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Environment-friendly, small-scale microturbine to be tested in Germany

Vattenfall's first microturbine in Germany will be commissioned today in Hamburg by HEWContract, a company in the Vattenfall Group. This turbine represents the commercial application of a new technology on one of the markets where the business opportunities for this technology are greater than in Sweden.

Small-scale co-generation entails the local production of both electricity and heat at a customer's premises, and thus forms the basis for a decentralised energy supply system that, in the long term, will be of increasing importance in the overall energy system.

Vattenfall has previously tested new small-scale technology in Sweden, for example gas engines and fuel cells, as well as the pilot version of the 100 kW microturbine that will be used in Germany. The operating costs, however, were higher than would be viable on the Swedish market. Conditions on the German market differ in that electricity prices are higher and gas prices lower. There is also an extensive gas network in Germany, and there are considerable subsidies for small-scale cogeneration.

"This is part of the process of testing future energy solutions with good environmental properties under actual conditions. There is a lot of interest among the customers in, for example, microturbines and fuel cells, and we believe that the market will grow once the technology matures," says Ellerth Ericsson, of Vattenfall's Group Strategies function.

The microturbine in Hamburg is a part of Vattenfall's long-term research and development (R&D) programme and is supported by the EU. The operation and commercial handling of the microturbine will take place in Germany, while the R&D work, including monitoring and evaluation, will be carried out in Sweden using a web-based communications system.

<u>Photo: Available at www.vattenfall.se</u> Caption: Frank Zabel, HEWContract, presenting the turbine during installation.

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Vattenfall's vision is to be a leading European energy company. Vattenfall's main products are electricity and heat. Today, Vattenfall generates power and supplies energy to several million customers in the Nordic region and northern Europe. The largest electricity customers are industrial plants and energy companies.