

5 July 2023

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## Rottneros secures long-term renewable energy for its operations from EnBW

Rottneros has entered into a long-term Power Purchase Agreement (PPA) including Guarantees of Origin (GoOs) with the third largest German energy group EnBW Energie Baden-Württemberg AG (EnBW). The utility will supply Rottneros with just over 30 GWh/annum of clean energy delivered from the 116 MW Målarberget wind farm in Sweden over an 8.5-year period starting in 2025. The partnership marks an additional step in Rottneros' ambitions to reduce the environmental impact of its operations and its exposure to the volatile and uncertain electricity market.

Rottneros' goal is a fossil-free production according to GHG Scope 1 & 2 by 2030. The emissions from Rottneros' operations come mainly from its external purchase of electricity, which is also their third largest variable cost item. In addition to helping Rottneros meet its climate targets, long-term PPAs are part of the company's active work to reduce its long-term exposure to electricity price movements.

Carl Johannessen of EnBW Trading states: "We're happy to play a role in the energy transition of large industrial firms through Power Purchase Agreements (PPAs). With these, we effectively link renewable electricity production with the energy requirements of our major clients. Our involvement in the Målarberget deal underscored our strategic approach towards embracing renewable energy sources. However, we view this not just as a transaction but as an integral part of the business landscape, balancing the dynamics of supply and demand."

Johannessen adds: "PPAs are crucial for us. They not only serve the needs of purchasers and project developers but also contribute to climate protection. It's about striking a balance between the needs of the market and the pressing demands of sustainability."

EnBW Trading is a pioneer in PPAs, having signed the first PPA of its kind in Germany with Energiekontor in 2019. PPAs have established themselves as a key instrument in the energy transition.

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### **About Rottneros**

Rottneros is an independent producer of market pulp. The group consists of the parent company Rottneros AB, listed on Nasdaq Stockholm, with the subsidiaries Rottneros Bruk AB and Vallviks Bruk AB, active in production and the sale of market pulp. Also part of the group is Rottneros Packaging AB which produces fibre trays, the raw material procurement company SIA Rottneros Baltic in Latvia, and the forest operator Nykvist Skogs AB. The Group had a turnover of around 3 billion SEK during the 2022 business year and some 306 employees.

Newsec Infra has acted as exclusive PPA advisor to Rottneros.

### **About EnBW**

EnBW is one of the largest energy supply companies in Germany and Europe. It supplies electricity, gas, water together with infrastructure and energy-related products and services to around 5.5 million customers. Installed renewable energy capacity will account for 50 percent of EnBW's generating portfolio by the end of 2025. As early as 2027, the company will reduce its CO<sub>2</sub> emissions by around 50 per cent and by around 70 per cent in 2030 compared to 2018. EnBW aims to attain climate neutrality by 2035. Further expanding renewables in Germany and selected foreign markets is a central element of EnBW's growth strategy. Since the beginning of its corporate transformation in 2013, EnBW has successfully invested nearly €5 billion in its Renewable Energy segment. Around another €4 billion is to be invested by 2025, primarily in further expanding wind and solar energy.

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