

BRIEF ON KEY BUSINESS ISSUES

26.06.2024
Kyiv – London

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Addressing the emergency needs and decarbonization challenges of Ukraine's energy sector

In an interview with [The Wall Street Journal](#) during the Ukraine Recovery Conference (URC) held in Berlin on June 11th-12th, DTEK CEO Maxim Timchenko acknowledged the relative stability of Ukraine's energy grid over the past winter. However, the situation took a turn as Russia exploited Ukraine's shortage of air-defense systems and interceptors. Some thermal-power plants (TPP) have suffered repeat attacks, with one TPP in western Ukraine taking three weeks to resume operations, only to be attacked again within two weeks, rendering it beyond repair.

In an interview with [DW News](#), DTEK CEO emphasized the need for consolidated efforts between energy companies, the Government, and international allies and partners to address the crisis. Key measures include plans to increase cross-border electricity imports from Europe by 30%-35% and acquire decommissioned coal and gas power station equipment from over 15 countries to be transported and installed onto Ukraine's power plants, providing a quicker solution for the upcoming winter. However, these efforts could be rendered futile without a robust air defense system.

Timchenko highlighted the irony of the war that is accelerating the decarbonization process in Ukraine, with renewables now viewed as a more resilient and secure generation source compared to traditional coal, gas, or nuclear. Despite the ongoing war, DTEK launched a new wind farm, which offers better protection against attacks due to the distributed and flexible nature of wind power generation. DTEK is ready to build 1.5 GW of renewable energy projects, underscoring the importance of energy diversification and security.

DTEK thermal power plant hit in a new wave of russian attacks – three workers injured

Russian missile attacks have severely damaged critical power infrastructure on June 20th. This is the 7th large-scale attack on DTEK's infrastructure since March 22nd, 2024. During this period, DTEK power plants have endured more than 180 strikes, resulting in 53 workers injured and three losing their lives.

In 2023, in preparation for the 2023/2024 heating season, DTEK restored 10 power units after massive attacks – almost all of the restored facilities were severely damaged or destroyed again as a result of attacks in March-June 2024. In 2024, DTEK has invested almost UAH 4 bln to restore TPPs affected by the massive attacks.

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DTEK Renewables obtains technical specifications to connect the 650 MW Poltava WPP

DTEK is investing in Ukraine's green and resilient energy sector even amidst the war. The first stage of 114 MW of DTEK Tyligulska WPP, a wind power plant (WPP) in Mykolaiv region, started operations in spring 2023. Despite challenging conditions just 100 km from the frontline, 19 wind turbines were installed. The second stage, with 64 additional turbines totaling 384 MW, is scheduled for construction between 2024 and 2026.

DTEK Renewables is currently securing all required permits and documentation to prepare for the construction of the DTEK Poltavska WPP. The company has obtained technical specifications to connect 650 MW of capacity to the Ukrainian energy grid. Construction is scheduled to commence in 2025.

DTEK Grids earns the US Energy Association award for swift electricity restoration amidst hostilities

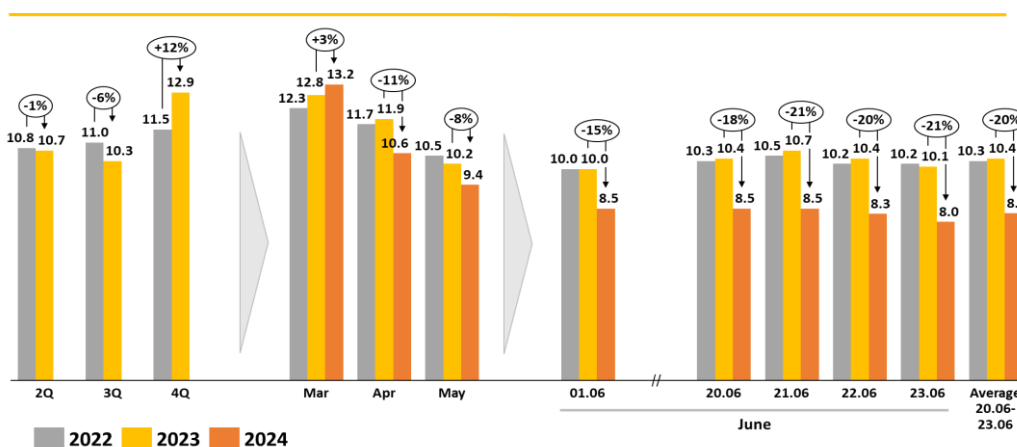
DTEK Grids received the Emergency Recovery Award from the US Energy Companies Association, the Edison Electric Institute. This award honors global businesses navigating emergency situations while steadfastly delivering electricity to customers. DTEK Grids is the first Ukrainian company to achieve this recognition.

