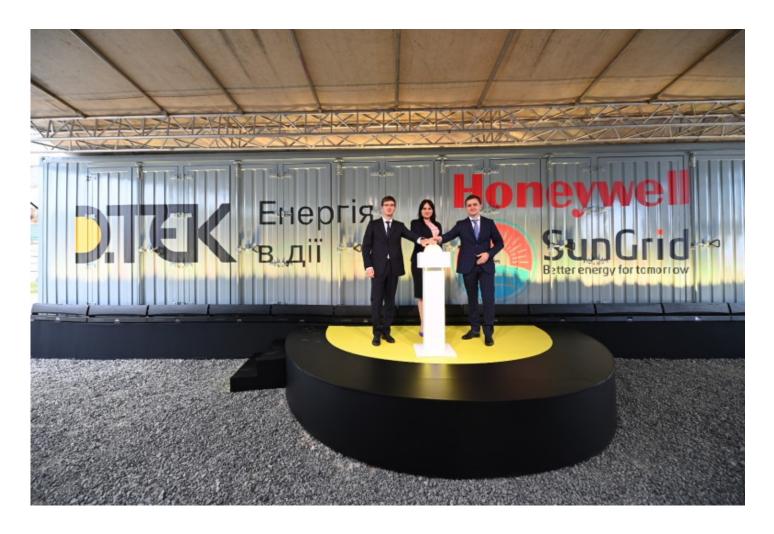
DTEK officially launches Ukraine's first industrial energy storage system



DTEK has officially launched Ukraine's first industrial lithium-ion, installed at the Zaporizhzhya Power Plant in the city of Energodar, with a capacity of 1 MW/2.25 MWh energy storage system (ESS). The battery will store and dispatch electricity to the grid, as well as maintain the functioning of Ukraine's power system. With this pilot project, DTEK intends to establish a key role for the use of energy storage systems in various segments of the country's energy market, as well as drive the decarbonisation of Eastern Europe in support of the EU Green Deal.



"Our modern energy industry must become the driving force behind the growth of the Ukrainian economy and welfare of Ukrainians. The launch of our country's first industrial energy storage system is DTEK's latest investment into the future of the national energy sector. This project effectively launches a new market for energy storage systems in Ukraine. Moreover, these storage solutions will be key to ensuring the energy security of our country, as well as a new point of development for the Ukrainian energy industry," said Rinat Akhmetov, DTEK owner.

According to DTEK CEO Maxim Timchenko, by implementing new technologies, the company is transforming its business and building a new energy sector.

"Thanks to our collaboration with the internationally renowned companies - Honeywell and SunGrid - we have been able to successfully complete this ambitious project. The installation of the energy storage system comes at a crucial time for DTEK and Ukraine as we tackle the challenge of climate change and seek to transform the energy sector, by introducing low-carbon energy solutions. Our goal is to become the leading entity in the decarbonisation of Eastern Europe. The recently connected ESS will allow us to do this, while simultaneously demonstrating our company and country's commitment to the EU's Green Deal and closer alignment with our European partners. This is particularly important ahead of the synchronisation of the EU and Ukrainian power

systems in 2023", said Maxim Timchenko, DTEK CEO

Maxim Timchenko also noted that DTEK is pioneering the national energy storage systems market. "This is, of course, a great responsibility and a lot of work, but we are ready to openly share our expertise and experience with the government and with other market participants in order to accelerate our country's energy transition," said the DTEK CEO.

Eren Ergin, General Manager, Renewables and Distributed Assets, Honeywell Process Solutions, commented: "Sustainability is a key focus for Honeywell. Energy storage is a very important part of it. The demand for energy storage systems is increasing exponentially to enable meeting decarbonization and renewable targets globally. An estimated 350GW of grid-related battery storage will come online by 2030. We at Honeywell see ourselves in a unique position to address today's challenges in energy management. We feel very proud to be working with DTEK who focuses on innovation and latest technologies to lead the charge in energy transition in Ukraine. DTEK is the true trailblazer."

DTEK will soon certify the system to obtain the status of 'reserve capacity service provider' for the system operator. It was earlier reported that DTEK signed a contract with the American company Honeywell for the supply of an energy storage system in July 2020.

Technical reference:

Energy storage systems are among the fastest growing sectors in the electricity industry. Over 10 years, the sector has grown 48 times, with an average annual growth rate of 47%. According to Bloomberg NEF forecasts, the total storage capacity will exceed 1 TW by 2040.

One of the reasons for the increased interest in ESS was the rapid growth of renewables, which created two challenges. The first one is that the peak of renewable energy generation does not coincide with the peak of consumption. Thus, at certain periods there is an excess of generated power. Energy storage systems can eliminate the daily imbalance between the generation of renewable energy and the demand for electricity and, thereby, continue to increase the share of renewables in the energy system. The second challenge is that a sharp increase and decrease of power (in particular, wind power plants) leads to a deterioration in the power quality, instantaneous changes in frequency and voltage, and also forms the need for a fast reserve capacity. Electrochemical ESS can react to voltage fluctuations and sudden power changes much faster than traditional thermal generation. Most importantly, they

are carbon neutral.

(Watch video)