

# **Transport for Greater Manchester: Power Purchase Agreement Opportunity**



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# Transport for Greater Manchester (TfGM) is looking to partner with a renewable electricity developer to meet its clean energy goals

## About TfGM

**“Every journey, every day”**

- Transport for Greater Manchester (TfGM) is the local government body responsible for transport services throughout Greater Manchester.
- TfGM is an executive arm of the Greater Manchester Combined Authority (GMCA), the city region's administrative authority.
- TfGM answers to elected local politicians – Mayor Andy Burnham and the GMCA.
- TfGM and GMCA are the first authorities to exercise powers under the Bus Services Act to franchise local bus services. This all builds towards delivering the Bee Network, an integrated ‘London-style’ transport system, which will transform journeys.

## Statement of Purpose

*‘World-class connections that support long-term sustainable economic growth and access to opportunity for all.’*




TfGM wants to deliver on its vision sustainably, with a **net zero carbon by 2038 target**:

- TfGM is looking to further **decarbonise the electricity supply** that powers the Metrolink light rail network by procuring a **Power Purchase Agreement**.
- **Electric buses** form part of the TfGM network, with the first 100 ZEBs now operating on the newly franchised bus network and plans in place for **large-scale deployment** over longer-term<sup>1</sup>.
- The electrification of the TfGM bus fleet may also lead to **future PPA opportunities**.

## Quick Facts

-  Provides more than 5.6 million passenger journeys every day via trains, trams, buses and roads.
-  Proud owners of the UK’s largest light rail network, Metrolink.
-  More than 2,000 buses are being brought under TfGM control via bus franchising

## TfGM 24/25 Budget<sup>2</sup>

-  Total annual income of c.£400m.
-  Passenger fare revenues contribute c. £190m of income.
-  Annual capital expenditure of £300m.

