

# Media Release

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## Axpo named worldwide number 1 in power trading again – stronger focus on PPA

**Axpo once again received top marks from its customers and business partners in the annual survey conducted by the trade magazines “Risk” and “Energy Risk”: In the category power trading, the company defended its first place worldwide and, as in previous years, achieved numerous top rankings in many countries. Moreover, Axpo was very successful in the area of gas trading. The excellent results confirm that the continuous expansion of the international customer and trading business is bearing fruit and has been well received by customers and partners. There is strong customer demand in the area of Power Purchase Agreements (PPA). The long-term power supply and purchase agreements are developing into a mega-trend in the area of renewable energies.**

The renowned survey by the trade magazines “Risk” and “Energy Risk” has long been an important benchmark for customers and counter-parties to assess the activities of energy market players. Some 1,500 participants rate the companies according to criteria such as price, innovation, flexibility, market-making, reliability, and integrity.

This year, Axpo was once again voted the best worldwide power trading company, and also defended its 1st place in Great Britain, Belgium, Northern Europe and Italy. On top of that, Axpo achieved second place in Germany, France and Eastern Europe. Axpo was also strong in gas trading: Worldwide, the company climbed from seventh to fourth place and was the number one in Italy again this year. In Great Britain, Axpo achieved second place, and third place in Germany and France.

### Strong local presence is paying off

Axpo's sustained excellent results in the survey are closely connected with the corporate strategy to expand presence and business activities on the international level. Meanwhile, Axpo is present in 28 countries, active in 39 markets, and works closely with industrial companies, producers, energy supply companies, SME's as well as market players from the area of renewable energies. Physical power deliveries to customers in Europe has increased by 2.8 per cent to 70.9 TWh. The volume in worldwide trading with liquefied natural gas (LNG) has risen by 17.5 per cent to 23.5 TWh.

Domenico De Luca, Head of Trading and Sales at Axpo, explains: “Our international business activities have been developing positively for several years, and they make a substantial income contribution to Axpo's financial result. Our offering seem to meet the needs of our customers and business partners: We have local experts at work in all the markets that we serve, and they understand the local conditions and can offer tailored solutions in order to meet the needs of the customers.”

### Long-term contracts replace expiring subsidies for renewables

Long-term power supply and purchase agreements are one of Axpo's greatest growth fields. Numerous countries are reducing government subsidies for the production of renewable energy from sun and wind. In the foreseeable future, feed-in remuneration for producers will be eliminated partially or wholly. Large companies that want to achieve their sustainability goals and ensure long-term, cost-effective, reliable power supply from renewable sources come into play. For providers and brokers of power supply and purchase agreements such as Axpo, this has offered an opportunity for additional business because the uncertainty of power prices and volumes has increased for both renewable energy producers and consumers.

Domenico De Luca explains: “The number of PPA concluded worldwide recently reached a new peak. The trend indicates that in the future power purchase agreements in general, and in particular so-called corporate PPA with large companies will increase significantly. Energy-intensive end consumers are interested in medium- to long-term fixed price contracts for green electricity.”

As such, PPA are becoming an important pillar for the expansion of renewable energies. Contract providers bring producers together with strong business partners and ensure the long-term purchase of the generated power volumes. Today, Axpo is already one of the leading marketers of renewable energies in Europe and contributes to implement renewable projects with a significant capacity all over the continent. For example, a PPA offered by Axpo made possible the construction of the first non-subsidised 25-MW solar plant in Portugal. The project was realised because Axpo provided a long-term price and purchase guarantee for the generated solar power, and will market this energy autonomously. This pioneer project will shape the development of similar projects in the area of renewable energies, in particular in countries that do not have generous subsidies available.

**About Axpo:** The Axpo Group produces, trades and distributes energy reliably for over 3 million people and several thousand companies in Switzerland and in over 30 countries throughout Europe. Around 4300 employees combine the expertise from 100 years of climate-friendly power production with innovative strength for a sustainable energy future. Axpo is an international leader in energy trading and in the development of tailor-made energy solutions for its customers.

#### **Additional information**

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