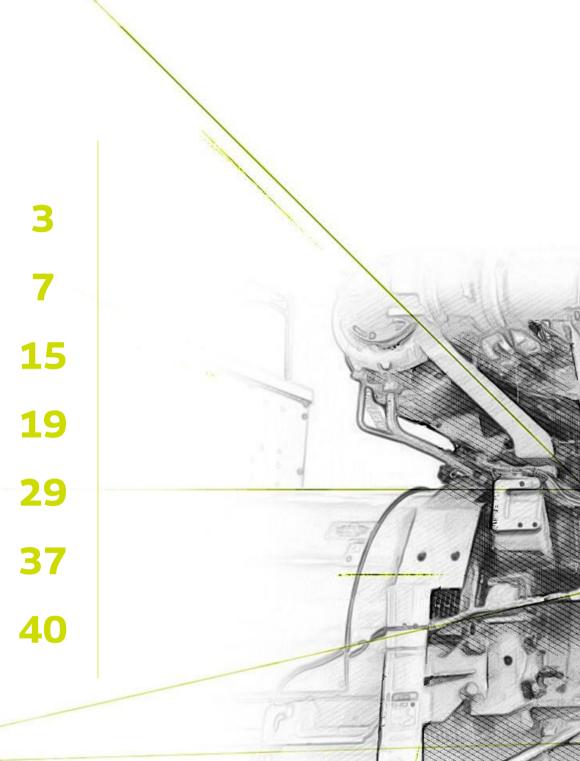


Cogeneration

Table

OF CONTENTS

- 1. DB Energy
- 2. Cogeneration
- 3. Benefits and support systems
- 4. Implementation and financing
- 5. Experience and case studies
- 6. DB Energy market leader
- 7. Selected clients



DB **ENERGY**



What do WE DO?

DB Energy was founded in 2010 in Wrocław. We have been developing zero emission strategies and improving energy efficiency in the industry for more than 10 years.









Consultancy

Walk Through Audit

Company Energy Audit

Energy Efficiency Audit

Zero emission strategies

White Certificates

Investments

development of energy saving investments

financing and project implementation in the ESCO model or as the General Contractor

investor supervision

Diagnostics

control of installations efficiency and their energy consumption

continuous attempts to identify potential for further energy efficiency improvements

measurements

Comprehensive CONSULTING



Complex support for our client while developing energy-saving investments.



Audit Walk Through

we identify the potential for energy-saving investments



Company Audit

an obligatory audit for large companies, we develop a longterm energy efficiency improvement plan



Energy Efficiency Audit

we provide a complete concept of an energy-saving investment



Zero emission strategies

plant's zero emissions due to reducing CO₂ emission



Concepts and projects

feasibility studies, technical implementation concepts and construction projects for energy-saving investments

Comprehensive support for the process to improve ENERGY EFFICIENCY

we manage extensively the entire process to improve energy efficiency

benefits and savings are maximized for a client

SAVINGS ARE IDENTIFIED



FINANCING AND IMPLEMENTATION

DIAGNOSTICS AND MONITORING

audits:

- Walk Through
- Company Energy Audit
- Energy Efficiency Audits
- zero-emission strategies

- detailed concepts for particular energy saving investments
- guidelines for designers essential to maximize benefits and savings
 - construction projects

- DB Energy finances a project in the ESCO model
- DB Energy develops a project in the General Contracting model
- benefits and savings are maximized
- we control and diagnose in an ongoing manner energy consumption and operating efficiency of machines and devices
 - we identify continuously space for further energy efficiency improvement
 - we provide long term management over implementing zeroemission strategies













COGENERATION WORK?

COGENERATION (CHP - Combined Heat and Power)

is a simultaneous generation of electrical energy along with thermal and cooling energy.

Natural gas

High nitrogen natural gas

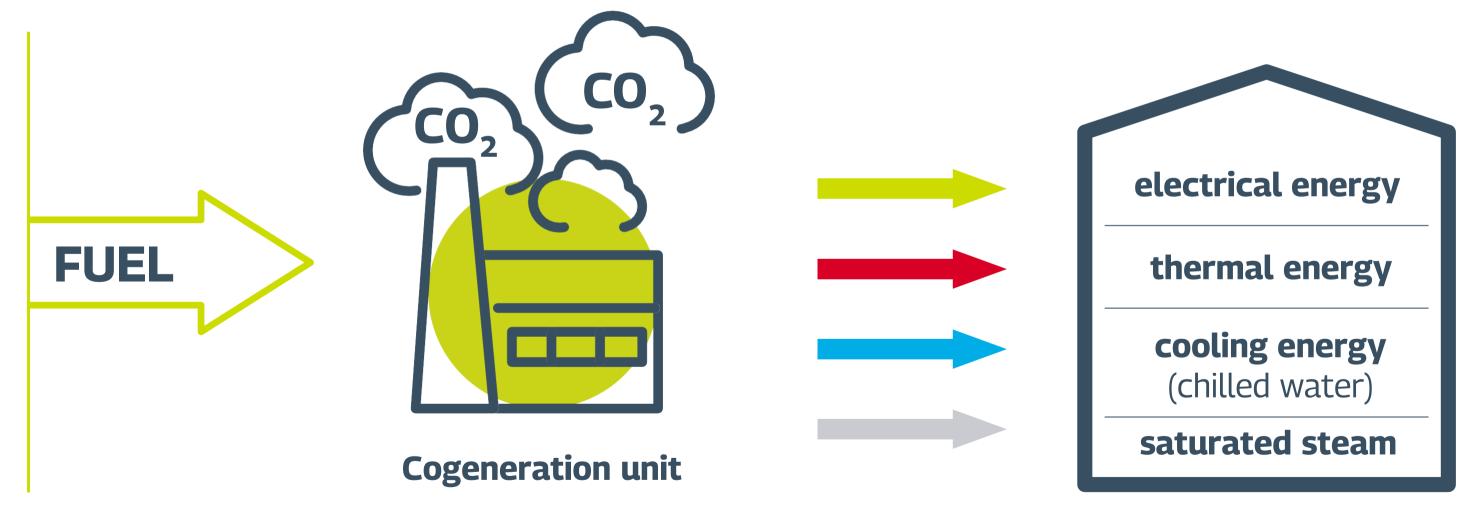
Biogas

Mine gas

Synthesis gas

Cok oven gas

Coal





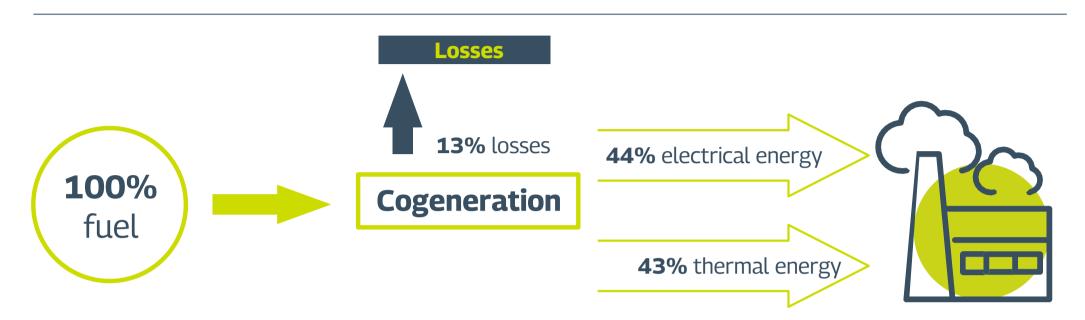
Why is cogeneration financially viable?

it allows energy losses to be prevented while simultaneously generating electrical energy, thermal and cooling energy.

