

Press release

New system by RWE and Outokumpu to optimise energy consumption and stabilise the power grid

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Today, RWE Supply & Trading and Outokumpu have put a new type of power generation and storage system into operation that will help to stabilise the power grid and enhance flexibility. It is located at the Outokumpu mill in Krefeld, Germany, and consists of a 3.3 megawatt battery storage unit coupled with three 1 megawatt gas turbines. The system is a joint project designed and built by RWE, and RWE will also operate it remotely. To enable this to happen, Outokumpu has modified its roll stands. The two companies will share the results of the optimisation over a period of ten years.

For energy-intensive production companies such as Outokumpu, electricity is a crucial cost factor. During peak times, when the roll stands in Krefeld are running at high utilisation, the Outokumpu mill has a particularly high demand for electricity. These load peaks put stress on the power grid as the grid operator has to intervene to ensure that the required electricity is available at short notice. Considering the increasing feed-ins of electricity from renewables, this presents challenges due to weather dependency, as the same amount of power is not available on the grid at all times. In addition, Outokumpu needs to purchase electricity at peak times and therefore at relatively high prices.

The new RWE system is now helping the Krefeld mill to reduce electricity costs – and it also takes pressure off the grid as the combination of batteries and gas-powered generators now supplies electricity during peak times. Interventions by the grid operator will not be required as frequently as before. To ensure that the combined system and the roll stands work effectively together, Outokumpu has, so to speak, "optimised them for the energy market". Thus, the system can also be utilised in the flexibility market. This means that in times when too much or too little electricity from renewables is available on the electricity market, additional electricity can be fed in or production can be adjusted accordingly.



As Hendrik Niebaum, Head of Commodity Solutions at RWE Supply & Trading points out: "The increasing expansion of renewables poses new challenges on the power grid. Reconciling their increasing volatility with the industry's demands is one of them. Our intelligent energy management solutions help to relieve the load on the grid as well as optimize flexibility and generate revenue for our customers at the same time. I am looking forward to realizing this project together with our partner Outokumpu."

Dr. Cem Kurutas, Managing Director and VP Operations Krefeld emphasises: "The stainless steel market is highly competitive and attracts both European and Asian suppliers. In order to keep Germany competitive as a production location in this challenging market environment over the long term, we have to optimize our energy consumption and our cost structure. Our partnership with RWE provides an important building block in this endeavor, and also supports Germany as an economic location and helps driving the energy transition."

Eckart Preen, Head of Economic Affairs Krefeld and Managing Director of Business Development, welcomes the joint project: "The Industry Park in Krefeld is a crucial factor for Krefeld as business location, and its future-oriented development is therefore a central concern for us. The long-term cooperation between RWE and Outokumpu with this project contributes to strengthening the Industry Park and thus also to strengthening the economy in the region. We welcome this cooperation project, as after all, utilising synergies is a central component of longterm success."

Images for media purposes (image rights: RWE, Klaus Görgen) are available in the RWE Media Centre

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RWE Supply & Trading GmbH

RWE Supply & Trading is the interface between RWE and the energy markets around the world. Approximately 1,600 employees from 40 countries trade electricity, gas, commodities and CO₂ emission allowances. Accurate market analyses and a high degree of customer centricity enable them to create innovative energy supply solutions as well as risk management concepts for industrial operations. The trading company also ensures the commercial optimisation of power plant dispatch at RWE and markets electricity from renewables. In addition, there are the legally independent RWE gas storage companies under the umbrella of RWE Supply & Trading.

Outokumpu Group

Outokumpu is the global leader in stainless steel. The foundation of our business is our ability to tailor stainless steel into any form and for almost any purpose. Stainless steel is sustainable, durable and designed to last forever. Our customers use it to create civilization's basic structures and its most famous landmarks as well as products for households and various industries. Outokumpu employs approximately 9,000 professionals in more than 30 countries, with headquarters in Helsinki, Finland and shares listed on Nasdaq Helsinki



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