



Secure Power Supply in the Central Region of Upper Austria: Starting Signal for a Secure Energy Transition

Linz - Vienna, November 21, 2024: **The electricity grid operators Austrian Power Grid (APG), Netz Oberösterreich GmbH (Netz OÖ), and LINZ NETZ GmbH (Linz Netz) are making the central region of Upper Austria fit for the energy future with a 220 kV supply ring: The official ground-breaking ceremony took place today, marking the start of the implementation of this large-scale joint energy industry project, which is a prerequisite for decarbonizing the local steel production and thus the basis for a significant reduction in CO₂ and the success of the energy transition in the region and throughout Austria.**

To mark the start of this major energy project, the project partners APG, represented by Gerhard Christiner, (CTO) and Marcus Karger (CFO), Netz OÖ, represented by the managing directors Manfred Hofer and Michael Haselauer, and Linz Netz, represented by Johannes Zimmerberger and Jörg Mittendorfer, invited guests to the ground-breaking ceremony at the substation Pichling. Also present were Stefan Kaineder, Upper Austria's State Councilor for the Environment and Climate, Christian Mader, Member of Parliament (standing in for Markus Achleitner, Upper Austria's State Councilor for Economic Affairs and Energy), Gerald Mayer, CFO of voestalpine AG and Jürgen Schneider, Head of the Climate and Energy Section at the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology.

Secure power supply for the central region of Upper Austria

APG, Netz OÖ, and Linz Netz are now constructing a 220 kV supply ring which will be around 42 kilometers long to replace the existing 110 kV supply in the central region of Upper Austria, which is more than 70 years old and no longer meets future requirements. Together, the three grid partners are investing around 800 million euros in the project.

The necessary construction measures include the replacement of existing lines, voltage conversions from 110 to 220 kV on line sections already designed for this purpose, and expansion and conversion work in a total of eight substations. For the most part, existing line routes of APG, Netz OÖ, and Linz Netz will be used for the construction of the new lines to keep the impact on people and nature as little as possible.

After the Federal Administrative Court (BVG) confirmed the positive EIA decision of the province of Upper Austria in the second instance at the end of June 2024, preparatory construction measures for the "Secure Power Supply Central Upper Austria" project began immediately in the summer months of 2024.

Construction work on the project has already begun with the first two of a total of four line construction sections, as well as in the three substations Kronstorf, Pichling, and Tillysburg. Expansion and conversion work will follow later in five other substations as part of the project. The implementation of construction phases three and four will start in 2027 and 2028. The supply ring is supposed to start operation in stages from 2026 to 2030.

The fact that the implementation of the project has now finally been able to start following the second instance decision is very pleasing and also of great importance for the region and Austria as a whole, says Gerhard Christiner, CEO of APG: "We are delighted that we have finally been able to start implementing this important project. Together with our partners, we are taking a major step towards a secure energy transition and the sustainable strengthening and decarbonization of Upper Austria as business and industry location and place to live. Together, we are investing in the economic region to facilitate the increasing electrification of businesses, industry, and society in Upper Austria. In addition, this electricity infrastructure project is a central piece of the puzzle in APG's nine billion investment scheme up to 2034 to achieve Austria's climate and energy targets."



Security for the region and generations

The project is fundamental to achieving Austria's climate and energy targets and ensuring a secure supply of electricity in the central region of Upper Austria.

Manfred Hofer, Managing Director of Netz Oberösterreich GmbH: "The project is of particular importance for Upper Austria because, as grid operators, we will benefit from the newly created capacities at all voltage levels. The energy transition and mastering the energy future is a team effort. We can only succeed together – therefore it makes sense that line sections are brought together to save resources as intended in the project plans. Netz Oberösterreich is supporting the common goal by providing a total of 18 kilometers of line route - this is sensible because the energy future must also remain affordable. In the region, we will continue to invest in expanding the grid to the customers to facilitate the energy future for everybody."

Johannes Zimmerberger, Managing Director of LINZ NETZ GmbH: "The journey to a sustainable and renewable energy future inevitably involves the modernization of the existing grid infrastructure so that it can meet the requirements of future generations. In an increasingly electrified society, the electricity grid is the "soil" in which major energy transition projects can grow in the first place. In the industrial city of Linz in particular, a secure power supply and future-proof grid infrastructure are of central importance for a positive development of the area as location for business enterprises and place to live. With the efficient supply of electricity to the Linz area, we are facilitating, among other things, the connection of electrolysis plants for the environmentally friendly production of hydrogen. As LINZ NETZ GmbH, we are delighted to be part of this exemplary large-scale project and to be paving the way to a climate-neutral future for the region in and around Linz."

Strengthening Upper Austria as business location and place to live

Upper Austria is not only a place to live, but also plays an important role regionally, nationally, and internationally as an economic and industrial location. The "Secure Power Supply Central Upper Austria" project will sustainably strengthen this dynamically growing economic region.