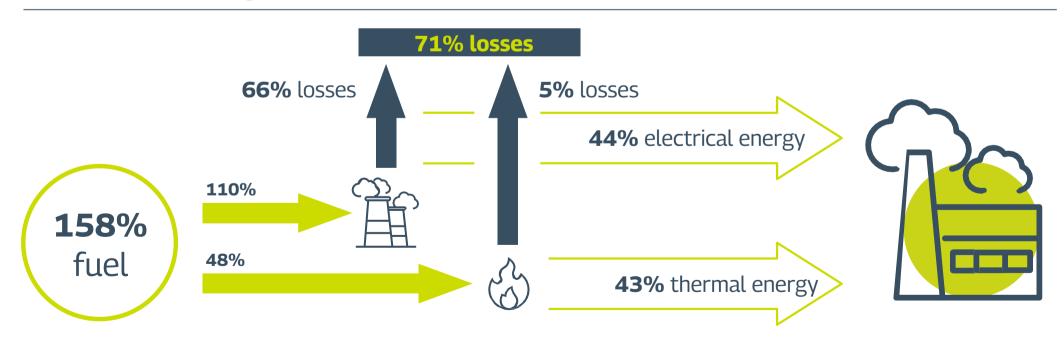
it allows energy transfer losses to be prevented while generating energy on site – in a client's industrial plant.



Cogeneration



Separate energy production



DB ENERGY

GAS COGENERATION WORK?

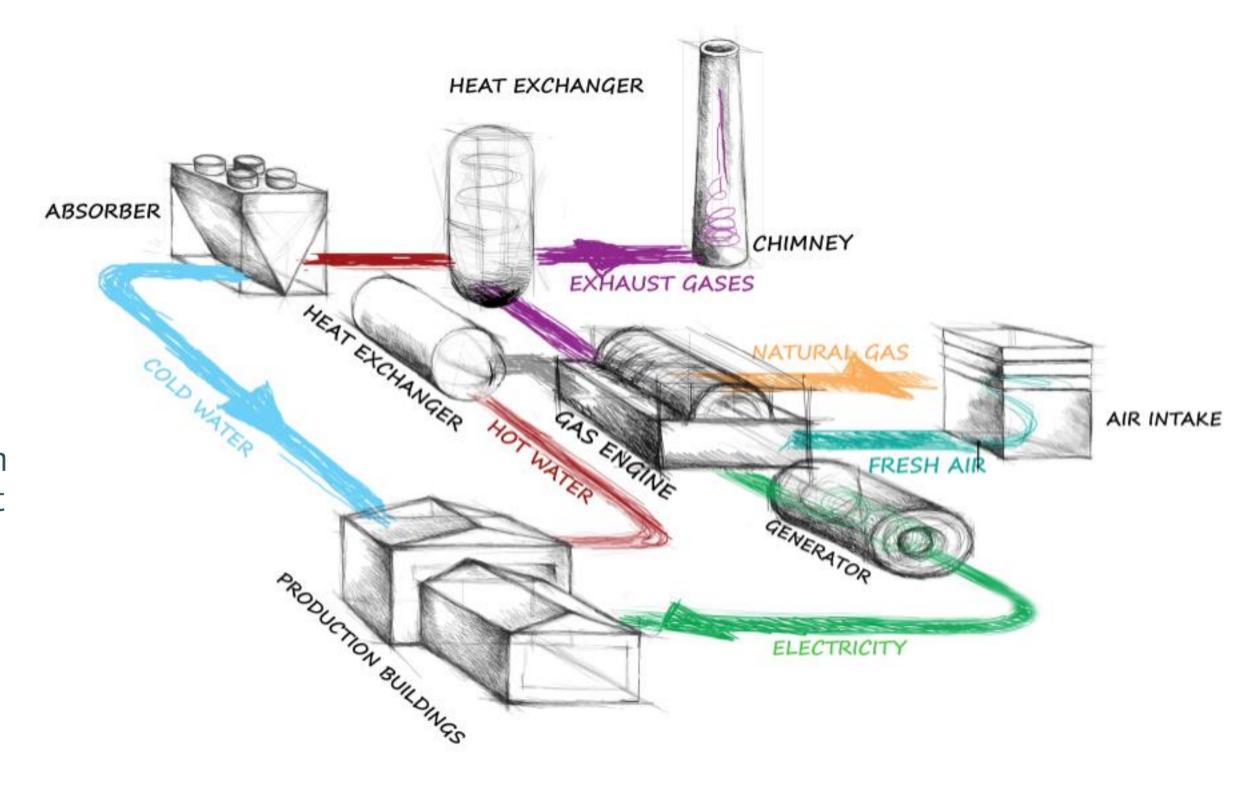
cogeneration is usually driven by a standard internal combustion engine

an engine drive shaft powers a synchronous generator through a drive gear and, therefore, energy is generated

while combusting fuel, generated thermal energy is transferred into cooling oil which is stored in an engine jacket and through a flue gas exchanger it is then transferred to hot water which cools flue gases

the unit might be equipped with an aggregate to produce chilled water

the unit is additionally equipped with a cooling installation in order to enhance its performance