## Leadership Team



**Caroline Simpson**  
**GMCA**  
Group Chief Executive Officer

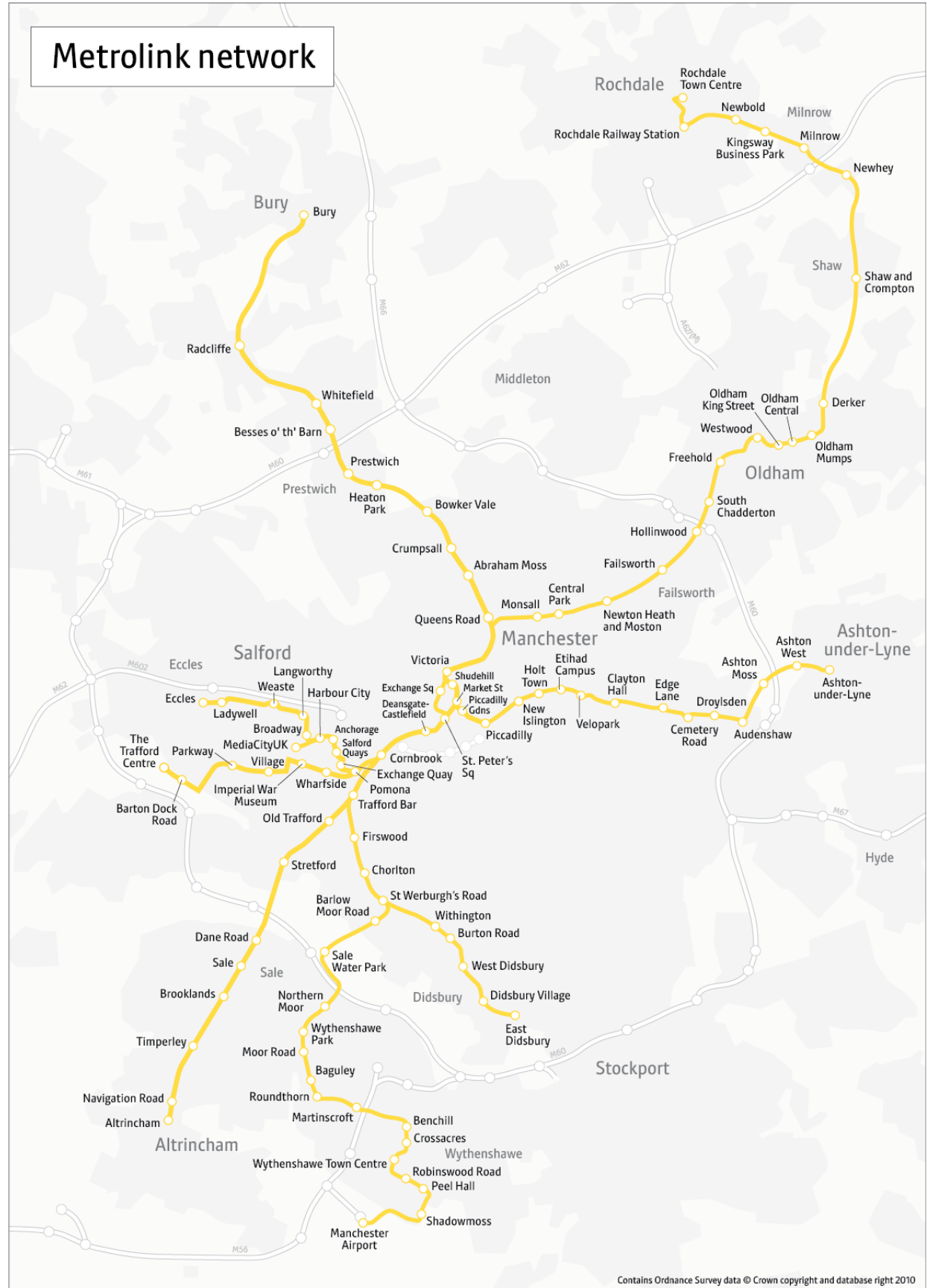


**Steve Warrener**  
**TfGM**  
Managing Director

**Notes(s):** 1. More information on TfGM’s electric vehicle strategy is available at <https://tfgm.com/the-bee-network>;  
**Source(s):** 2. GMCA Transport Revenue Budget 2024/25, available at [B. GMCA Transport Revenue Budget 2024-25.pdf \(greatermanchester-ca.gov.uk\)](https://www.greatermanchester-ca.gov.uk/media/10000/B-GMCA-Transport-Revenue-Budget-2024-25.pdf)

