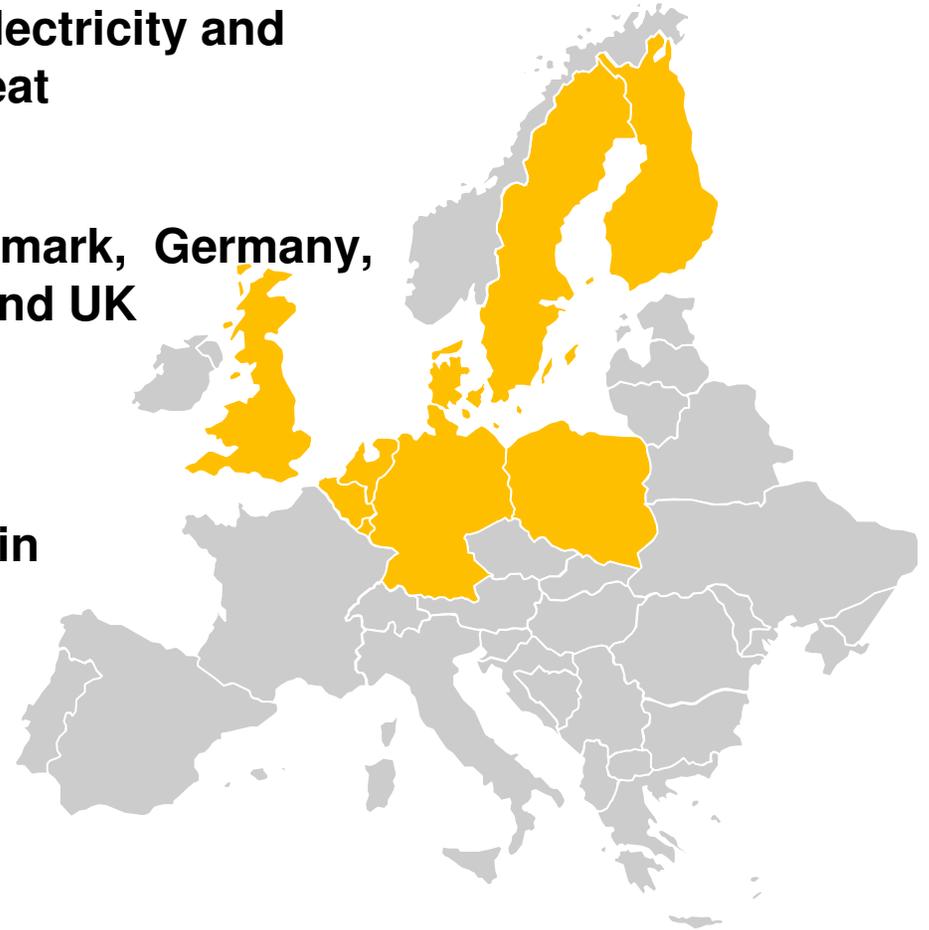


Clean Coal for Europe Making CCS Work

Dr. Hartmuth Zeiß
Chairman of the Managing Directors
Vattenfall Europe Mining & Generation

Vattenfall: A European Energy Company

- Europe's fifth largest generator of electricity and the largest producer of municipal heat
- Net sales 2009: 19.85 billion €
- Operations in Sweden, Finland, Denmark, Germany, Poland, the Netherlands, Belgium and UK
- 7.4 million electricity customers
- 5.6 million network customers
- Business along the entire value chain
- 40.000 employees
- 100% owned by the Swedish state