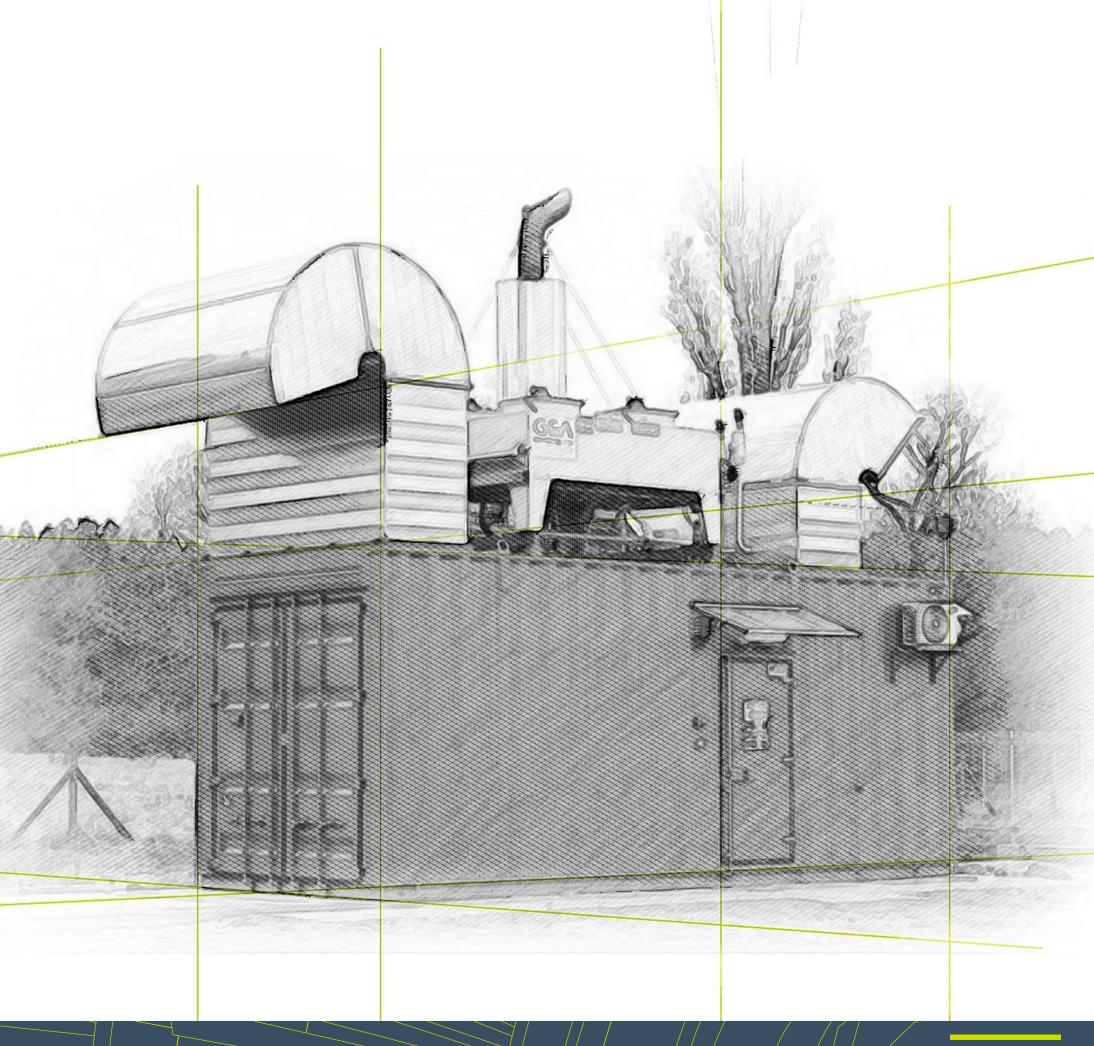


In order to maintain the unit in a good condition and to keep the warranty valid, it is necessary to:

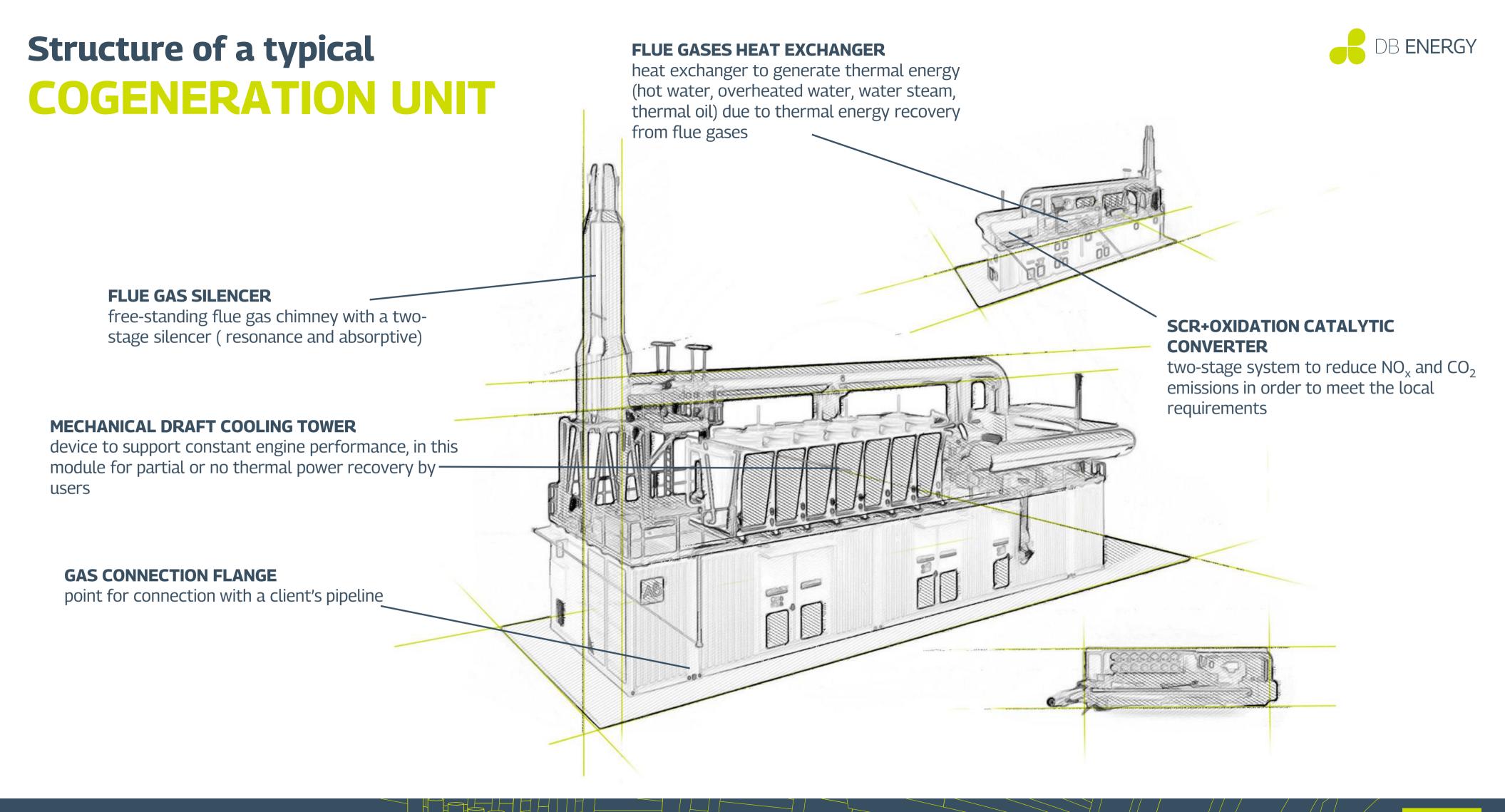
perform a regular maintenance every 1,500 - 2,500 h

perform a refurbishment every 25,000 - 30,000 h

perform a general refurbishment after the unit has been operating for 72,000-80,000 h



DB **ENERGY**



Cogeneration

Structure of a typical COGENERATION UNIT

ELECTRICAL SWITCHBOARDS

switchboards to connect an alternator to the energy grid

ARRESTER

A panel in an alternator preventing from voltage surge



SCADA SYSTEM

Supervision and control system of every ECOMAX® subsystems, developed by AB in order to manage cogeneration unit optimally and efficiently, to provide excellent and effective unit diagnostics and maintenance. It is connected online with AB control room

