation the destination, Network Rail's first Corporate Power Purchase Agreement will deliver greater energy security, price certainty and a blueprint to accelerate its sustainability initiatives.

ENOUGH SOLAR ENERGY
GENERATED TO POWER
20,000 HOMES



Network Rail is indebted to Addleshaw Goddard for the invaluable legal and structuring advice, and negotiations support provided during the delivery of its first cPPA.

Patrick Bailey, Project Lead, Corporate Finance & Business Development, Network Rail



Our vision is to serve the nation with the cleanest, greenest form of public transport and this agreement marks another important step towards achieving our aims.

Jo Lewington, Chief Environment and Sustainability Officer, Network Rail