"Today is an important day for Upper Austria and for the energy transition throughout Austria. With the start of construction on the new central area line, we are creating the basis for a secure and sustainable energy supply. The investment in this project is a clear commitment to the energy transition, as it not only secures the electricity supply in Upper Austria but also plays a decisive role in the transition to renewable energies. The energy transition can only succeed if we adapt the grids and thus pave the way for more green electricity in our households and businesses. In addition to the long-term decommissioning of fossil-fuel power plants in the central region of Upper Austria, the new supply ring will also enable voestalpine's steel production to be converted from fossil-fueled blast furnaces to electric arc furnaces. In addition, the line will provide security of supply for many decades to come. With the future upgrade of the power line, we are getting a fresh "heart" in the center of our country that will pulsate for generations to come," says a delighted Stefan Kaineder, Upper Austria's State Councilor for the Environment and Climate, whose department is also responsible for approving the new line systems.

Christian Mader, Member of Parliament: "An efficient electricity infrastructure is a key factor for the economic region of Upper Austria: it is the basic prerequisite for the decarbonization of industry, heating systems, and future mobility and also the basis for the expansion of feed-in options for renewable energy sources to achieve Austria's climate targets. The current implementation of the 220 kV supply ring in the central region of Upper Austria is also an important contribution to the energy transition and security of supply in Upper Austria. In particular, this will enable the implementation of voestalpine's 'greentec steel' project, Austria's largest climate protection project. As a result, around 2 million tons of CO₂ can be saved in Upper Austria from 2027. However, the implementation of the 'Secure Power Supply Central Upper

Austria' project is not only a prerequisite for the decarbonization of voestalpine's steel production but also serves to support the entire electricity grid in the central region and the Mühlviertel."

Prerequisite for decarbonization of industry and CO2 reduction

The new high-capacity electricity infrastructure is the prerequisite for the electrification of industrial processes - such as electricity-based steel production. This will facilitate an enormous reduction in CO2 emissions.

Gerald Mayer, CFO of voestalpine AG: "With greentec steel, voestalpine has a clear step-by-step plan for converting to net-zero steel production. From 2027, the first step will be to replace one blast furnace at each of the Linz and Donawitz sites with a green-electricity-based electric arc furnace. This will make it possible to reduce CO2 emissions by around 30% by 2029 compared to 2019. However, the basic prerequisite for this is the sufficient availability of electricity from renewable sources at economically viable prices. Even more important is the provision of an efficient and integrated grid infrastructure. In the specific case of the Linz location, this is being achieved with the 'Secure Power Supply Central Upper Austria' project. With the expansion of the grid infrastructure now progressing rapidly, we are confident that the further planning steps of our greentec steel project can also be implemented as planned so that the first green electricity-powered electric arc furnace can go into operation in Linz in 2027."

Jürgen Schneider, Head of the Energy and Environment Section at the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology: "A competitive industrialized country needs a secure supply of green energy at competitive prices. This in turn requires a well-developed infrastructure for electricity and green gases. With the Austrian Integrated Grid Infrastructure Plan ÖNIP, the Federal Ministry, together with relevant stakeholders, has presented a blueprint for the necessary upgrading of the electricity and gas grids and thus created an important instrument for accelerating the expansion of the electricity grids. I am very pleased, and I would like to thank all those involved, that investments are now being made in concrete projects that will make our country fit for the future."

The project in figures

- Voltage level supply ring: 220 kilovolts
- Route: approx. 42.5 km new construction replacing existing lines, approx. 60.5 km dismantling
- 4 construction phases
- 8 substations (conversion/extension)
- Investment by the three partners: around 800 million euros
- Increase in feed-in capacity from around 780 MVA to around 3,400 MVA
- More information on the project can be found at www.zentralraum-ooe.at

About Austrian Power Grid (APG)

*As independent transmission system operator Austrian Power Grid (APG) is in charge of ensuring the security of the **electricity supply** in Austria. With our high-performance and digital electricity infrastructure and the use of **state-of-the-art technologies** we integrate renewable energies, we are the platform for the electricity market, and we provide access to reasonably priced electricity for Austria's consumers and thus create the basis for Austria as supply-secure and future-oriented industrial and business location and place to live. The APG grid totals a length of about 3,500 km and is operated, maintained, and continuously adapted to the increasing challenges of the **electrification** of businesses, industry, and society by a team of approximately 900 specialists. 67 substations are distributed all over Austria and the majority is operated remotely from APG's control center in Vienna's 10th district. Thanks to our committed employees Austria had a security of supply of 99.99 percent also in 2023 and thus ranks among the top countries worldwide. Our investments of 445 million euros in 2024 (2023: 490 million euros, 2022: 370 million euros) are a **motor for the Austrian***



economy and a crucial factor in reaching Austria's climate and energy targets. Until 2034 APG will invest a total of approximately 9 billion euros in grid expansion and renovation projects.

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