

Extreme weather conditions harm RWE's renewables electricity generation in the US state of Texas

- Operations teams focus on resuming production at RWE's affected onshore wind turbines
- RWE expects significant negative earnings impact in Onshore Wind/Solar segment due to abnormal pricing conditions

Essen, 18 February 2021

The US is experiencing extreme winter weather conditions all the way down to the Gulf region with extremely low temperatures and icing conditions. This has led to a low availability of electricity generation assets in Texas. ERCOT, the Texas grid operator, was forced to order rotating outages affecting millions of customers in Texas. The Governor of Texas, Greg Abbott issued Disaster Declaration in response to severe winter weather and President Joseph R. Biden approved Texas Emergency Declaration.

Freezing temperatures severely reduced power generation across all technologies. Given this general situation, part of RWE's onshore wind fleet in Texas was also partly out of service from 9 February because of icing and grid issues. The RWE operations teams are continuing to focus their efforts on getting back the affected wind turbines to full operation. Silvia Ortín Rios, Chief Operating Officer (COO) Wind Onshore and Solar Photovoltaics Americas of RWE Renewables said: "Priority number one is to safely resume operations at our production sites. I would like to thank all our employees who are working hard to get through this difficult situation for all families in Texas."

The extreme weather conditions also impacted power prices. High electricity demand from residential heating in combination with lower production and power plant availability led to high electricity market prices. As RWE had sold parts of its expected production from wind turbines in advance, the company had to purchase these volumes to fulfill its supply obligations. The already high prices were further increased following an order from the Public Utility Commission directing ERCOT to make adjustments to the prices. This resulted in costs to buy back power increasing further and up to USD 9,000 per megawatt hour (MWh).



As a result, the adjusted EBITDA (earnings before interest, taxes, depreciation and amortisation) of the Onshore Wind/Solar segment in 2021 are expected to be negatively affected in the range of a low to mid three-digit million euro amount in total.

For enquiries:

Stephanie Schunck
RWE AG
Head of Group Corporate
Communications & Public Affairs
T +49 201 5179-5177
M +49 162 26 555 88
stephanie.schunck@rwe.com

Vera Buecker
RWE AG
Head of Media Relations
International & Finance
T +49 201 5179-5112
M +49 162 251 73 29
vera.buecker@rwe.com

Forward-looking statements

This press release contains forward-looking statements. These statements reflect the current views, expectations and assumptions of management, and are based on information currently available to management. Forward-looking statements do not guarantee the occurrence of future results and developments and are subject to known and unknown risks and uncertainties. Actual future results and developments may deviate materially from the expectations and assumptions expressed in this document due to various factors. These factors primarily include changes in the general economic and competitive environment. Furthermore, developments on financial markets and changes in currency exchange rates as well as changes in national and international laws, in particular in respect of fiscal regulation, and other factors influence the company's future results and developments. Neither the company nor any of its affiliates undertakes to update the statements contained in this press release.

German General Data Protection Regulation (GDPR)

Following the introduction of the GDPR, RWE would like to continue to send you press releases featuring information on the latest topics regarding RWE and to contact you via electronic means for this purpose. We hereby inform you that we have updated our privacy policy. We will not disclose any personal data that we have collected, stored and processed for the purposes of sending you our press releases to third parties. Your personal data has been submitted on a voluntary basis. You have the right to prohibit this use at any time. You have the right to obtain information from us concerning your stored personal data at any time and free of charge and to object to the processing or use of your data. If you do not wish to continue to receive press releases, please inform us of this via datenschutz-kommunikation@rwe.com. Your data will then be removed from our system and you will not receive any more press releases from us. Please direct enquiries regarding our privacy policy to datenschutz@rwe.com.