

Press Release

06 December 2023

Axpo and Messer sign PPA for solar power from Südwerk

Axpo and German industrial gas specialist Messer have concluded a long-term power purchase agreement (PPA), it was announced today. From 1 January 2024, Axpo will supply two Messer facilities in Germany with electricity produced by Südwerk solar plants based in Bavaria.

Under the long-year agreement, Axpo will act as intermediary between Messer and Südwerk, purchasing all electricity generated by two solar farms located in Nabburg and Hagelstadt in Bavaria and supplying it to Messer's facilities in Siegen and Speyer. This will enable the manufacturer to save around 2,850 tonnes of CO₂ emissions a year at these plants, while the PPA also secures a long-term revenue stream for Südwerk.

Axpo Germany Managing Director Johannes Pretel said: "The direct delivery of power from renewable plants to industrial customers can be challenging for a number of reasons. However, in structuring and assuming risks related to volume and energy balancing, Axpo can overcome these difficulties to offer a solution tailored to the needs of all participants in the agreement. Our extensive experience in full supply and tailor-made PPAs helps eliminate complexity and unpredictability for all parties. In this instance, we're delighted to have such reliable partners as Messer and Südwerk."

Messer Industriegase Managing Director Peter Laux said: "Messer is systematically pursuing the goal of further reducing our carbon footprint. Key levers for this are not only the ongoing modernisation and energy optimisation of our production facilities, but also the sustainable sourcing of energy. Axpo's structured supply of green electricity with a clear link to Südwerk's solar farms helps us achieve this goal for the Speyer and Siegen sites."

Südwerk Group Managing Director Manuel Zeller Bosse said: "A partnership-based approach was key for us when we started using PPAs for the long-term marketing of our plants. Our company's dynamic development and the further expansion of our project pipeline will make price hedging outside the EEG remuneration framework increasingly important for us. Working with an experienced and professional partner like Axpo helps us here."

In addition to the long-term power purchase agreement, the Südwerk Group and Axpo have also concluded a short-term three-year agreement for the development of four solar

farms in Bavaria with an installed capacity of around 12,500 kWp. Over the term of the agreement, Axpo will receive around 40 GWh of solar power from the facilities.

About Axpo

Axpo is driven by a single purpose – to enable a sustainable future through innovative energy solutions. Axpo is Switzerland's largest producer of renewable energy and an international leader in energy trading and the marketing of solar and wind power. Axpo combines the experience and expertise of more than 6,700 employees who are driven by a passion for innovation, collaboration and impactful change. Using cutting-edge technologies, Axpo innovates to meet the evolving needs of its customers in over 30 countries across Europe, North America and Asia.

About Messer

Messer is the world's largest privately owned specialist for industrial, medical and special gases. Messer's Gases for Life are used in industry, environmental protection, medicine, the food industry, welding and cutting technology, 3D printing, construction, research and science. As a global player, Messer offers its sustainable products and services in Europe, Asia and America. More than 10,000 employees work together successfully with a focus on diversity and mutual respect.

In most industrial processes, gases are just as important as water and electricity and play a major role in their decarbonisation, such as through the use of green hydrogen. Messer offers one of the largest product portfolios on the market and develops and optimises application technologies for gases in state-of-the-art competence centres.

As a pharmaceutical company, Messer supplies medical and pharmaceutical gases and turnkey solutions, and has a proven track record as a reliable provider of vital products, such as in pandemic situations.

Founded in 1898, the company's headquarters are located in Bad Soden, near Frankfurt, Germany.

In 2022, Messer generated a consolidated revenue of 4,164 billion euros.

About the Südwerk Group

The Südwerk Group is an independent, medium-sized operator of photovoltaic power plants in Germany and a driving force behind the energy transition in Bavaria and beyond. Südwerk has experienced strong, ongoing growth since its founding in 2017. To date, more than 30 major projects with an output of more than 320 megawatts have been realised. Together, these photovoltaic plants generate more than 330 million kilowatt hours of electricity per year.

With around 40 employees, Südwerk is steadily expanding its business to include all areas of integrated energy, especially battery storage systems and hydrogen generation, so that Südwerk has already made enormous progress in its transformation into a supplier of renewable energy.

More information

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