ELECTRICAL SWITCHBOARDS

Switchboards to power and control subunits for cogeneration system's needs

ACCUSTIC SCREEN

COOLING FANS

HYDRAULIC CIRCUT TO

SPREAD AND RECOVER

THERMAL ENERGY

OIL TANKS

2 tanks to store lubricating oil

(fresh and wasted) equipped

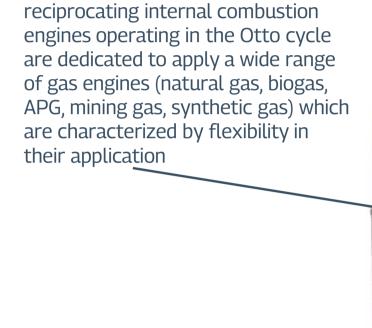
with water-tight tubs

Ventilation system for the engine rooms composed of axis fans with a regular air flow

GAS PATH

unit to provide the main engine with gas, together with control and meassuring device and automation

UREA TANKS



ENGINE

ACCUSTIC SCREENS FOR INLET AIR

Number of noise barriers dedicated to screen deeply noise generated by a cogeneration module and to provide an optimal combustion/cooling air flow in the engine room

ELECTRIC GENERATOR

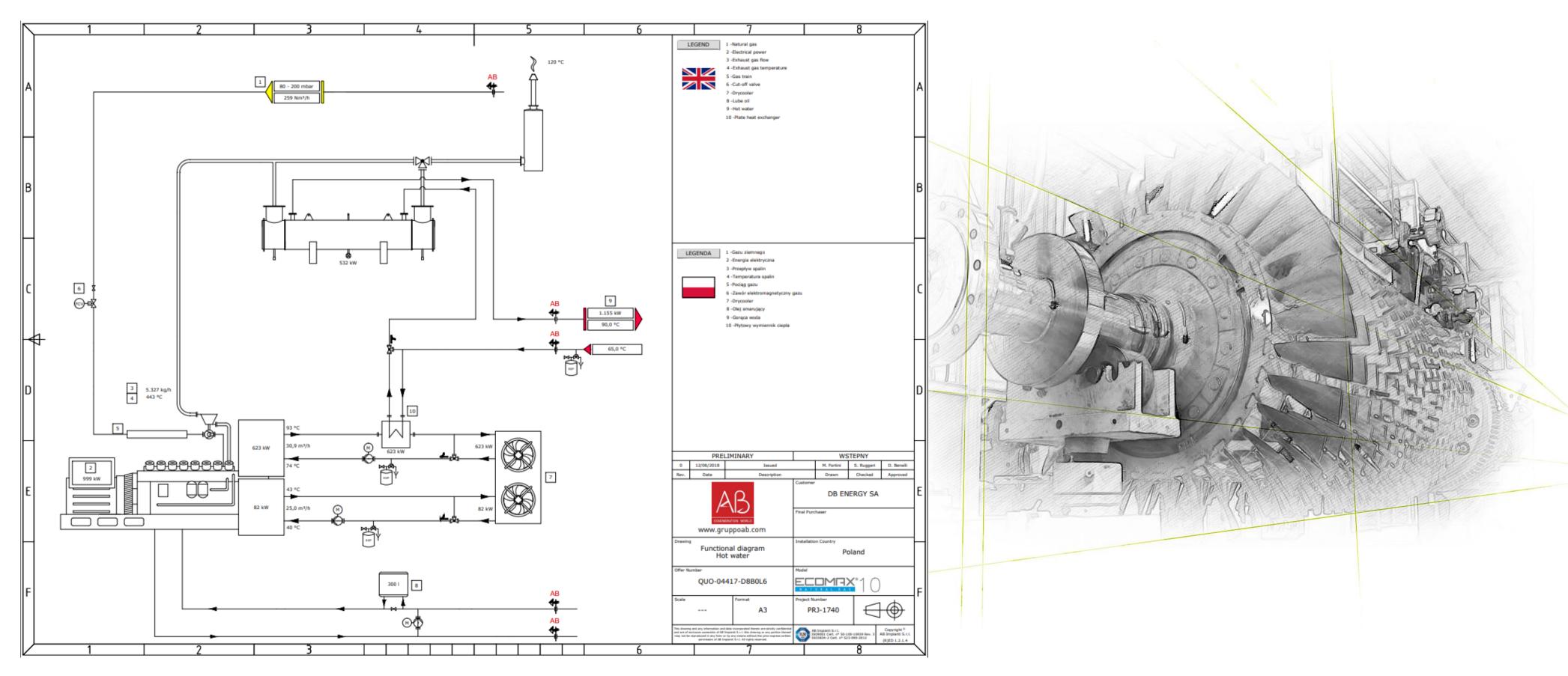
alternator connected with the crankshaft to transform mechanical power to electrical power

Cogeneration page 13

Cogeneration



SCHEME OF AN EXAMPLATORY INSTALLATION





DB Energy COGENERATION

Benefits

savings - from EUR 450 thousand annually

lowered costs for electrical, thermal and cooling energy purchase

low emission energy source – reduced CO₂ emission by 40% environmental and PR advantage

increased energy generation equals 40% more efficient consumption of fuel compared with traditional methods

30% lower cost for electrical energy generated by a cogeneration unit compared with energy purchased withing an electricity grid

substantially – even by 80% – decreased variable distribution costs, among which a capacity fee is to be found

reliability, independence and safety of the power supply partial independence from energy being supplied by a grid, reduction of unplanned downtime

investment with no financial outlays

financing and project implementation by DB Energy in the ESCO model

off-balance investment depending on agreement provisions

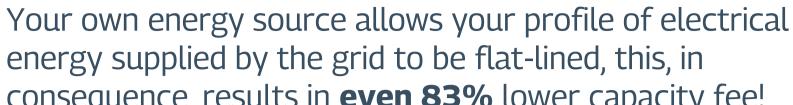
financial support systems, incl. guaranteed bonus

