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Press Release



Largest activation of flexibilities on enera market performed successfully

24 MW of flexibility capacity were activated within one hour by system operators

Oldenburg / Paris, 15 April 2020. The participants of the SINTEG project enera successfully carried out a field test in which 24 MW of flexibility capacity were activated within one hour by the system operators Avacon Netz, EWE NETZ and TenneT in a coordinated manner. This is the largest activation to date on the exchange-based flexibility market. Despite the restrictions imposed on the participants by various Covid-19 measures, all system operators closely coordinated their activity across voltage levels.

Due to the strong expansion of wind power plants in the north of Germany with high consumption in the south of the country, congestions are increasingly occurring on all grid levels in the context of the energy transition. This causes high costs for grid-stabilising measures such as feed-in management and redispatch, on the transmission grid in particular, but the distribution grid is also increasingly concerned.

Against this background and in the context of the enera project, Avacon Netz, EPEX SPOT, EWE AG, EWE NETZ, and TenneT show that a voluntary market-based mechanism can avoid predicted grid congestions before they occur. This is to be achieved through better coordination of generation and consumption, taking into account flexibility potential at a local level.

In the joint field test scenario of the enera project on 3 April, biogas and wind power were reduced in their feed-in, while an electric gas transport compressor and a hybrid large-scale storage facility in Varel in the region of Friesland were simultaneously activated to take in electricity from the grid. In this process, the renewable generated electricity was not subjected to hard curtailment by the system operator, but the plants reduced their output in line with the market price signal. EWE TRADING took

part in the field test as a marketer and offered all its available flexibility, which was activated in its entirety. This demonstrated how grid congestions can be reduced through coordinated flexibility activation, thereby facilitating the integration of renewables into the electricity grid in the long run.

The enera flexibility market has been operational <u>since February 2019</u>. Since then, various aspects of the market have been tested. The enera flexibility market aims to provide services for all voltage levels. "We are pleased about this successful practical test and the successful interaction of different technologies, system operators and marketers. With this largest activation so far, the flexibility market has proven its resilience," confirms Dr. Urban Keussen, Chief Technology Officer of EWE AG.

"The strength of local flexibility markets such as enera lies in the fact that they are inclusive of all types of technology, not only generation plants, but also storage facilities and innovative technologies such as Power-to-X. Flexibilities are activated on demand by bringing supply and demand together on the exchange-based digital platform. This also creates a transparent and reliable price signal for flexibilities, further promoting their use to stabilise the grid," says Ralph Danielski, Chief Executive Officer of EPEX SPOT.

In the enera project, the results achieved on the flexibility market are now being assembled and their usability beyond the project is being evaluated. The project parties examine to what extent the enera flexibility market is transferable as a blueprint for energy system transformation in Germany, also in comparison to other developed solutions.

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enera is a consortium project which unites 33 consortium members from energy industry, business and research. The main objective of enera is to develop and demonstrate scalable showcase solutions for the energy transition in the focus fields grid, market and data. The demonstration is based on the consistent digitalisation and flexibilisation of the energy system in a model region, which is characterised by a 235 % share of generation from renewable energies. Since 2017 the enera project has been funded through the SINTEG ("Schaufenster intelligente Energie") initiative of the Federal German Ministry of Economics and Energy and is currently in its demonstration phase.

The European Power Exchange EPEX SPOT SE and its affiliates operate physical short-term electricity markets in Central Western Europe and the United Kingdom. As part of EEX Group, a group of companies serving international commodity markets, EPEX SPOT is committed to the creation of a pan-European power market. In 2019, its 302 members traded 593 TWh – a third of the domestic consumption in the eight countries covered. 49% of its equity is held by HGRT, a holding of transmission system operators. For more information, please visit www.epexspot.com.

EWE is an innovative service provider active in the business areas of energy, telecommunications and information technology. With over 8,500 employees and sales of around EUR 5.7 billion in 2018, EWE is one of the largest utility companies in Germany. The company, based in Oldenburg, Lower Saxony, is primarily owned by the local government. It provides electricity to around 1.4 million customers in northwest Germany, Brandenburg and on the island of Rügen, as well as parts of Poland, and supplies natural gas to almost 0.8 million customers. It also provides approximately 700,000 customers with telecommunications services. To achieve this, the various companies in the EWE Group operate over 190,000 kilometres of electricity grid, natural gas grid and telecommunications networks. EWE intends to invest over EUR 1.2 billion in a comprehensive fibre-optic expansion over the coming years, creating the foundation for the digitalisation of northwest Germany. More information on EWE can be found at www.ewe.com.

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