World’s Largest Storage-as-Transmission Project Announced by Fluence and TransnetBW to Strengthen Energy Security and Renewable Integration in Germany

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ERLANGEN, Germany, Oct. 05, 2022 (GLOBE NEWSWIRE) -- Fluence Energy GmbH (“Fluence”), a subsidiary of Fluence Energy, Inc. (NASDAQ: FLNC), a leading global provider of energy storage products and services, and cloud-based software for renewables and storage, and TransnetBW GmbH, the transmission system operator in the German state of Baden-Württemberg, announced today they would deploy the world’s largest battery-based energy storage-as-transmission project. The project will improve energy security and significantly support Germany’s energy transition pathway by increasing the efficiency of the existing grid infrastructure.

The 250 MW battery-based energy storage system, supplied by Fluence, will be located at Kupferzell, a major grid hub. It is planned for completion in 2025 and will reduce operating costs of Germany’s transmission system. The *Netzbooster* project will lower the number of required preventive measures in system operation, while also increasing the utilisation of the electricity grid, thus reducing the need for traditional network reinforcement and expansion.

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The *Netzbooster* initiative was first introduced in 2019 as an innovative concept under the 2030 German grid development plan. The TransnetBW *Netzbooster* will allow for the more efficient operation of existing transmission infrastructure and lower preventive redispatch measures. This will reduce the need for conventional network reinforcement and operating costs, thus decreasing network charges and ultimately energy costs to consumers. The system will also ease bottlenecks stemming from transporting wind energy from Germany’s north to the country’s southern load centres. In the event of a failure in the transmission grid, the TransnetBW *Netzbooster* system will react within milliseconds to provide back-up capacity to maintain power system stability.

“We are proud to work with TransnetBW, a forward-thinking TSO that leads the way in the application of innovative technologies that futureproof power networks, stabilise energy costs to end-users, and increase renewable deployments. Realising the *Netzbooster* project marks a turning point to accelerate the buildout of energy storage at the transmission network level in Germany and across Europe,” said Paul McCusker, SVP & President EMEA at Fluence. “We look forward to delivering this highly complex energy storage application at a scale required to support the country’s energy transition. Given the current energy crisis impacting Europe and the focus on accelerating renewable buildout under the RePowerEU plans, the deployment of this project is more urgently needed than ever.”

Dr. Werner Götz, CEO and Chairman of the Executive Board at TransnetBW, said, “To secure the industry leading energy storage supplier to deliver our *Netzbooster* project is highly pleasing, but also underlines our high standards and expectations.”

The project builds on more than 14 years of energy storage deployments by the Fluence team. This new application in Germany will further serve as a proof-of-concept highlighting the value of battery-based energy storage for enhancing transmission infrastructure and driving deployment throughout Germany, Europe, and across the world. To support the transmission network, the highly advanced system will deliver a suite of complex services, including synthetic inertia, dynamic voltage control, contingency support, and congestion management, among others. The use of energy storage to support transmission and distribution networks is expected to scale quickly, as network congestion caused by increasing renewable penetration will

require greater grid reinforcement and release interventions. Research group S&P Global forecasts 17 GW / 50 GWh of energy storage systems to be deployed globally through 2030 to enhance or defer investment into upgrading existing electricity network infrastructure.

“Fluence is committed to accelerating Germany’s energy transition. Working with TransnetBW to deliver this *Netzbooster* project will result in a critical contribution to the country’s energy security and the stabilization of energy costs,” said Markus Meyer, Managing Director at Fluence Energy GmbH. “Through our advanced product capabilities, extensive energy market experience, and expert knowledge of complex TSO-specific applications, Fluence is well positioned to serve as a key long-term partner to TSOs in Germany, Europe, and globally, in deploying energy storage as the backbone of modern, resilient, and decarbonised energy systems.”

