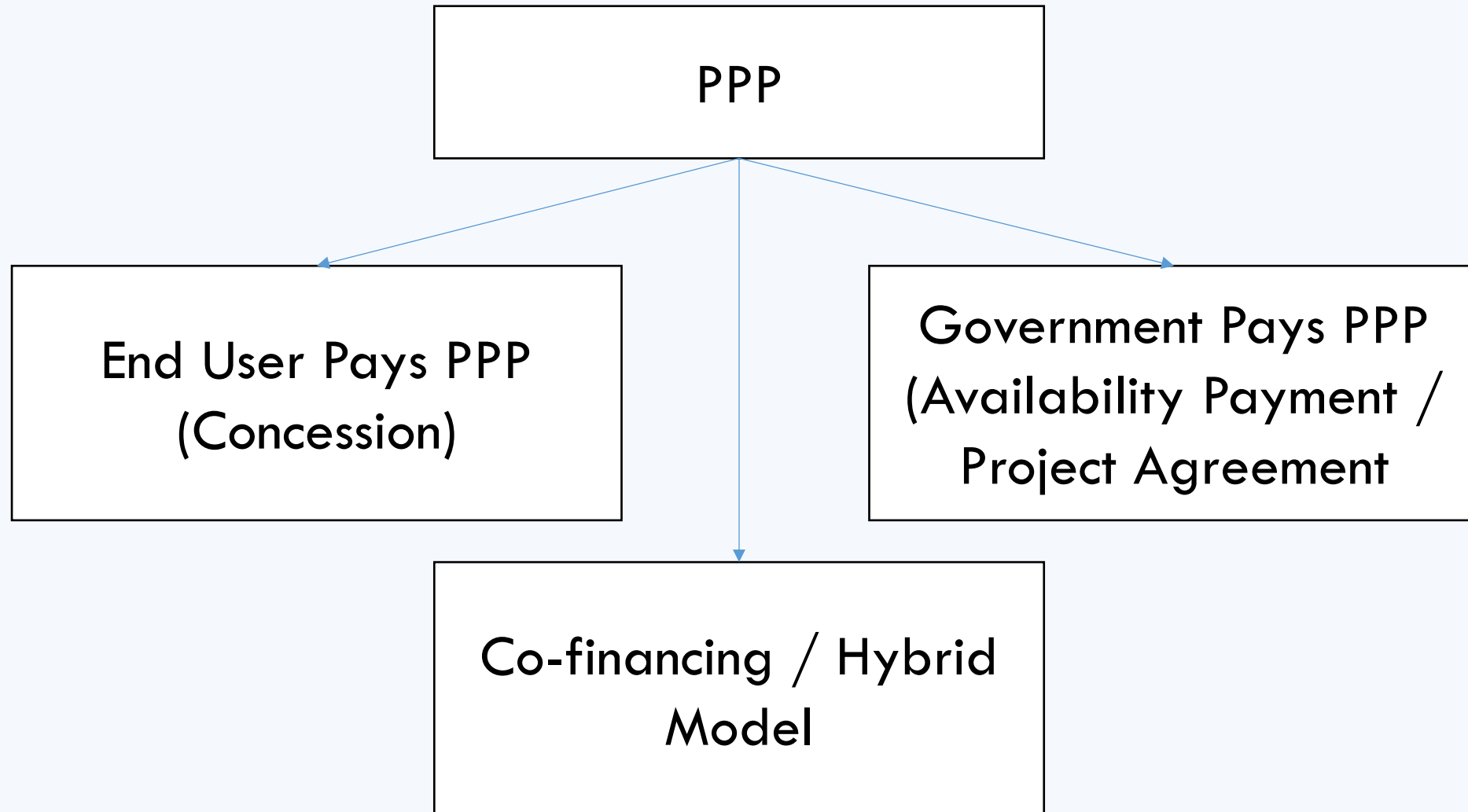


Project Finance Modeling

PPP - Revenue Models

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End-user pays PPP (concession)

- **Offtaker – end user**, Government concedes the right to collect revenue
- **Revenue risk** rests with project company
- **Government often provides guarantee** to fill the gap between projected and actual revenue
- **Auxiliary revenue** - additional income streams that are not part of the core revenue model of the project but help improve financial viability

Government pays PPP (availability payment)

- **Government is oftaker** - contracting authority
- Availability payment can be up to 100% of project's revenue, payments made throughout the life of the project
- Availability payments are based on **available capacity** or other metrics that indicate the level of project functionality at any moment in time
- Revenue from end users are usually passed to the government