

terralayr

Press release

RWE to market a virtual 50MW battery from terralayr for 5 years

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RWE and terralayr, an energy flexibility provider, are set to collaborate in the future. From 2026 onwards, RWE will take over the market optimisation of 50 megawatts (MW) or 100 megawatt hours (MWh) of storage capacity from terralayr in Germany for a period of five years, integrating it into its energy trading operations. The capacity comes from several battery storage systems located within the control area of the transmission system operator 50Hertz. They are aggregated into a virtual battery via terralayer's flexibility platform.

terralayr will receive a fixed annual remuneration for providing the storage capacity within the framework of a so-called 'tolling agreement'. In the energy sector, tolling agreements are special contracts whereby a plant operator gives a third party (the tolling partner) the opportunity to market battery capacity, while taking over the technical management themselves. Unlike conventional tolling agreements, where the tolling partner connects directly to a single physical battery storage system, this is a multi-asset capacity toll structure, in which several individual battery storage systems are connected via the terralayr flexibility platform. RWE will be connected to the platform to access the storage capacity.

Bart Beljaars, Head of Commercial Asset Optimisation for Continental Europe at RWE, emphasises: "Batteries are becoming increasingly important for a stable energy supply, and terralayer's virtual battery is a perfect complement to our rapidly growing portfolio of batteries and generation assets. By working with terralayr, we can utilise the flexibility of both RWE and customer batteries more effectively."

Mikko Preuß, Chief Commercial Officer at terralayr, says: "A stable revenue is a crucial building block for financing battery storage projects. Through our collaboration with RWE, we can establish a new market standard with fixed remuneration structures, providing storage investors with access to stable revenues. We offer customers storage capacity, providing all the advantages of a physical battery storage system without them having to manage the physical systems themselves."

Partnership also enables smaller batteries to participate in the flexibility market.

Thanks to the multi-asset capacity toll structure, operators of smaller battery storage systems can now conclude long-term purchase agreements with fixed remuneration rates for the first time. Previously, this was reserved for large storage systems.

At the same time, performance is improved, service life is extended, and operational risk is reduced by distributing it across multiple systems. Access via a single technical connection facilitates the integration of new systems and ensures uniform performance standards, even with very different storage systems.

Both companies intend to market further terralayr storage capacities in Germany based on the recently concluded contract. They are also working on solutions to offer fixed-price products to other battery investors and operators via the terralayr flexibility platform.

RWE develops, builds and operates battery storage systems in Europe, Australia and the US. The company currently operates battery storage projects with a capacity of around 370 MW in Germany, and has systems with a capacity of over 1,200 MW in use worldwide. RWE has decades of experience in optimising and marketing pumped and battery storage systems.

terralayr, founded in 2022, is a developer, owner, operator and aggregator of battery storage systems in Germany. The company offers flexibility services to power producers, traders, grid operators and large electricity consumers, such as data centres, via its cloud-like flexibility platform. Terms range from 15 minutes to 15 years. This enables customers to make the most of grid-scale battery storage without having to invest in physical assets.

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A video for media purposes (copyright terralayr & RWE) is available here.

RWE Supply & Trading GmbH

RWE Supply & Trading is the interface between RWE and the energy markets around the world. Approximately 2,000 employees from over 70 different countries trade electricity, gas, commodities, and CO_2 emission allowances. Accurate market analyses and a high degree of customer centricity enable them to create innovative energy supply solutions as well as risk management concepts for industrial operations. The trading entity also ensures the commercial optimisation of RWE's power plant dispatch and markets electricity from RWE. In addition, there is the legally independent RWE gas storage business in Germany under the umbrella of RWE Supply & Trading.

About terralayr

terralayr is a fully integrated provider of energy flexibility. Terralayr addresses the massive global need for energy storage by aggregating both owned and external battery storage facilities. A cloud-like software platform makes energy flexibility accessible to many customer groups, including power producers, grid operators, and large-scale consumers of electricity such as data centers. terralayr develops and operates a portfolio of its own battery storage systems. In total, terralayr has a development pipeline of over 8 GW in Germany. The company's leadership team is made up of industry experts from companies such as Limejump, RWE, Fluence, Next Kraftwerke, and Pexapark.

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