

Akenerji and RWE mark the first use of the EFET Agreement for energy sales in Turkey

The two companies signed the EFET General Agreement Concerning the Delivery and Acceptance of Electricity for electricity sold to RWE. This makes Akenerji and RWE the first two companies in Turkey to implement the general agreement prepared by the European Federation of Energy Traders (EFET), founded to stimulate and promote energy trading throughout Europe.

The electricity sales transaction between Akenerji, one of Turkey's largest private power generation companies, the wholesale company RWE&Turcas, JV of German RWE, Europe's leading electricity and gas company and Turcas, leading player in the Turkish oil and energy sector, was concluded with the implementation of the EFET agreement. Founded to promote a liquid and sustainable energy market in Europe, the EFET received initial support from Turkey through Akenerji and RWE. The agreement is the most widespread standard document in use across Europe for transactions that involve the physical delivery of electricity. The agreement was translated and adapted to Turkish law last month. The transaction between Akenerji and RWE will set an example to other private traders in Turkey, and constitutes an important step for a more transparent and liberal market in the country.

The first steps for integration with EFET contracts had been taken at the first "Istanbul Energy Trading Meeting" held in June this year, where matters surrounding the issue were discussed. In the aftermath of the workshop, Akenerji and RWE became the first two companies to accept the norms for facilitating operational processes and boosting wholesale electricity trade with a standardized and more reliable legal structure. Speaking on the subject, **Akenerji General Manager Ahmet Ümit Danışman** said, "As Akenerji, we are proud to be pioneering the EFET Agreement, an instrument of widespread adoption among European energy traders, in Turkey. Our intent is to make the energy market in Turkey more liberal, more transparent and more reliable. We believe our efforts are important steps in this direction."

Dr. Andreas Radmacher, CEO of RWE Turkey, said that Akenerji and RWE set an example to the sector by signing this agreement, and continued, “As RWE, we have been saying that we are prepared to share the experience we gained in Europe concerning liberalization and energy exchanges with Turkey at every opportunity. The Istanbul Trader Meeting, which will have its second session in November and the EFET Agreements are two important indicators. As one of the parties pioneering the EFET Agreement in Turkey, we believe we are on the right path in shaping the energy markets in Turkey.”

By taking this pioneering step in the private sector, Akenerji and RWE intend to provide a boost to the electricity market in Turkey, and to contribute to a more liquid and transparent environment for the wholesale trade of electricity.

About Akenerji

A member of Akkok Group of Companies since 1989, Akenerji is the first electricity producer in Turkey in the status of auto-producer group. Enjoying a prestigious position as one of the largest private electricity generators in Turkey, Akenerji supplies its production to eligible consumers as well as industrial companies, businesses, organized industrial zones and Balancing and Settlement Regulation (DUY) system

Akenerji is also interested in exploiting further investment opportunities based on different sources of fuel next to its current renewable energy investment portfolio and privatization projects. Akenerji places much emphasis on investments to generate power based on renewable energy resources for a diversified set of resources for production. Accordingly, having been a keen player in hydropower plant bids since 2003, Akenerji was awarded with the contracts for Cinarcik HPP, Uluabat Power Tunnel, Akocak Regulators and Akocak HPP in 2005, which led to an up-tempo race for its efforts towards production diversity. In addition to its 659 MW actively installed power in total based on 301 MW renewable energy resources, Akenerji will commission 3 hydropower plants (87 MW capacity) and Egemer Natural Gas Plant (approximate capacity of 900 MW) and Kemah HPP project (160MW installed power) in 2012 so much so that Akenerji will be elevated to a position where it alone will be generating a significant part of electricity in Turkey.

An active and pioneer role in distribution

Akenerji successfully won Sakarya Elektrik Dagitim A.S. (SEDAS) tender out of the Electricity Distribution Privatization Tenders by the Privatization Agency in July 2008. For these tenders Akenerji has formed a consortium with CEZ, a leading power company in Europe, under the name of “AkCez”. Akenerji-Akkok-CEZ Joint Venture Group won the tender with a bid worth 600 million dollars from its opening value of 355 million dollars, and subsequently acquired SEDAS on 11 February 2009. This contract covers Sakarya, Bolu, Duzce and Kocaeli regions. A stellar example for its advancements in the power sector, SEDAS privatization not only cemented Akenerji’s leading position in the sector but once again more proved that Akenerji will be an active player in energy privatization projects.

About RWE

RWE is one of Europe's five leading electricity and gas companies. The company is active in the generation, trading, transmission and supply of electricity and gas. More than 70,000 employees supply over 16 million customers with electricity and approximately 8 million customers with gas. In fiscal 2010, the company recorded about €53 billion in revenue. RWE is the No. 1 power producer in Germany, No. 2 in the Netherlands, and No. 3 in the UK. The company continuously expands its position in Central and South Eastern Europe. Renewable energy plays a large part in this expansion.