

Presentation Content

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11/05/2021

Confidentiality – Critical (C4), High (C3), Medium (C2), None (C1) Confidentiality: C2 - Internal



Key Facts / Figures



- · One of Europe's leading energy companies
- 100% owned by the Swedish state
- · Main products: electricity, heat, gas, energy services
- Main markets: Sweden, Germany, the Netherlands, UK, Denmark and Finland
- Electricity Production 2020: 112.8 TWh
- Net Sales 2020: 158,8 MSEK





11 3.3 million
Electricity network customers

2.3 millionGas customers

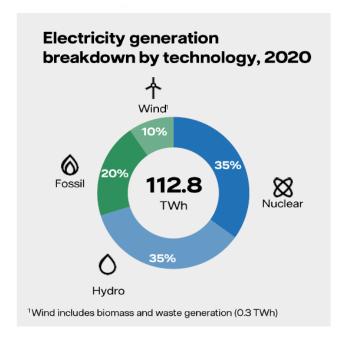
19,859 Employees

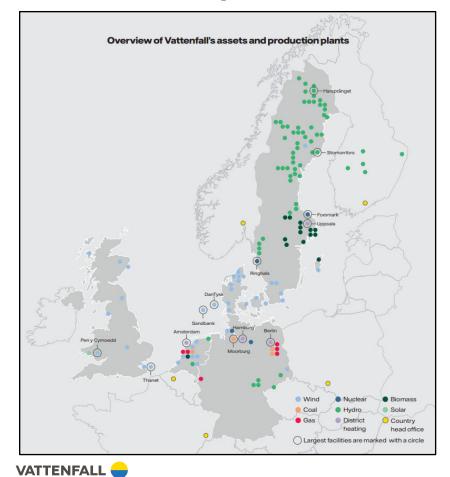




Electricity Generation and Asset Map

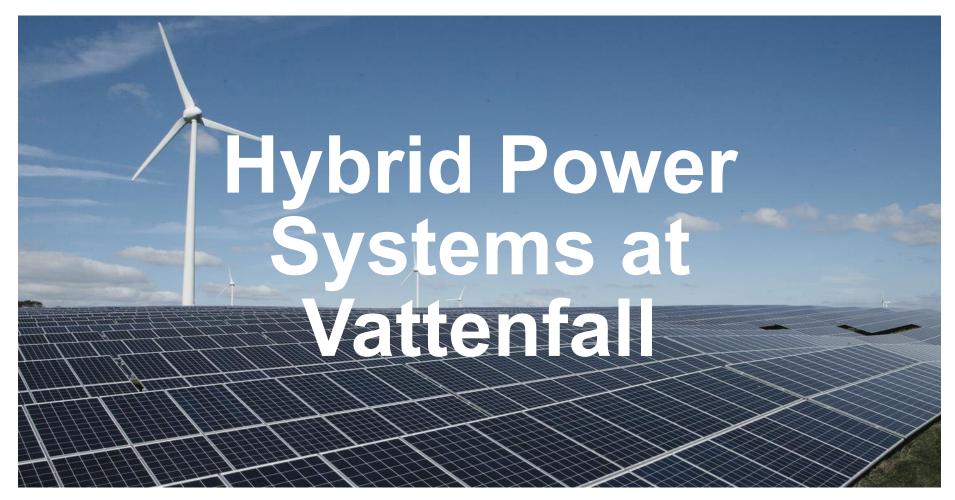






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Background

- Vattenfall aims to be fossil-free within one generation
- Sweden committed by law to be carbonneutral by 2045
- Result: Increased focus in renewables energy sources (Wind & Solar)
 - Investigating different storage and flexibility opportunities
- Challenges: Integration of the different technologies



Hybrid at Vattenfall

- Trend for adding batteries and solar installations to existing onshore wind farms
- · Better utilisation and flexibility
- Solar Farm installed at a Wind Farm in Wales, UK
- Batteries installed at Wind Farms in the Netherlands and the UK
- Haringvliet (wind-solar-battery) Hybrid Power Plant soon to be in full operation



Battery storage at the Pen y Cymoedd Wind Farm in the UK, source: Vattenfall



Hybrid wind and solar installation come with advantages

Hypothesis

Infrastructure

- Joint usage of land reduces costs and contributes to local support
- Joint usage of grid and infrastructure saves costs