Since the onset of full-scale war, the energy workers of DTEK Grids Distribution System Operators (DSOs) have successfully restored electricity for 12.6 million families, all left without power due to repeated hostile actions of Russia. Notably, in Donetsk and southern Dnipropetrovsk regions, DTEK teams restore power daily to between 1,000 and 10,000 households affected by hostilities.

Energy market update

The power system of Ukraine continues operating synchronously with ENTSO-E. On June 20th-23th, average daily electricity consumption amounted to 225 mln kWh, which is 10% lower than during June 2023, average daily load is 20% lower than during June 2023. Average hourly load per day amounted to 8.3 GW.

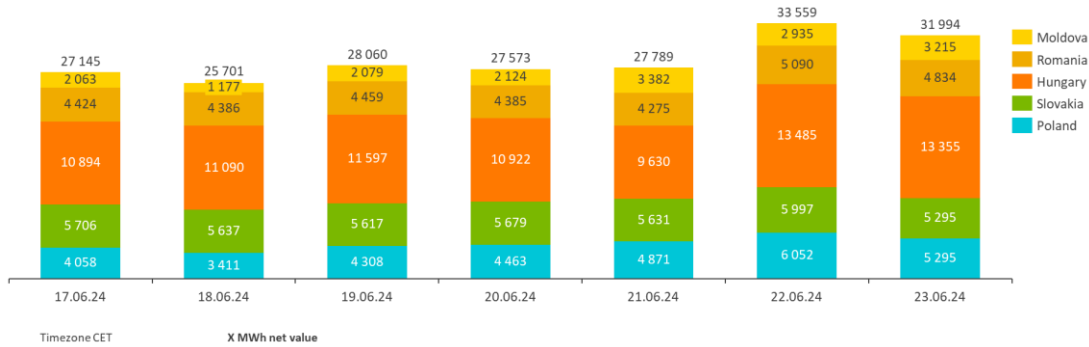
Average hourly load per period, GW



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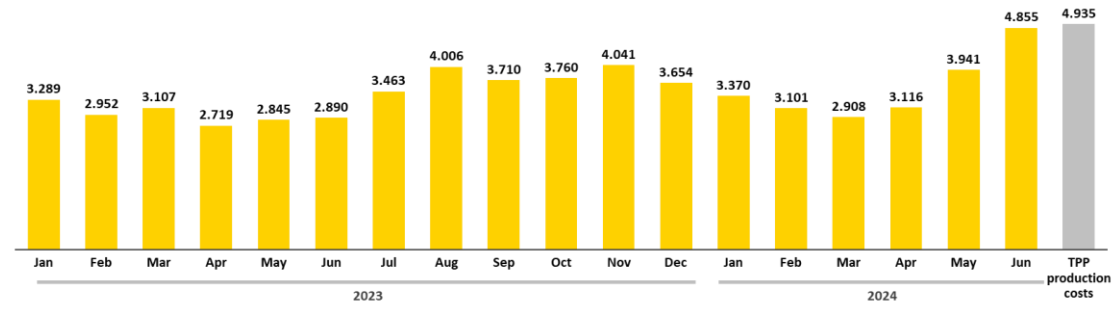
Daily electricity import(+)/ export(-) volumes in Ukraine, MWh



Day-ahead market (DAM)

During June electricity prices have increased to the level 4,855 UAH/MWh as electricity deficit occurred in the system after damage indicted by missile strikes on energy infrastructure.

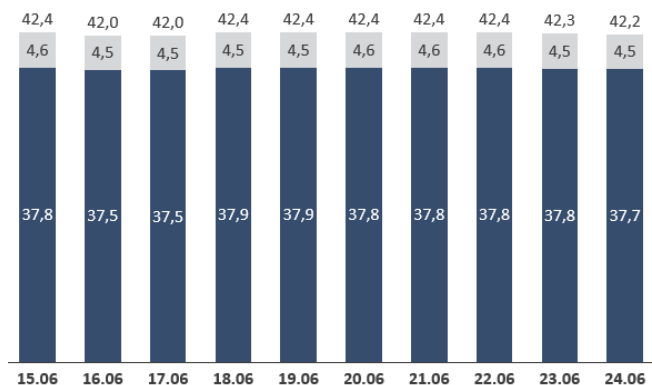
DAM Baseload price in Ukraine, UAH/MWh



Oil & Gas

- Gas transit from russia after weekends remains at usual lower 42.2 mln m³ on June 24th. Daily nominations to Slovakia are 37.7 mln m³. Nominations to Moldova (Transnistria) – 4.5 mln m³.
- Gazprom continues to transit gas via only one route, Sudzha, while Sokhranivka entry point remains occupied by russian military.

Gas transit via Ukraine, mln m³



Daily nominations: 24.06.2024

