Telefónica and Vertiv renew their agreement to reduce energy consumption



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Vertiv, a global provider of critical digital infrastructure and continuity solutions, today announced it is extending its collaboration agreement with Telefónica, a leading telecommunications company, to improve energy efficiency. Under the agreement, Telefónica expects to save around 45 GWh per annum within three years, equivalent to the energy consumption of about 13,000 homes in Spain. Vertiv will provide a turnkey solution to enable energy savings across different areas of Telefónica's network core sites in Spain.

This agreement is an extension of the collaboration that was established in 2018, which began as a pilot project to reduce the energy consumption of one of Telefónica's most important network core sites in Madrid. According to Telefónica, that initiative was a success, achieving an average 20% reduction of total energy consumption. Under Phase I of the agreement, the collaboration will be extended to cover 40 of Telefónica's most critical network core sites located throughout Spain.

Vertiv and Telefónica's agreement includes an innovative model called Energy Savings as a Service (ESaaS), that requires an experienced technology manufacturer partner that invests, operates and maintains the critical infrastructure. The main objective is to reduce the energy consumed and therefore the carbon footprint. In this case, Vertiv is providing a turnkey solution, upgrading Telefónica's most important facilities with efficient critical infrastructure services, and managing their performance and maintenance.

One of the critical elements of the agreement is for Vertiv to manage maintenance that allows for optimal equipment efficiency throughout the facilities. Vertiv is responsible for performing corrective and preventive maintenance using state-of-the-art technology. Vertiv has committed to introduce artificial intelligence (AI) to monitor data and equipment and thus be able to be forewarned of potential failures. As a result, the life cycle of the technology can be extended and the energy efficiency of Telefónica's network can be increased.

Pablo Ledesma, director of Network, Services and IT Engineering and Operations at Telefónica Spain, says:

This project has many challenges, one of which is ensuring specialised maintenance of the infrastructure. It also brings many benefits, allowing us to have the most advanced cuttingedge technology to enable the implementation of services in the cloud and edge. As part of the project, we also want to improve the air conditioning systems throughout the technical telecoms sites that provide Telefónica services to our customers, such as fiber or mobile networks, to achieve maximum energy savings.

Karsten Winther, president for Vertiv in Europe, Middle East and Africa, says,

In addition to the benefit of carbon footprint reduction, this model also has a positive financial impact. Telefónica expects to reduce both energy costs and its carbon footprint by engaging Vertiv to focus on optimisation and allowing Telefónica to invest 100% of its resources in its core business.

In addition to the network core sites that were optimised in 2023, Vertiv will help to improve the efficiency of more than 10 additional Telefónica facilities throughout Spain in 2024, including Madrid to Barcelona, Zaragoza, Coruña, Malaga and Valencia, among others. According to Telefónica, the results achieved so far are in line with the objectives set and work is already underway to extend the scope of the collaboration to include other Telefónica group companies.

Vertiv is an experienced partner that knows our infrastructure very well, so it is the right company to take on this innovative project", says Enrique Blanco, Global CTIO at Telefónica. "The initiative will help us meet our energy and emissions targets: to improve our energy efficiency with the goal of reducing the energy consumption per unit of traffic (MWh/PB) indicator by 90% by 2025, to reduce scope 1+2 emissions by 90% by 2030, and to be a net zero emissions company by 2040 across the entire value chain. We are aware that the best kilowatt is the one we do not consume. We don't want to stop here, so we will extend this successful project to as many locations as possible.

This pioneering model has been successfully implemented in collaboration with Telefónica and is replicable in other sites and countries so other organisations can benefit from more efficiency and cost savings. This puts Vertiv in a great position to help companies reduce their energy consumption by providing state-of-the-art critical infrastructure, technology and experienced talent,

concludes Karsten Winther.

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