possible settlement with a licence granted to DB Energy

Benefits and support system page 1

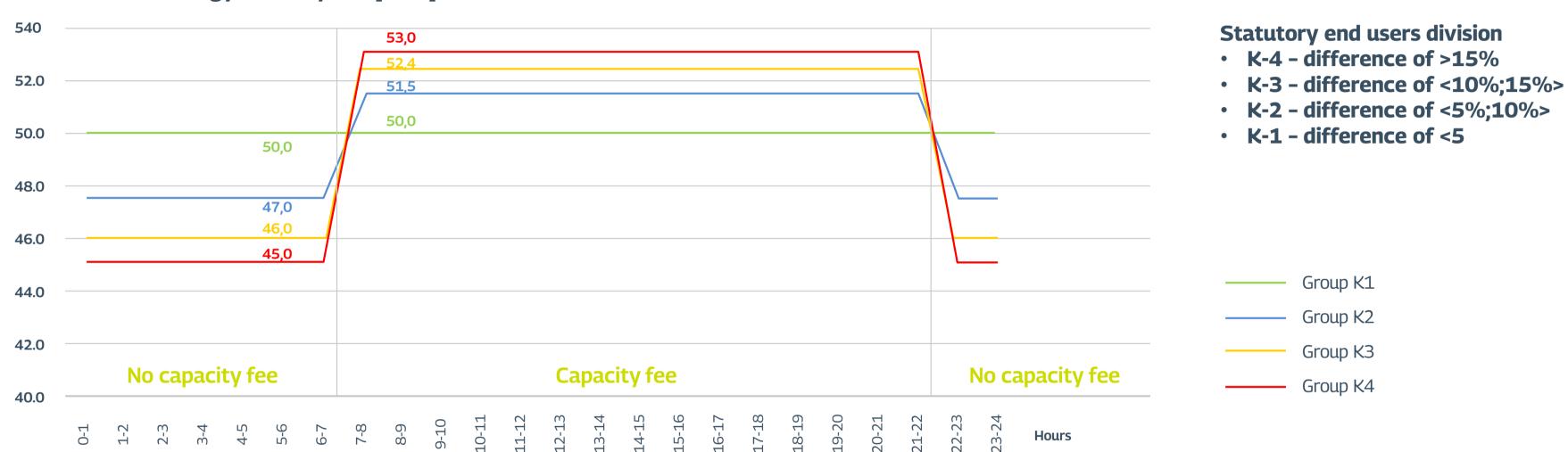
Benefits due to your own energy source

CAPACITY FEE REDUCTION



An average electrical energy intake from an external grid during working days

Electrical energy consumption [MWh]



Data for the explanatory year of 2021	Annual total energy consumption	Energy consumption in peak hours - 7 a.m. - 10 p.m. in working days	in off-peak hours in	Average energy consumption in peak hours	Average energy consumption in off- peak hours	Capacity fee with no discount	Discount	Capacity fee with discount	Percentage inclination
		ZSn	ZPSm	ZSn	ZPSn	ZSn x 76,20 zł/MWh		Wom=A x Zk x SoM	
Group K-4 Group K-3 Group K-2 Group K-1	438,000 MWh 438,000 MWh 438,000 MWh 438,000 MWh	201,930 MWh 199,644 MWh 196,215 MWh 190,500 MWh	102,870 MWh 105,156 MWh 108,585 MWh 114,300 MWh	53.0 MW 52.4 MW 51.5 MW 500 MW	45.0 MW 46.0 MW 47.5 MW 50.0 MW	PLN 14,951,583	PLN 0 PLN 2,586,188 PLN 7,457,792 PLN 12 ,048,363	PLN 15,387,066 PLN 12,626,684 PLN 7,475,792 PLN 2,467,737	18% 14% 8% 0%

Benefits and support system page 17



consequence, results in **even 83%** lower capacity fee!

FINANCIAL SUPPORT



There is a possibility to be granted financial support for new cogeneration units. Depending on the device electrical power, the following bonus schemes are provided:

guaranteed bonus – for units with installed power of 1 MWel

cogeneration bonus (CHP auctions) - for units with installed power of 1 - 50 MWel

individual cogeneration bonus (applications)- for units with installed power of more than 50 MWel

The guaranteed bonus is the most reliable form of financial support. Currently, it provided a possibility to be granted PLN 148.49 for each generation MWh of electrical energy for the next 15 years (up to PLN 1.1 million annually).

The remaining bonus schemes for larger units do not provide for 100% possibility of being financially granted.



Cogeneration

PROJECT PREPARATION

DB Energy provides comprehensive management of a project while investing in cogeneration

General Contracting by DB Energy means that benefits and savings are maximized for a client

ANALYSIS OF ENERGY BALANCE



• a cogeneration unit is selected

ON-SITE VISITS

- investment feasibility is analysed
- technical and economic potential is analysed

TECHNICAL CONCEPT

- project concept is drawn
- guidelines for Terms of Reference
 - guidelines for designers

PROJECT

- optimal technology is selected
 - designing works
 - financing and implementation in the General Contracting or ESCO model









Implementation and financing

General frame of

CHP DESIGN CONCEPT





Energy analyses and CHPpower selection

Analysis of electrical, thermal and cooling energy to select optimal power for a CHP unit

Concept to implement a CHP unit in a plant

Land development plan
with description and
drawings of CHP
connection to a plant's
infrastructure and (natural
gas, electrical and thermal
energy) supply grids



Implementation and financing page 21

General frame of

CHP DESIGN CONCEPT





Concept on how to manage generated energy

Analysis of possibilities and ways how to utilize electrical, thermal and cooling energy

Investment financial analysis

Calculation of financial flows for an optimal technical solution, analysis of possible scenarios with changeable energy prices.

Analysis of possible financial support.



DB Energy COGENERATION

Data crucial for cogeneration profitability analysis

electrical power demand for min. one year (hourly or 15-minute data)

projected investments which result in increased installed
power - predictable increase in electrical/thermal energy
consumption

thermal power of applied boilers – number, type, power, operating parameters (temperature, power supply/ return), efficiency, etc.

annual thermal energy demand for each carrier (steam, hot water, chilled water – hourly or 15-minute data)

price EUR/MWh and annual cost of natural gas (incl. fixed fees) with an average gas calorific value)

price EUR/MWh and annual cost of electrical energy purchase (incl. transmission fee)

cost of thermal energy generation/purchase (EUR/MW of GJ for hot water)

process steam parameters and information on condensate (pressure, temperature, volume of returning condensate, etc.)

information on chilled water (power, temperature, its cyclicality)

schemes and maps – technological scheme of a boiler room, technological and electrical scheme of a plant, a plant map (.dwg)

Implementation and financing page 2

General frame of CHP DESGIN CONCEPT



ACTIVITIES [MONTHS]	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1. PROJECT CONCEPT																		
2. SPECIFICATION OF ENVIRONEMNTAL CONDITIONS, CONNECTION TO THE GAS AND ELECTRICAL GRID																		
3. ORDER AND DELIVERY OF A CHP UNIT*																		
4. RETROFIT DESIGN, INCL. PROJECTS SUCH AS A CONSTRUCTION, AUTOMATION AND MONITORING SYSTEM PROJECCT; AN INVESTMENT PROGRESS AND PAYMENT SCHEDULE TOGETHER WITH A SCHEDULE ON DEVICES DELIVERY; PREPARING LICENCE APPLICATIONS FOR AN INVESTMENT																		
5. SUBMISSION AND GRANTING BUILDING PERMIT																		
6. CONSTRUCTION WORKS (FOUNDATIONS, CONNECTIONS, OTHERS)																		
7. CHP UNIT IMPLEMENTATION, ITS CONNECTION WITH THE GRID, LAUNCH AND ITS SYNCHRONIZATION)																		

*once a design concept has been approved, it is only possible to purchase a CHP unit unless the client bears the risk of not meeting the requirements specified in stage 2.