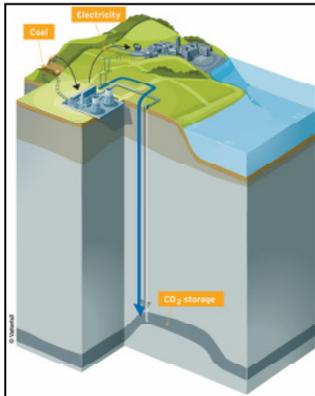
Various Technologies – One Strategy



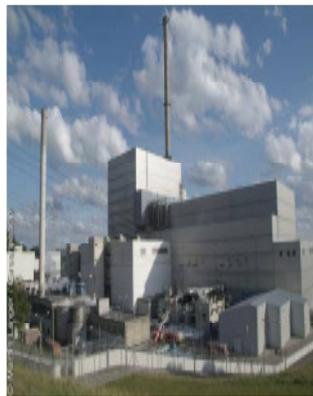
Wind Energy



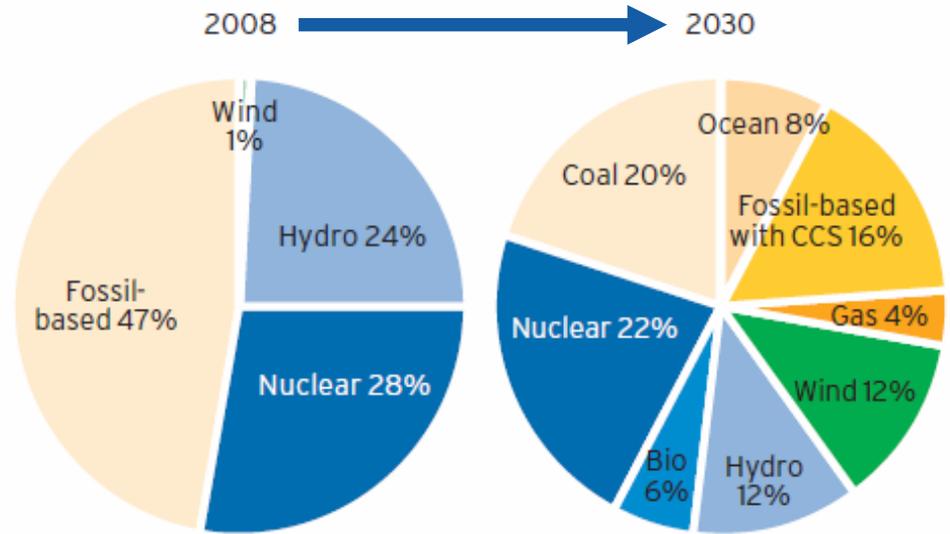
Biomass



CCS



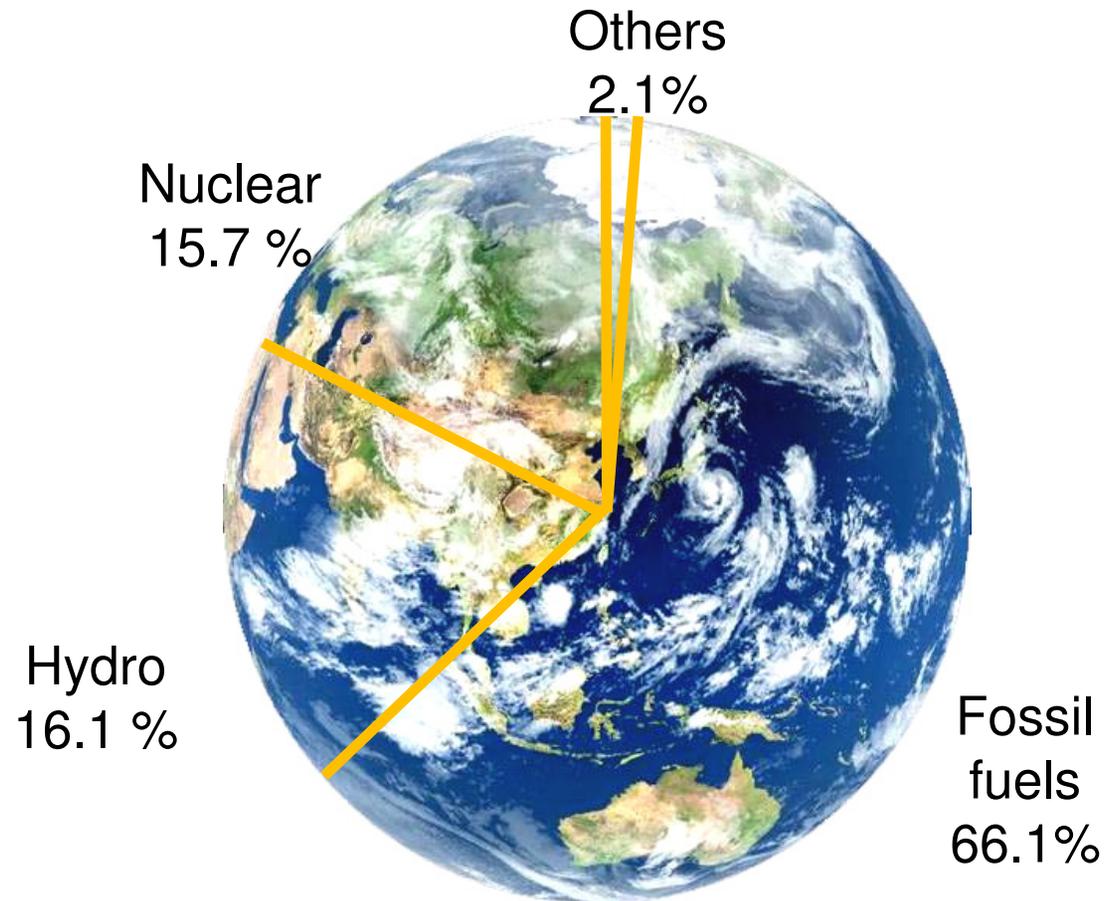
Nuclear



CCS – A Global Perspective

- The world will not stop using fossil fuels.
- Coal is the one fossil fuel which combines the greatest potential with the strategic optimum
- CCS is **THE** key technology for developing a CO₂ lean energy system based on the reality of fossil fuels – especially coal