Project Development

- Joint permitting process reduces risks and costs
- Shared resources reduce internal and external costs
- Joint site development reduces costs for e.g. soil investigations

Park Performance

- More stable production curve increases utilization of the grid
- Batteries increase flexibility and accessible markets
- Forecasting errors can be buffered by batteries

COST REDUCTIONS, REVENUE INCREASE, DESIGN OPTIMIZATION



De-risking and diversifying: increase value

- Diversifying revenue streams: such as ancillary services and hydrogen sales
- Reduce volatility of power signal
- Reduced exposure to merchant commodity market

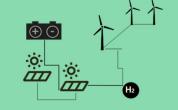


Pipeline enabler: hybrid sells!

- Hybrid can provide tender and subsidy opportunities
- Hybridization can increase the chances on obtaining permits
- MW installed capacity per km² increased (clustering our efforts)

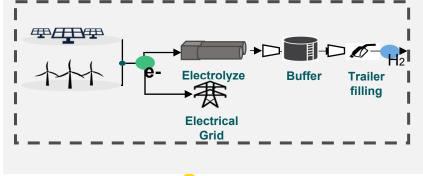


Renewable Hybrid Parks: The energy plant of the future



System integration

- Utilize grid capacity to full potential due to complementarity
- Support efficient grid built out



Improved business case

- Cost synergies to be achieved
- H2 + wind and solar provides access to cheaper electrons
- Reduce curtailment cost by incorporating H2 plant

Challenges and potential within Renewable Power Plants

Challenges

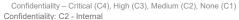
- Power Limitations in the Point of Common Connection: Increase the utilization of the grid connection point while securing against overloading
- Unclear grid codes and certification processes for Hybrid Power Plants
- Coordination of the Ancillary Services provided by different generation sources
- Flexibility in operating different generation and/or storage units
- Multiple systems from various suppliers to service and maintain

- Potential
 - LCoE Reduction: Increased utilization of the shared grid connection/agreements and lower costs due to own park controller
 - <u>LRoE Improvement</u>: Approaching subsidy-free market enables participation in different grid services markets to enhance additional revenues
 - Hybrid Power Plants: Wind+Solar+Storage connected on a common Point of Common Connection, increased power generation flexibility
 - Vattenfall in control with different smart optimization algorithms based on the weather conditions and spot price forecasted
 - Maximize yield (revenue) while providing grid support function and minimizing fatigue loads
 - Easier Operation
 - Increased Flexibility





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Haringvliet Hybrid Power Plant