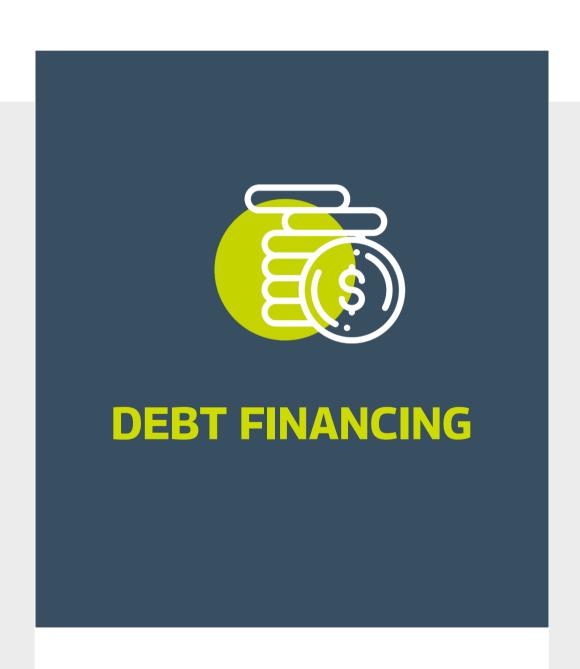
Implementation and financing page 2

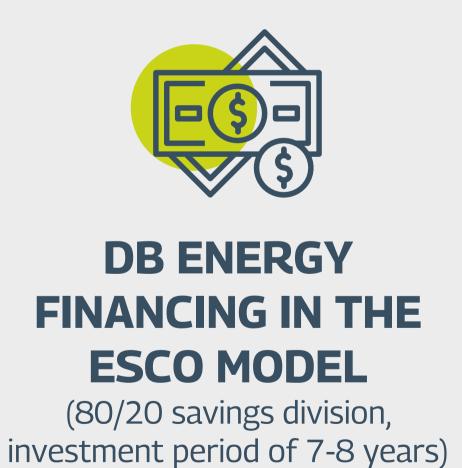
HOW IS IT FINANCED?



We prepare a design concept to implement cogeneration units, we finance and implement the project in the following schemes:









HOW IS IT FINANCED?





general contracting

design

project implementation

client's own financing

fixed assets are owned by a client



debt financing

design

project implementation

support to acquire debt financing (BOŚ Bank, Santander, HP, ING)

client's own financing or client's debt

investment is financially secured by a client's fixed assets



DB Energy financing in the ESCO model

design

project implementation

DB Energy financing in the ESCO model (off-balance investment for a client)

savings division between a client (20%) and DB Energy (80%)

contract duration 7-8 years

fixed assets are owned by DB Energy while the contract duration, when it ends, they become the client's property



energy supply contract

design

project implementation

DB Energy financing within an energy supply contract (off-balance investment for a client)

under the contract the generated energy is sold to the client by DB Energy

fixed assets are owned by DB Energy with possibility to take them over by a client

Implementation and financing page 26

CHP investment

DB ENERGY

TECHNOLOGY SELECTION

Significant issues to assess a supplier

references – portfolio of implemented projects with a possible on-site visit

recommended procedure to achieve min. 75% efficiency

automation offer

CE certificate for the entire cogeneration unit, not for a particular device

SCADA for the entire unit

maintenance scope

Popular suppliers

Gruppo AB

Jenbacher

Eneria

Caterpillar

Tedom MWM



Implementation and financing page 2

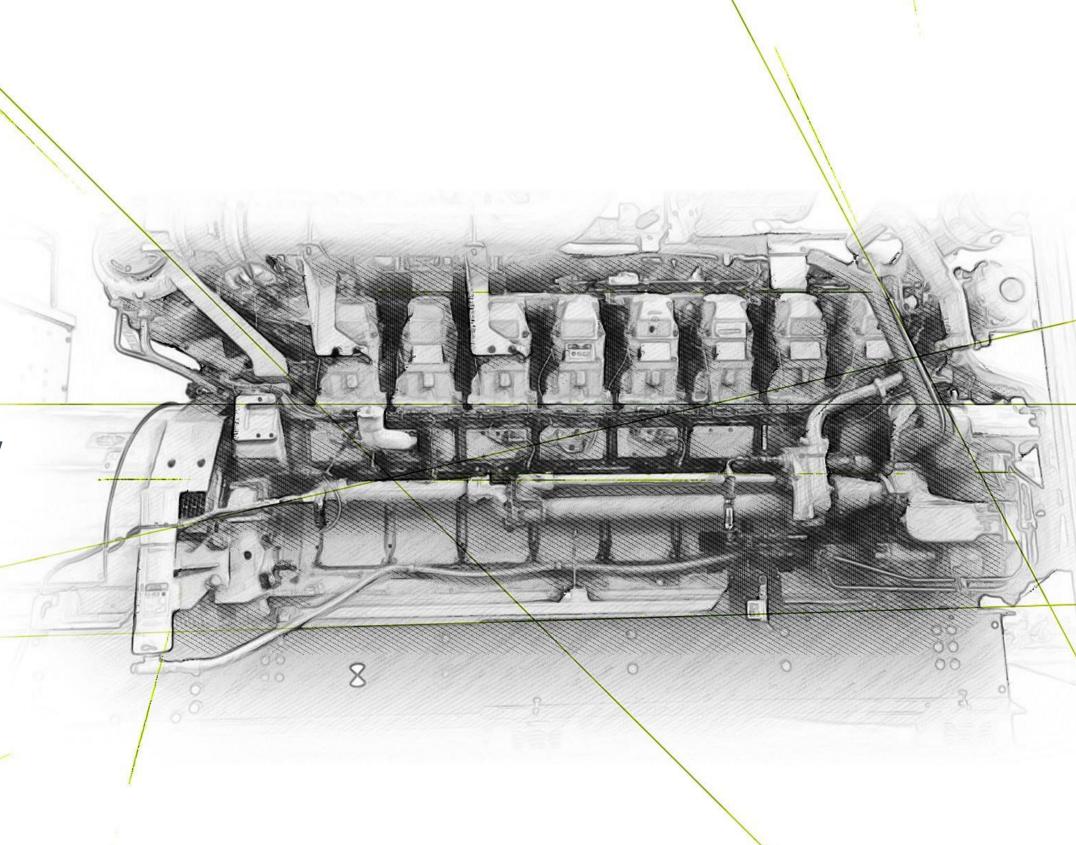


Our

EXPERIENCE

€ 110 million is the total value of cogeneration projects designed by DB Energy.

€ 26.5 million is the total value of average annual savings which may be achieved due to cogeneration units designed by DB Energy.