global electricity supply - 2008



Developing CCS

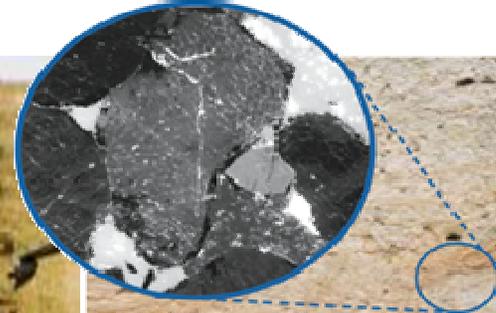
Capture
CO₂ Sequestration



Transport
CO₂ Pipeline

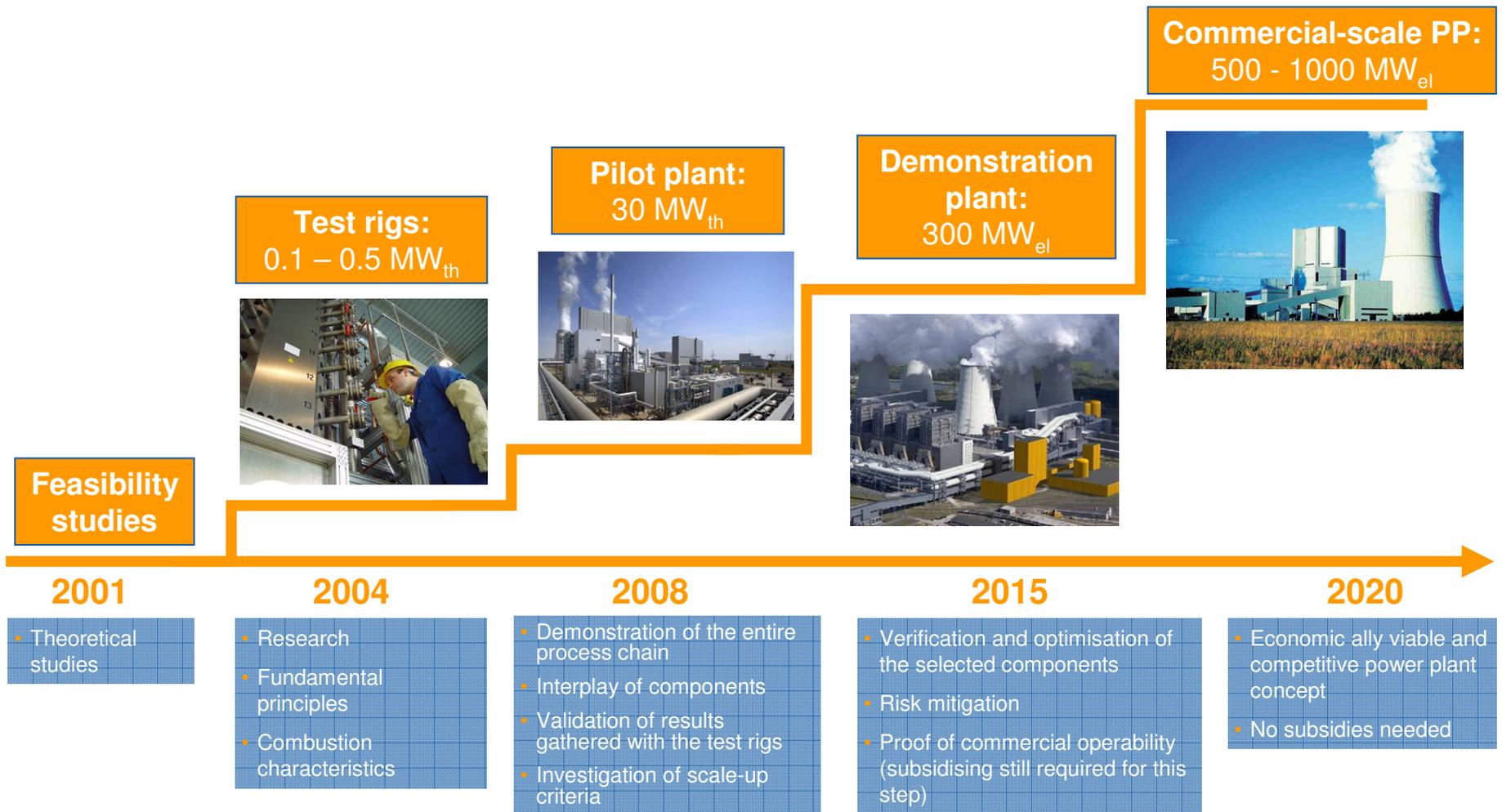


Storage
Geological Storage

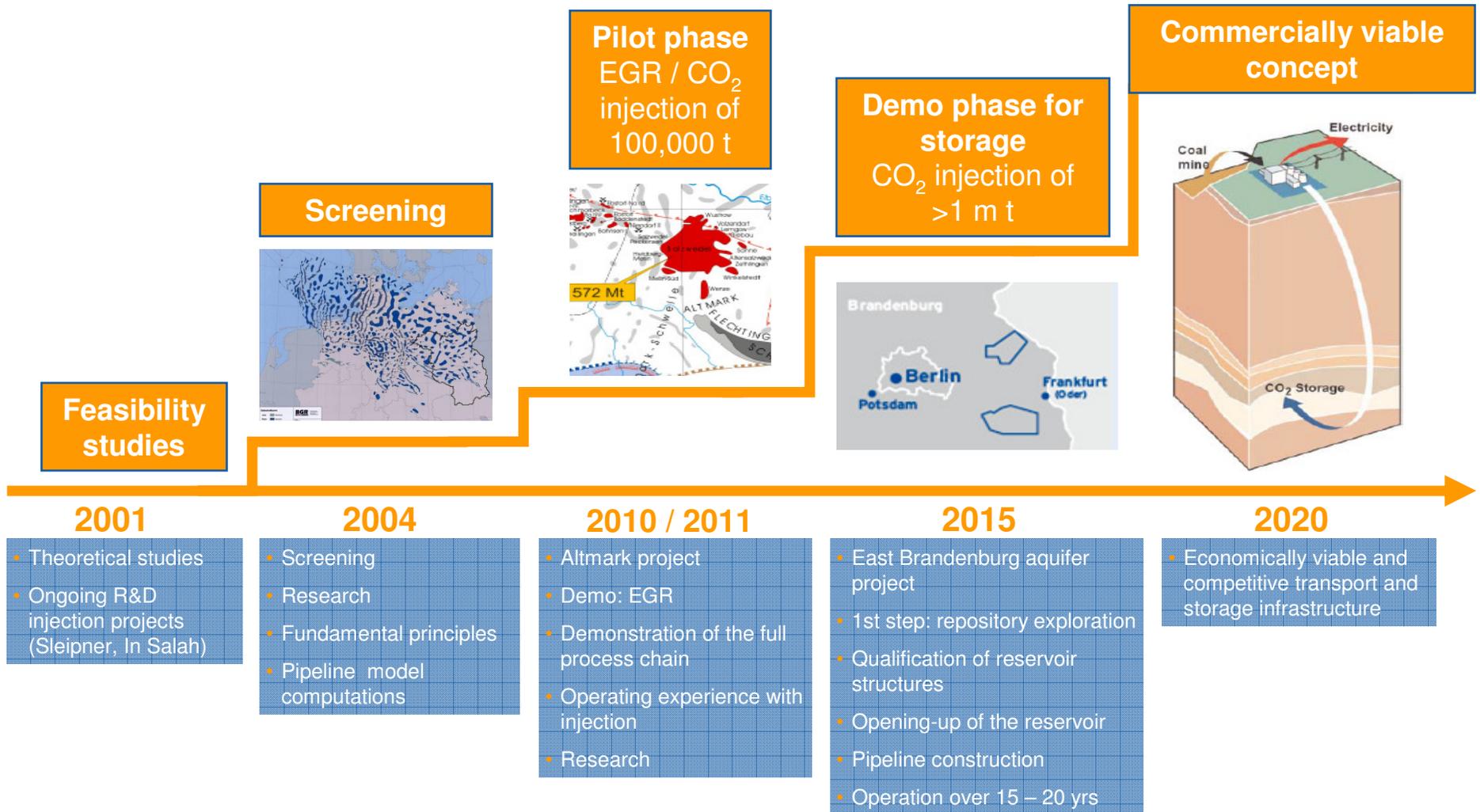


Target: Parallel development of technology for carbon dioxide capture and storage.

Roadmap for implementing carbon capture



Roadmap for implementing carbon storage



The CCS pilot plant: Successful testing of CO₂ capture



Facts and figures:

Capacity: 30 MW_{thermal}
CO₂ capture rate: > 90%

Results of operation:

Operating hrs since Sept. 2008: 6,000 hrs
CO₂ quantity captured: 3,100 t

- The CCS pilot plant serves the purpose of testing CO₂ capture according to the Oxyfuel process.