Notes to Editor

About the *Netzbooster* Project

In Germany, most of the new on-shore and off-shore wind assets are being built in the wind-swept north of the country. Nuclear and coal power plants, many of them located in the south and near big industrial load centers like Munich or Stuttgart, are being shut down. As a result, the German grid operators are building new lines to bring ‘green power’ generated up north to the load centres in the south. However, to ensure a secure power supply, grid operators cannot utilise all transmission lines to their full capacity. They need to ensure the system would still be able to operate securely if one of those transmission lines fails.

In a new innovative approach, the German transmission grid operator TransnetBW is building a 250 MW storage asset at a strategic network node. The project, known as *Netzbooster*, will allow the grid operator to increase the utilisation of its existing and new power lines, and in the event of a transmission line failure, the battery will respond within milliseconds to keep the power system stable.

The *Netzbooster* battery system will be sized to allow it to operate at full capacity for one hour to manage contingency events. This will give the TSO sufficient time to activate slower but more enduring measures like the ramping up or down of conventional generation to manage the contingency event. After each activation, the battery will be charged and remain in that state of charge during normal system operation. The currently planned *Netzbooster* project is meant as an initial deployment to gain experience with the large-scale application of this new operational concept of reactive system operation. Given a positive evaluation, additional projects can be expected in the future.

Learn more about the *Netzbooster* project: https://www.transnetbw.de/de/netzentwicklung/projekte/netzbooster-pilotanlage/projektueberblick

About Fluence

Fluence Energy, Inc. (Nasdaq: FLNC) is a global market leader in energy storage products and services, and cloud-based software for renewables and storage. With a presence in over 40 markets globally, Fluence provides an ecosystem of offerings to drive the clean energy transition, including modular, scalable energy storage products, comprehensive service offerings, and the Fluence IQ Platform, which delivers AI-enabled SaaS products for managing and optimizing renewables and storage from any provider. The company is transforming the way we power our world by helping customers create more resilient and sustainable electric grids.

For more information, visit our website, or follow us on LinkedIn or Twitter.

About TransnetBW

As a transmission system operator, we at TransnetBW secure the power supply for around eleven million people in Baden-Württemberg. We create the infrastructure for the energy transition by maintaining, optimizing and expanding the power grid as needed. Our network covers an area of 34,600 square kilometers. All players in the electricity market can use this network without discrimination and at fair market conditions. In this way we provide the energy for all the energy that makes up Baden-Württemberg. We are the power behind the power.

Forward-Looking Statements

The statements described herein that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, without limitation, statements regarding impacts of the project on energy security and Germany’s energy transition overall, timing of completion of the project, and effects on the German’s transmission system and existing infrastructure, including affiliated operating costs and preventative measures put into place in connection therewith. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. When used in this press release, words such as such as “may,” “possible,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “targets,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or other similar expressions and variations thereof are intended to identify such forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

The forward-looking statements contained in this press release are based on our current expectations and beliefs concerning future developments, as well as a number of assumptions concerning future events, and their potential effects on our business. These forward-looking statements are not guarantees of performance, and there can be no assurance that future developments affecting our business will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements, which include, but are not limited to, delays in the completion of the project as a result of COVID-19, extreme weather, geopolitical instability and related delays in readiness to enter the project into market and introduction of new initiatives and legislation relating to the renewable energy transition in Germany or the RePowerEU plans as well as those factors set forth under Part I, Item 1A.“Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended September 30, 2021, filed with the Securities and Exchange Commission (“SEC”) on December 14, 2021 and in other filings we make with the SEC from time to time. New risks and uncertainties emerge from time to time and it is not possible for us to predict all such risk factors, nor can we assess the effect of all such risk factors on our business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements. Should one or more of these risks or uncertainties materialize, or should any of the assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. You are cautioned not to place undue reliance on any forward-looking statements made in this press release. Each forward-looking statement speaks only as of the date

of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that occur, or which we become aware of, after the date hereof, except as otherwise may be required by law.

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A photo accompanying this announcement is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/95adc09a-4545-4b56-9f8a-a600a828b893