DB **ENERGY**

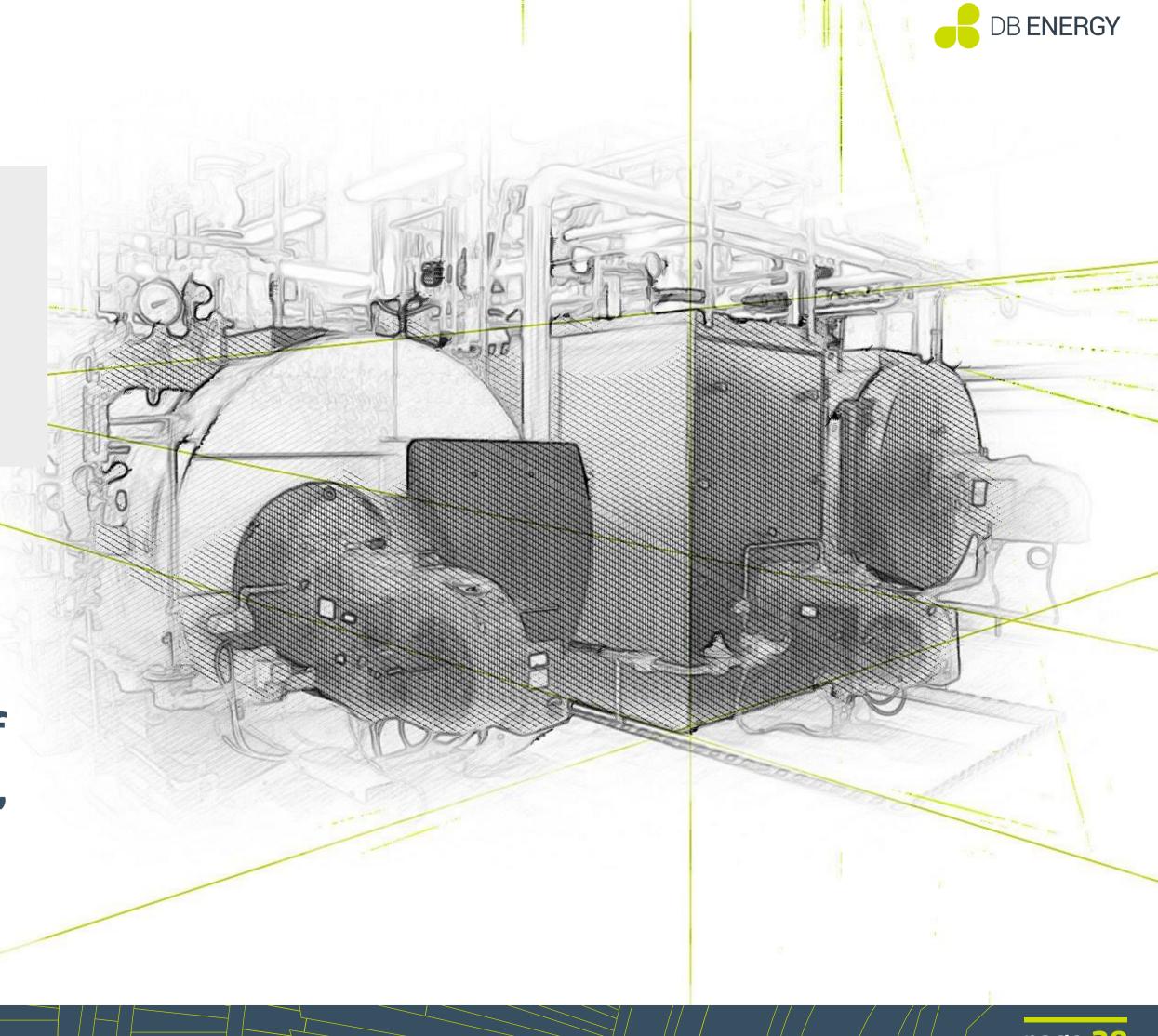
Experience and case studies page 29



SŁODOWNIA SOUFFLET POLSKA

world leader in malt production

The power supply system improvement with an application of waste heat and a cogeneration unit, developed in the ESCO model