- The obtained results of operation meet the expectations regarding CO₂ capture.
- Further potential for technical optimisation is available, and is being tested continuously.

CCS-Demonstration Project Jämschwalde

Capture

Transport

Storage

Block G (Oxyfuel)

Capacity gross:	250 MW
Capacity net:	167 MW
Production:	1.3 TWh
Efficiency net:	36%
Coal consumption:	1.5 mill. t
Emission total:	1.4 mill. t
Emission captured:	1.3 mill. t
Capture rate:	93%

Block F (PCC)

Capacity gross:	534 MW
thereof PCC	50 MW
Capacity net:	494 MW
Production:	3.5 TWh
Efficiency net:	36%
Coal consumption:	4.1 mill. t
Emission total:	3.9 mill. t
Emission captured:	0.4 mill. t
Capture rate:	10%
Capture rate (treated flue gas):	90%



Birkholz

Distance:	60 km
Storage capacity:	up to 100 mill. t
Storage type:	Saline formation

Neutrebbin

Distance:	130 km
Storage capacity:	up to 100 mill. t
Storage type:	Saline formation

Altmark (owned by GDF)

Distance:	300 km
Storage capacity:	~450 mill. t
Storage type:	Gas reservoir



Two capture technologies as part of demo plant

Three alternative storage locations being explored in parallel



The CCS power plant: Advancing the concept



Previously: **Retrofitting** unit F:

- Oxyfuel 250 MW
- PCC 125 MW



Now: **New unit:**

- Oxyfuel 250 MW
- Retrofitting unit F:
 - PCC 50 MW



Advancing the concept - Key results of the technical modifications

	Previous concept	Current concept
Efficiency (Oxyfuel)	28 %	36 %
CO ₂ emissions per kWh		
- Oxyfuel	145 g/kWh	78 g/kWh
- PCC (rel. to treated flue gas)	149 g/kWh	107 g/kWh
Captured CO ₂	2.7 Mt/a	1.7 Mt/a