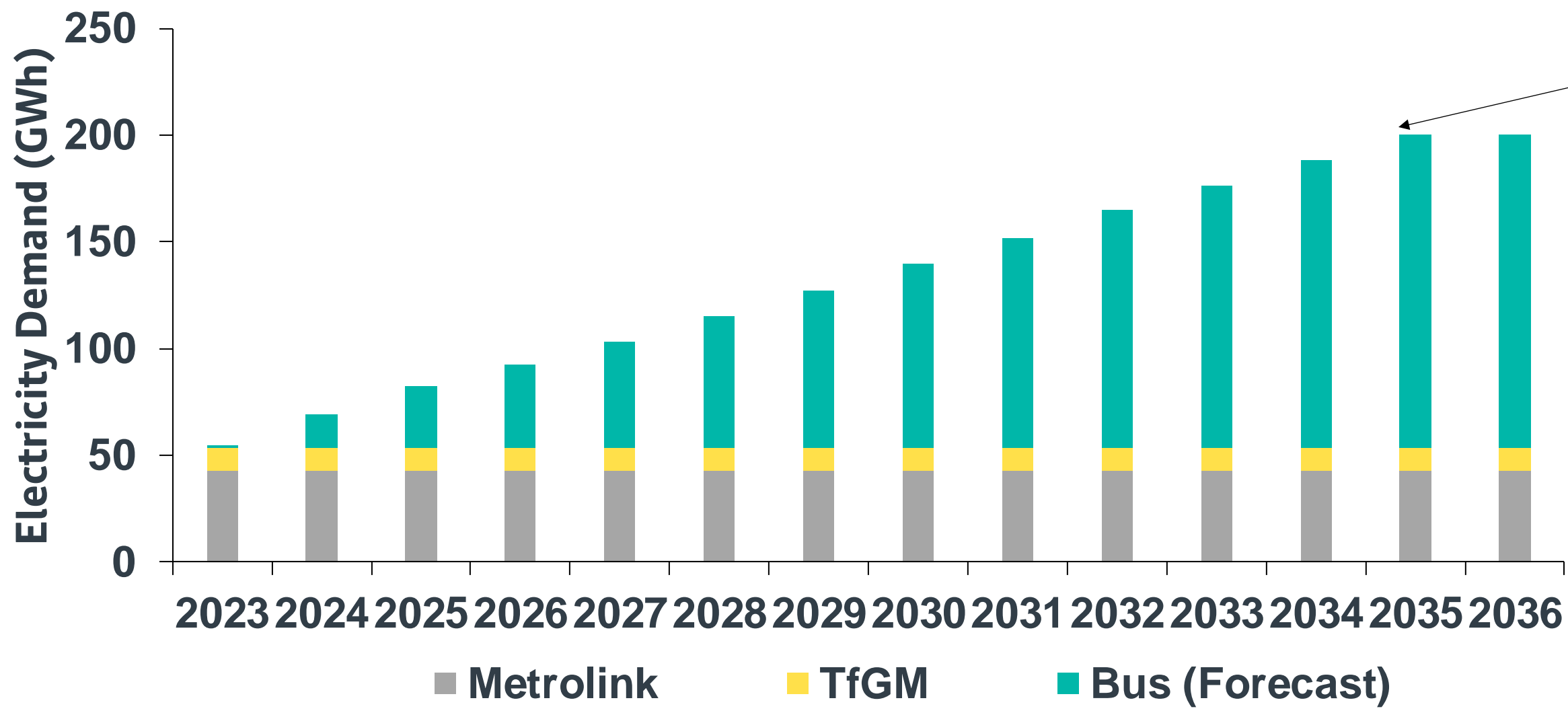


# As a pathfinder project, TfGM is looking to meet 25-40 GWh of annual electricity demand via a PPA, equivalent to 50-75% of current demand



- Metrolink Key Facts:**
- 147 trams in service across 99 stops and 8 lines.
  - 64 miles of tram lines in operation.
  - 7.2 million miles travelled annually.
  - Currently 43 million passenger journeys per annum.

**TfGM is looking for a PPA to meet the electricity demand of the Metrolink tram network**



Electricity consumption forecast to quadruple by 2035 due to the introduction of electric buses.

**TfGM is seeking to partner with developers who can offer:**

- Power between **25 and 42 GWh annually** to meet Metrolink’s electricity demand.
- **A PPA** that would be operational by the end of 2027.
- **Competitive energy prices** for a duration of 10 to 15 years.
- **Additionality** through the deployment of new renewable electricity generation capacity.


**Through PPA partnership, TfGM can offer:**

- **The potential for future partnerships** – 2023 consumption of 54 GWh is forecast to grow four-fold by 2035 with the deployment of electric buses.
- **The opportunity to partner with a public body** that delivers transport services to the people of Manchester.
- **A reliable off-taker** with creditworthiness as a public organisation.



# TfGM has a set of preferred objectives for PPA procurement and is looking to engage with interested developers

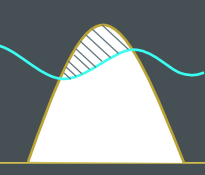
These are the desired conditions of the PPA, but TfGM would not rule out other developers or assets at this stage



Preferred PPA Model:  
**Virtual**



Technology:  
**Agnostic**



Volume:  
**25 – 42 GWh annually**



Preferred Duration:  
**10 to 15 year contract length**




Additionality:  
**New-build renewable electricity**



PPA Price:  
**Competitive Rates**




Price Structure:  
**Contract for Difference**



COD:  
**Generation by end of 2027**



Certificates:  
**REGOs included**



Volume Structure  
**Open to pay-as-produced or baseload**



# Next Steps and Contact

TfGM are keen to engage with you on this opportunity

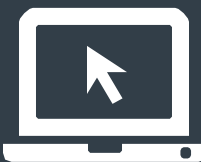
## Next Steps

### 1. Register your interest on Pro-Contract



- We are using **Pro-Contract** to provide you with more information on the project.
  - To access further information, you will need to register on Pro-Contract.
  - Details on how to do this can be found in the PIN Notice.
  - If you have any issues with accessing Pro-Contract, please do get in touch with our dedicated team who can guide you through registration – [procurement@tfgm.com](mailto:procurement@tfgm.com).

### 2. Attend our virtual supplier day



- We will be hosting a **virtual Supplier Day** on 08/07/24, to provide a chance to hear more about the project, the process, timescales and next steps from our senior leaders and commercial advisors, KPMG.
- To register your interest in this event, please [register here](#).
- Do not worry if you can't attend the Supplier Day – we will record the session and make it available to view on Pro-Contract.