

STEAG applies for further power plant unit closures

Völklingen-Fenne CHP plant and Bergkamen power plant to go off line

Essen/Völklingen/Bergkamen. The management of Essen-based energy company STEAG resolved today to register further power plant units for provisional closure. A similar application had already been made in early April for the Model Power Plant (MKV) in Völklingen-Fenne, Saarland. This is now followed by applications for the Völklingen-Fenne combined heat and power plant (HKV) and the Bergkamen power plant in North Rhine-Westphalia. Once again, commercial considerations were the decisive factor behind the decision.

“The decision to close the plants on a provisional basis is necessary because, on the one hand, the general economic conditions prevent the two power plant units from being operated economically for the foreseeable future. On the other hand, continued operation of the plants beyond 2026 is practically ruled out by the statutory regulations for the phase-out of hard coal fired power generation,” says Joachim Rumstadt, Chairman of the Board of Management of STEAG GmbH.

Review of system relevance

The application for provisional closure of the HKV and Bergkamen hard coal units will now be followed by a review by the transmission system operator (TSO) Amprion as to whether the plants are to be classified as system-relevant. The final decision on whether they are required to maintain security of supply will be made by the Federal Network Agency (BNetzA). “What the vote will be is hard to predict, especially in view of the recent decision on our Walsum 9 power plant unit in Duisburg,” says Dr. Ralf Schiele, who is the member of the STEAG Management Board responsible for Market and Technology. In the case of the power plant unit 9 in Walsum, TSO Amprion had applied for classification as system-relevant, but contrary to previous practice the BNetzA had not granted that application.

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Experience shows that the review of system relevance takes several months. If a unit is classified as system-relevant following the review, TSO Amprion will assume the operating costs of the power plant on a pro rata basis for the duration of the system relevance.

Irrespective of the pending decision on possible system relevance, STEAG remains nonetheless free to offer the two power plant units registered today for provisional closure in one of the four remaining auction rounds for the decommissioning of hard coal fired power plants in accordance with the German Act on the Termination of Power Generation from Coal (KVBG).

No impact on heat supply in the Ruhr or Saar areas

The Bergkamen power plant unit, which went on line in 1981, has a net rated capacity of 717 megawatts (MW). Since 2016, the plant has only produced electricity, so decommissioning would have no impact on the region's heat supply.

This also applies to the heat supply by the Saar district heating network (FVS), into which the two power plant units MKV and HKV in Völklingen-Fenne feed: "We started to develop alternative heat sources here at an early stage when it was foreseeable that the output of the two plants would no longer be available in the long term due to the coal phase-out," says Thomas Billotet, Managing Director of Saarbrücken-based STEAG New Energies GmbH. New heating plants are therefore under construction in Völklingen and Saarlouis in order to enable us to guarantee the heat supply at all times.

"And thanks to the development of heat extraction from the Velsen waste-to-energy plant, an additional 170,000 megawatt hours of climate-friendly heating will be available to FVS every year from the end of next year. We are therefore well prepared for the moment when the power plant units in Völklingen are taken off the grid" says Thomas Billotet.

STEAG plans to use hydrogen at the Fenne site

The site in the Fenne district of Völklingen also remains of central importance to STEAG. There, under the project title "Fenne HydroHub", the Essen-based energy company is planning to build an electrolyzer for the production of green hydrogen, which will in future make an important contribution from Fenne to the decarbonization of the steel industry and the mobility sector in the Saarland.

To that end, STEAG recently applied for funding of an IPCEI – "Important Project of Common European Interest" – together with network operator Creos Deutschland, plant manufacturer Siemens Energy, mobility service provider Saarbahn and steel producer SHS - Stahl-Holding-Saar.

No workforce adjustment measures in the short term

In terms of human resources, the application for the temporary shutdown will also have no immediate impact on the sites and their workforces. "Since the BNetzA has only recently extended the system relevance for our Weiher and Bexbach power plants in the Saarland until spring 2025, there is also a corresponding need for personnel there in the medium term," says STEAG's Industrial Relations Director and board member Dr. Andreas Reichel. A possible temporary shutdown of one or both units at the Völklingen-Fenne site would indeed result in a reduction in staffing. However, this could be

achieved by transferring personnel to the system-relevant sites at Weiher and Bexbach without any workforce adjustment measures.

In Bergkamen, too, no immediate workforce adjustment measures are expected in the event of a temporary shutdown, as the majority of the power plant team and technical service personnel will still be needed to maintain operational readiness.

Transformation of STEAG continues to progress

“With today’s decision, STEAG is taking a further step on the way to realigning the company towards the growth areas of tomorrow’s energy industry,” says Joachim Rumstadt. STEAG had already started to realign itself and open up new business areas before the KVBG was passed. “In the Ruhr and Saar regions, we are committed to promoting the future use of hydrogen, we are using our extensive technical know-how to support our industrial customers and municipal partners in the key future task of decarbonization, and we are setting a good example in this important issue. Compared with 1990, STEAG has permanently reduced its own CO₂ emissions in Germany by around 85 percent to date.”

STEAG is consistently continuing along this path with the decisions taken today.

About STEAG

For over 80 years, STEAG has stood for efficient and reliable power generation, both in Germany and abroad. As an experienced partner, we support our customers comprehensively in all phases of power supply. We design, develop, implement, operate and market highly efficient energy solutions – from distributed generation facilities based on renewable energy sources to large central power plants and recycling of their by-products. Together with customized solutions in the field of electricity and heat supply, we also provide a wide range of energy services – increasingly on the basis of renewables. Successfully so: Since 1990, STEAG has permanently reduced its own CO₂ emissions by approximately 85 percent.

About STEAG New Energies

STEAG New Energies GmbH, a subsidiary of STEAG GmbH, specializes in developing and implementing decentralized energy solutions based on efficient and sustainable concepts. Be it electricity, heat, district heating, cooling, compressed air or process steam: Our solutions give our customers the edge in terms of efficiency – in Germany and around the world. Besides conventionally generated energy, the spectrum ranges all the way from wind and bioenergy through to geothermal energy. In 2019, STEAG New Energies achieved sales of around 241 million euros and employed a workforce of some 400 staff in Germany and abroad (including holdings).