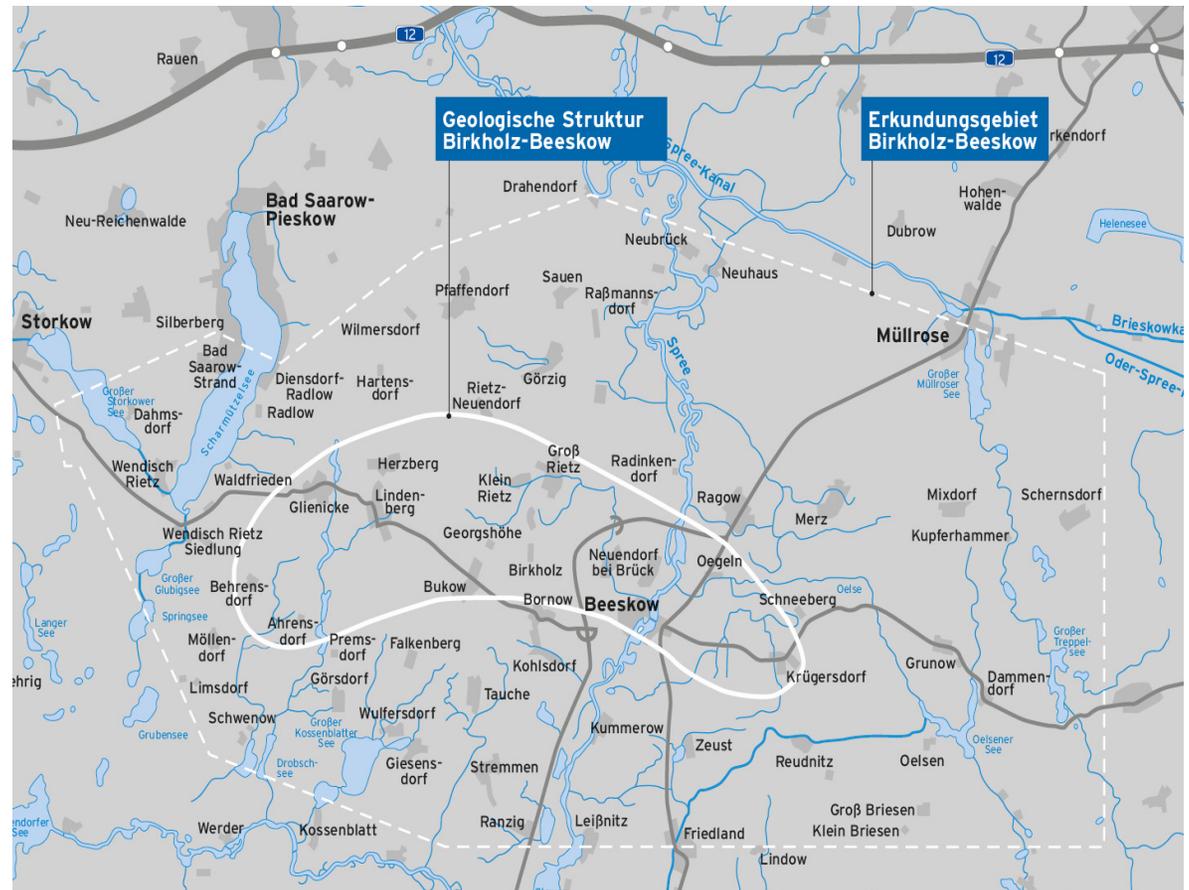
Use of best practice in power plant technology

- *highest possible power plant efficiency for a CCS demo plant*
- *lowest possible CO₂ emissions per kWh: Oxyfuel less than 25% of BAT gas-fired power plant)*

Status of storage reservoir exploration

Status Birkholz-Beeskow:

