

Danske Commodities signs optimisation agreement for battery storage asset in the UK

Aarhus, Denmark, 19 March 2024. Energy trading company Danske Commodities announced today that it has signed a three-year optimisation agreement for the 35 MW battery storage asset, Welkin Mill. The agreement marks Danske Commodities' biggest battery storage asset yet in the UK, where the energy trader will utilise its fully automated algorithmic setup to maximise returns across wholesale and ancillary services markets.

Under the agreement, Danske Commodities will provide market access, balancing and optimisation services for Welkin Mill. The battery storage asset is owned by Equinor and is developed by Noriker Power Limited, a British developer and operator of battery storage assets, partly owned by Equinor (45% stake). Once operational, Welkin Mill will have a capacity of 35 MW/70 MWh and can store enough electricity to power over 100,000 UK homes for two hours.

"We are proud to announce Danske Commodities' optimisation agreement for Welkin Mill. With more than 15 years of experience from British power markets, we will apply our trading expertise to optimise the battery storage asset and help provide much needed flexibility to intermittent power generation. The UK is a core market for us, and we look forward to continuing growing our portfolio of renewables and flexible assets," said Anders Kring, VP, Head of European Power Trading at Danske Commodities.

Last year, Danske Commodities signed its first optimisation agreement in the UK for the 25 MW battery storage asset Blandford Road, which is also owned by Equinor. With now two UK battery storages in its portfolio, Danske Commodities is gearing up to support its owner Equinor's strategic ambitions to create a profitable renewables business by integrating battery storage assets in its portfolio in select power markets.

"Building on Danske Commodities' experience from short-term power trading, we will utilise our fully automated algorithmic setup to maximise returns across wholesale and ancillary services markets," said Kring, and he concluded:

"We have an ambition to become the leading battery optimiser through automated trading, supporting our parent company Equinor as well as third-party asset owners and developers. This is part of our strategy to further expand our asset portfolio and support the energy transition."

Danske Commodities currently has a contract portfolio of 2,000 MW renewables assets in the UK, including a proportion of the offtake from the world's biggest offshore wind farm, Dogger Bank.

FACTS ABOUT WELKIN MILL

- Asset: battery storage
- Location: Manchester, UK
- Capacity: 35 MW/70 MWh
- Developer: Noriker Power Limited
- COD: 2024

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WHO IS DANSKE COMMODITIES?

Danske Commodities is an energy trading company that specialises in power and gas trading and offers balancing, optimisation and hedging services to energy producers and suppliers. Every day, the company completes more than 25,000 trades across 40 countries, constantly moving energy from where there is more than needed to where it is needed most. Danske Commodities is a wholly-owned subsidiary of Norwegian energy company Equinor, operating under its own name and brand.