Wind farm: 22 MW

Number of turbines: 6

Maximum height: 150 m

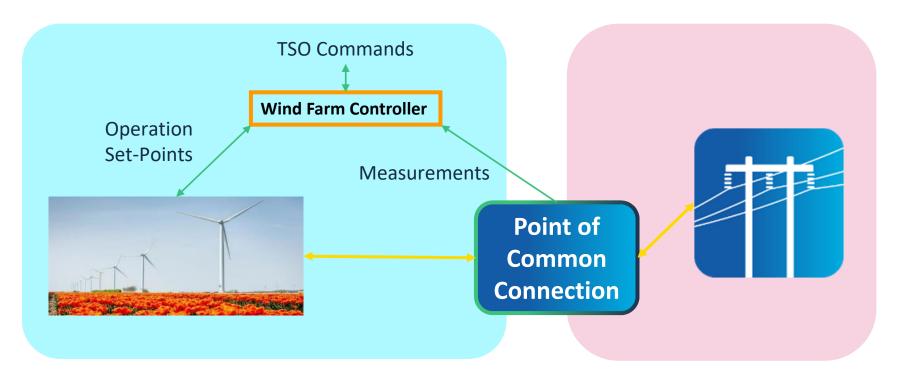
• Solar farm: 36 MWp

• Number of solar panels: 124.000

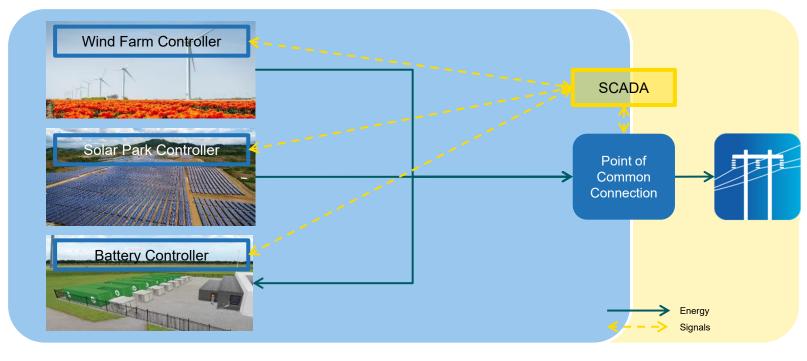
Battery capacity: 12MW / 12 MWh

• In operation: Q3 2021

Today's onshore wind farms layout

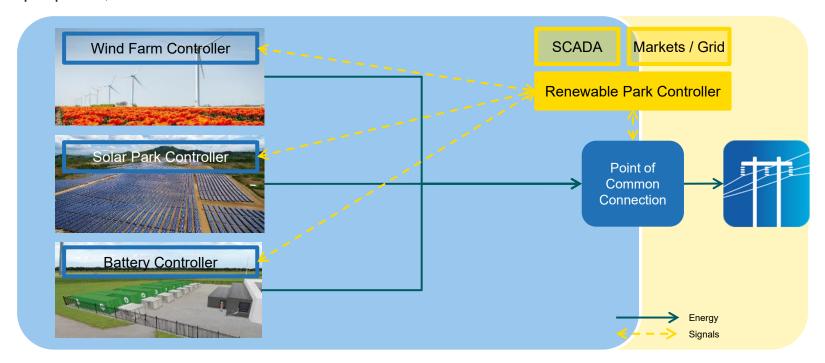


Renewable Power Plants

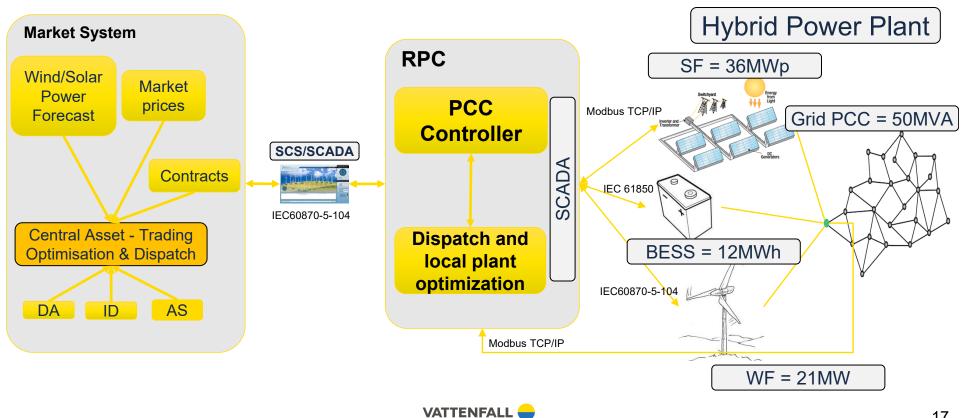


Solution: Renewable Park Controller

Vattenfall's Renewable Park Controller - Enhanced optimization functions based on Energy market spot prices, Weather Forecast & Grid demands

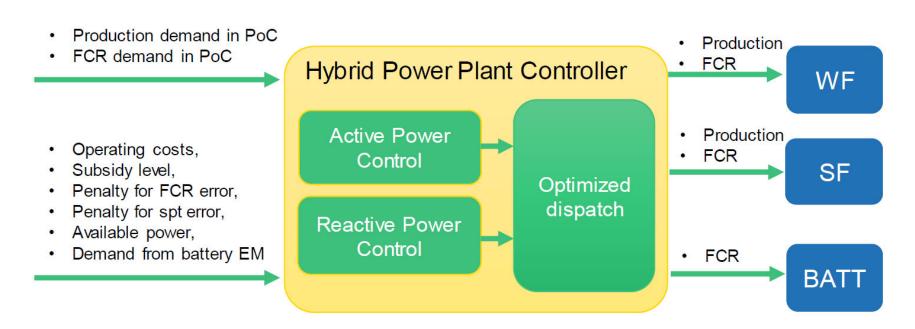


Haringvliet - RPC Architectural Diagram



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Optimisation in Hybrid Power Plant Controller





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Conclusions

- Combining wind farms with solar farm and/or batteries comes with benefits but challenges as well
- Any kind of optimization must take into account the technical constraints and grid limitations
- Optimal steering of Hybrid Power Plants enables a power system with high shares of wind and solar production



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