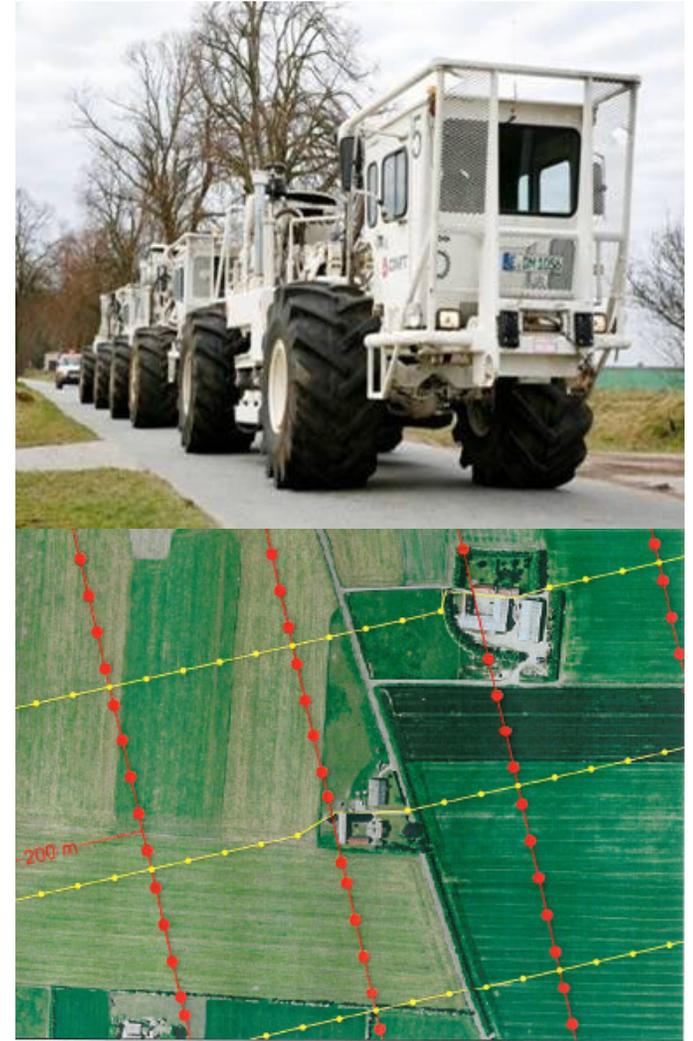
- Permits for exploration of the Birkholz-Beeskow and Neutrebbin storage structures have been received.
- Main plan for operations, and special plan for seismic operations, submitted for Birkholz-Beeskow to authority LBGR.
- Main plan for operations currently in the phase of public participation.



Next step: exploring the geological formation

Vattenfall needs to explore the potential storage sites

- to be able to evaluate the suitability of the geological formations;
- to be able to answer open questions on a valid basis;
- as an essential step towards a permit procedure for later CO₂ storage.



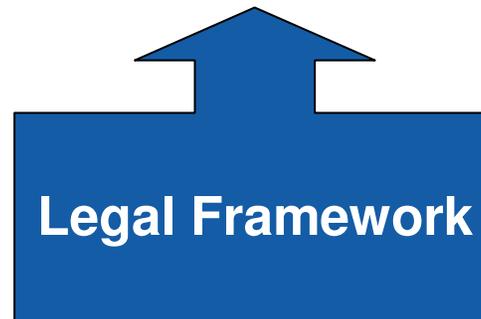
Transposition of the EU Directive into German law

- CCS Directive is an element of the EU's "Green package"
- Publication of the "Green package" in the EU Gazette on 05 June 2009
- **Enforcement of the Directive** after 20 days, i.e. on **25 June 2009**
- **Deadline for transposition** of the Directive into national law: **after two years**

- The EU CCS Directive must have been transposed into national law by 25 June 2011
- CCS bill presented on 14 July 2010 (joint press conference of the Federal Ministries for the Environment and Economics)
- To be followed by a reconciliation process in the parliament (final decision in Q1 2011)
- Law can be enforced in summer 2011 at the earliest

Preconditions for implementing the project

Implementation of the CCS demo project in the German state of Brandenburg



Public Acceptance: Dialogue and Transparency

DIALOGUE

- Community information office opened 07 / 2009
- Regular information events on CCS
- Regional contacts programme (regular talks with regional political and media stakeholders)
- Regular talks with regional associations (“regulars’ table“)
- Regional Advisory Board (initiator State of Brandenburg; sort of “social dialogue”)

TRANSPARENCY

- Extensive distribution of info materials
- Telephone hotline for community questions
- Regular newsletter on project progress
- Placement of information ads



We take people's fears in connection with CO2 storage seriously.

We fully rely on open and direct communication with the public.

Conclusion:

- CCS is one of the technologies with crucial importance for **climate protection from a sustainability angle.**
- Germany – specifically **Brandenburg** - and Vattenfall are among the **technology leaders, but losing momentum.**
- **The development of CCS will sustain important industries,** and the resulting value creation and employment situation.
- Major **prerequisites** to its successful rollout are an investment-friendly **legal framework and political support.**

A white flag is shown waving against a clear blue sky. The word "VATTENFALL" is printed in large, bold, black capital letters across the center of the flag. To the right of the text is a logo consisting of three stylized, curved shapes in yellow, white, and blue, resembling a water drop or a wave. The flag is attached to a metal pole on the left side.

VATTENFALL

Thank you for your attention!