

Breaking New Ground in Electricity Marketing: VSB and Mercedes-Benz Enter Into Long-Term Supply Contract for Wind-Generated Electricity

Stuttgart/Dresden/Wrocław/Jawor, 31 July 2018 – Project developer VSB helps Mercedes-Benz Manufacturing Poland pave the way towards carbon-neutral manufacturing with a strategic investment: For the first time, the automaker will power an engine plant using electricity from renewable energy sources only. Bringing together the industrial sector and the wind energy sector, the long-term power purchase agreement (PPA) is the first of its kind in Poland. The agreement allows VSB to expand its operations and assume a pioneering role in the Polish energy market.

The new Mercedes-Benz manufacturing site in the Polish town of Jawor will not only raise the bar with state-of-the-art manufacturing methods and Industry 4.0 technologies, but set new power supply standards as well. As of 2019, Taczalin wind farm, which is located around 10 km from the plant, will supply green energy for the entire high-tech facility.

The 22 wind turbines were commissioned in late 2013 and have a combined installed capacity of 45.1 MW. VSB Group developed the wind farm and operates it as well. "In choosing locally-generated electricity from renewable sources, Mercedes-Benz has assumed the role of an international pioneer in the automotive industry. We appreciate this opportunity to assist Mercedes-Benz on their path to carbon-neutral manufacturing," says VSB Managing Director Marko Lieske.

The manufacturing site will produce four-cylinder engines for Mercedes-Benz cars. The automaker is able to choose wind-generated electricity to power its plant thanks to Poland's renewable energy scheme. The scheme permits suppliers to offer their electricity on the market or sell it as part of a PPA. PPAs are becoming an increasingly popular marketing tool for suppliers of wind-generated power in Europe and around the world. Suppliers enter into these agreements with major power consumers to coordinate a long-term purchase of electricity at a contractually agreed fixed rate. That way, consumers are able to protect themselves against rising electricity rates, while suppliers of green energy can rely on stable revenue that facilitates more reliable budgeting. "Our job as project developer far exceeds putting a wind turbine in a field. We develop business models that make energy from renewable sources attractive for high-volume consumers and customers from the industrial sector. Our

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collaboration with Mercedes-Benz is a milestone for both the wind energy sector and the automotive sector," explains Marko Lieske.

Michael Graf from Daimler International Procurement Services, Procurement of Energy and Fuels, is pleased with the agreement as well: "Our partnership with VSB offers multiple advantages, both economically and ecologically. Daimler also recognises the added value that the wind farm's proximity to the Jawor engine plant represents."

About VSB Group

VSB, with headquarters in Dresden, is one of the leading full-service suppliers in the renewable energies sector. The core business is the international project development of wind and photovoltaic farms, including operations management, maintenance and upkeep for these plants. Since 1996, VSB has commissioned more than 450 wind energy and photovoltaic plants with a combined installed capacity of approx. 860 MW and an investment volume of EUR 1.3 billion. The group and its affiliated companies employ 300 members of staff in 16 locations.