

Do-it-yourself electricity: It's worth it

Düsseldorf, May 23, 2023 - Bureaucracy, high taxes, digitization, disrupted supply chains, a shortage of skilled workers and the implementation of a sustainability strategy: industrial companies in Germany have to contend with a number of challenges. Added to this are now extremely tense and volatile energy markets. But this can be tackled: More and more companies are choosing to produce their own green power. "Insourcing energy production has great advantages", says Markus W. Voigt, CEO of aream Group. "On this path, however, companies need an experienced partner to make sure they get where they want to go."

The past year has brought many companies to the edge of their capacity. In the wake of the Russian attack on Ukraine, energy costs exploded, and the price of electricity multiplied within a few weeks. But not only the price level, also its fluctuations were extreme. Over the course of the year, prices on the Leipzig Power Exchange ranged from around 40 to 700 euros per MWh.

In the meantime, the situation has eased somewhat. But electricity remains expensive, even in the long term. "The switch by industry from fossil fuels to CO₂-free, often electricity-driven production processes will certainly continue to ensure a sharp rise in demand until 2050", explains Voigt. For customers, concluding supply contracts that have to be renewed again and again thus entails high risks.

In view of these experiences and prospects, many companies are increasingly considering entering into green power generation themselves. After all, buying or participating in solar and wind power plants can make them independent of the energy markets and keep costs calculable. "After all, the fluctuations don't just affect pure energy costs", says Voigt. "The prices for guarantees of origin have also risen very sharply." Guarantees of origin, electronic documents certifying that a MWh of electricity has been generated from renewable sources, can be traded independently of the electricity generated.

In addition to their desire for affordable and predictable energy prices, companies with their own green power production are also meeting the growing sustainability demands of policymakers, their customers and other stakeholders. "That's why now is the right time to take power generation into your own hands", says Voigt. However, project scope and capital investment must be well planned, he cautions. "Companies should not underestimate the high complexity of such projects, especially since they are usually not part of their core business." Finding the right partner for purchasing and financing is only half the battle, because the plants also have to be operated and economically optimized. "Experienced partners who help realize in-house electricity production enable companies to secure their energy supply, keep prices predictable and strengthen their sustainability in the process", says Voigt.

About the aream Group

The aream Group, founded in 2005, is an investment and asset manager for institutional investors and industrial customers with a focus on sustainable infrastructure in the renewable energy sector. With the three areas of fund and asset management, project development and operation management, aream covers the entire value chain for renewable energy investments. With a transaction volume of more than 2.4 billion



euros, aream is one of the leading asset managers in this market. With its own plant portfolio, green electricity is sold for around 40 million euros per year. Since 2008, aream has been producing more than a billion kWh of green electricity. As part of the growth strategy, 2.5 GW of solar and wind parks are to be realized or acquired over the next few years. Due to its own project development alone, aream currently has a pipeline of over 1,000 MWp with a potential of a further 1,400 MWp. Further information: www.aream.de.

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