Experience and case studies page 30

Case studies ESCO



SŁODOWNIA SOUFFLET POLSKA

world leader in malt production

Projects key elements

thermal energy recovery

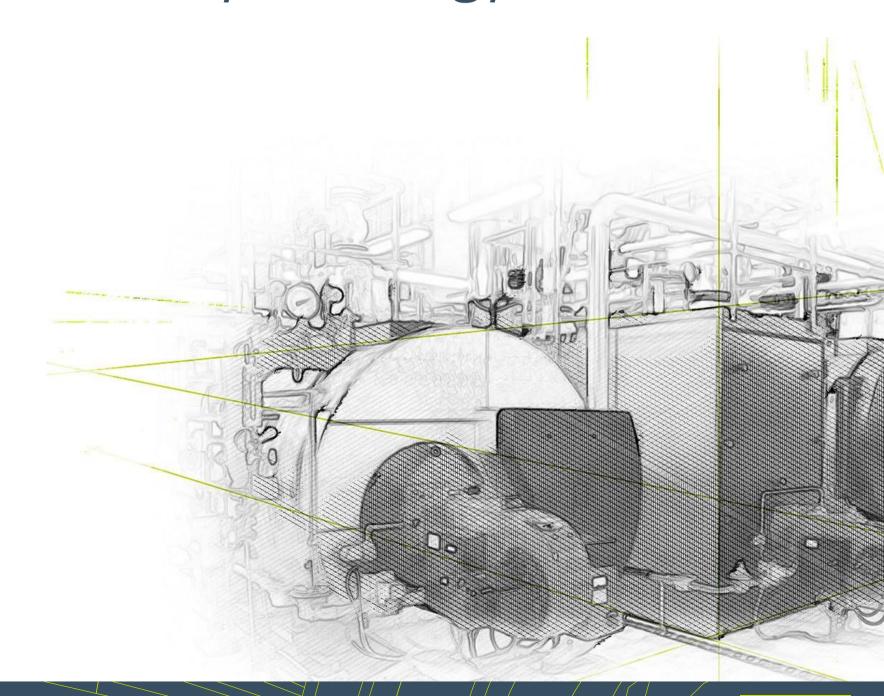
new refrigeration system

new cogeneration system to generate electricity and thermal energy

ESCO contractual period - **10 years**

emission reduction - 9 543 tCO₂ annually

investment value of € 6.4 million fully covered by DB Energy

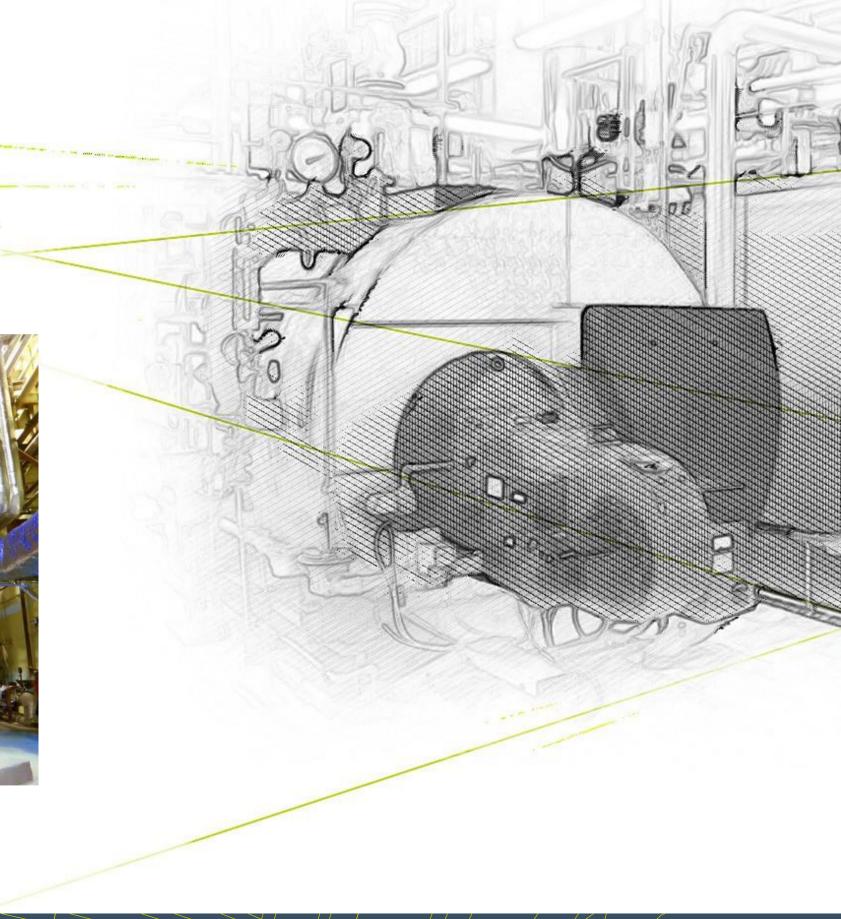




SOUFFLET POLSKA

world leader in malt production





Experience and case studies page 32

Case studies GENERAL CONTRACTING

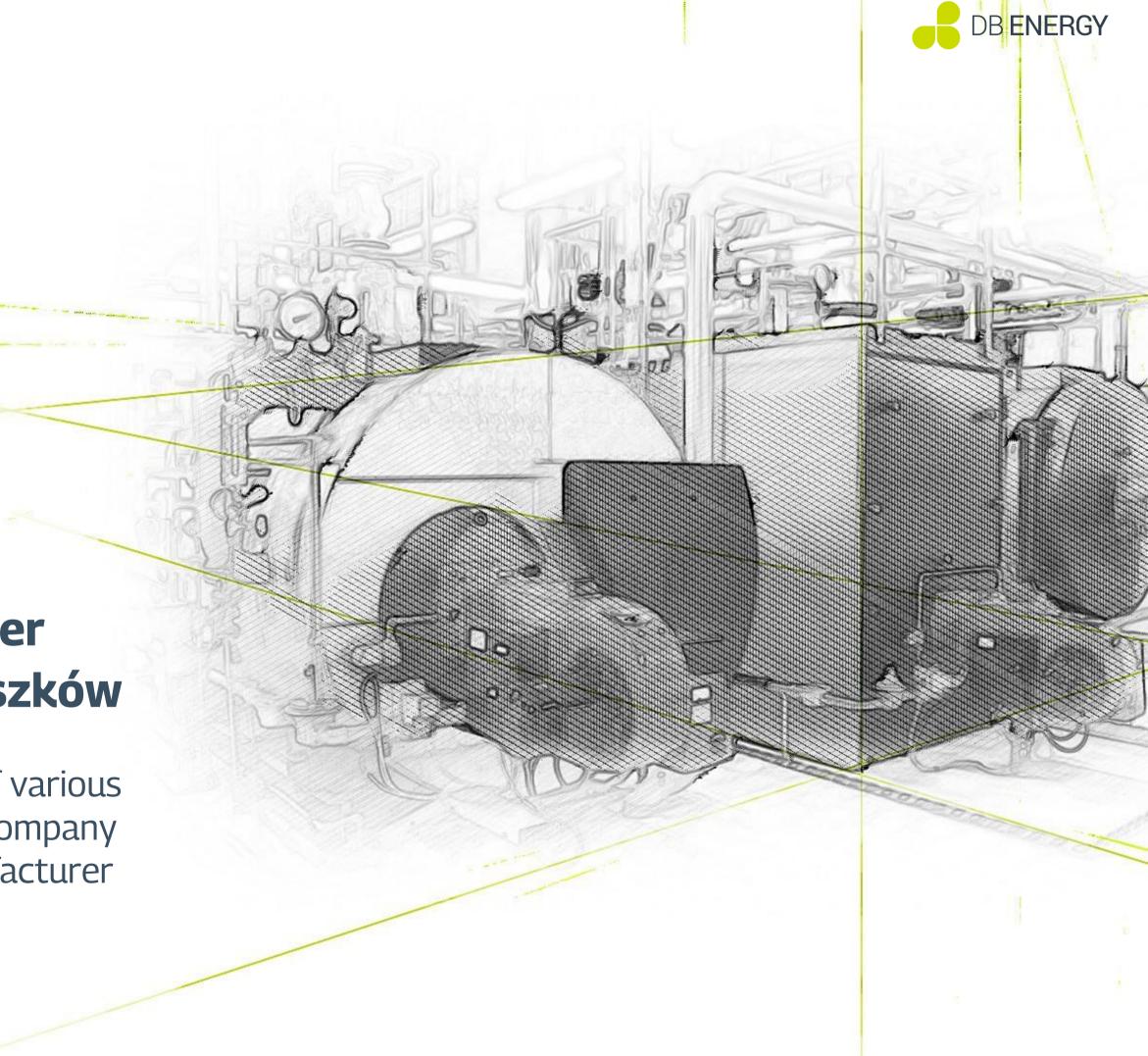
SCHUMACHER PACKAGING

Heat and power plant improvement

Annual savings of EUR 4.4 million -

DB Energy improves the heat and power plant of Schumacher Packaging in Myszków

Schumacher Packaging is a worldwide manufacturer of various types of paper packaging. Having 29 subsidiaries, the company is one of the biggest solid and corrugated board manufacturer in Europe.



Experience and case studies page 3

Case studies GENERAL CONTRACTING



SCHUMACHER PACKAGING

Heat and power plant improvement

The boiler improvements effects
- real profits for Schumacher Packaging

total investment value - € 7.8 million

boiler efficiency increase by 20% (from 65% to 85%) - combustion process improvement

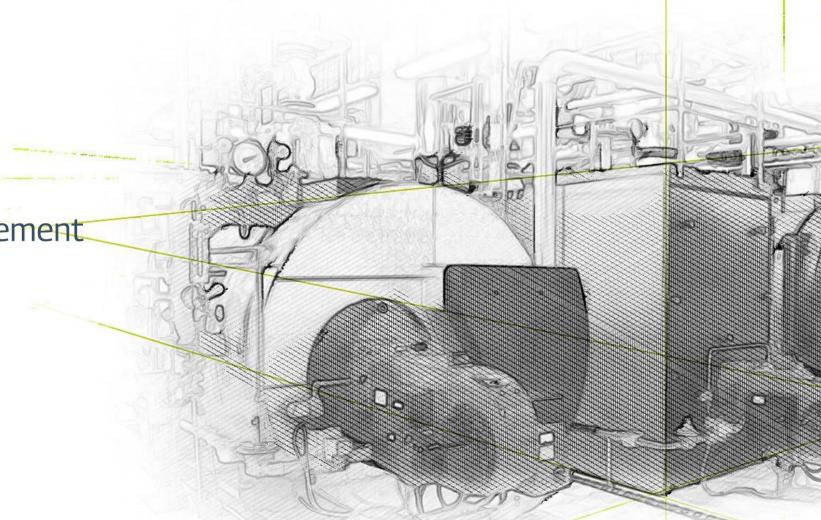
annual savings due to improvement of both boilers – approx. € 4.5 million

final energy savings of more than 6,200 toe – the possibility to be granted White Certificates of € 2.6 million

18 months - payback period

Due to the improvements the CO_2 emissions will be reduced from approx. **134,000 tons** to approx. **110,000 tons** annually.

The difference od **24,000 tons** refers to the average annual CO₂ emissions of 6,000 4-persons households.



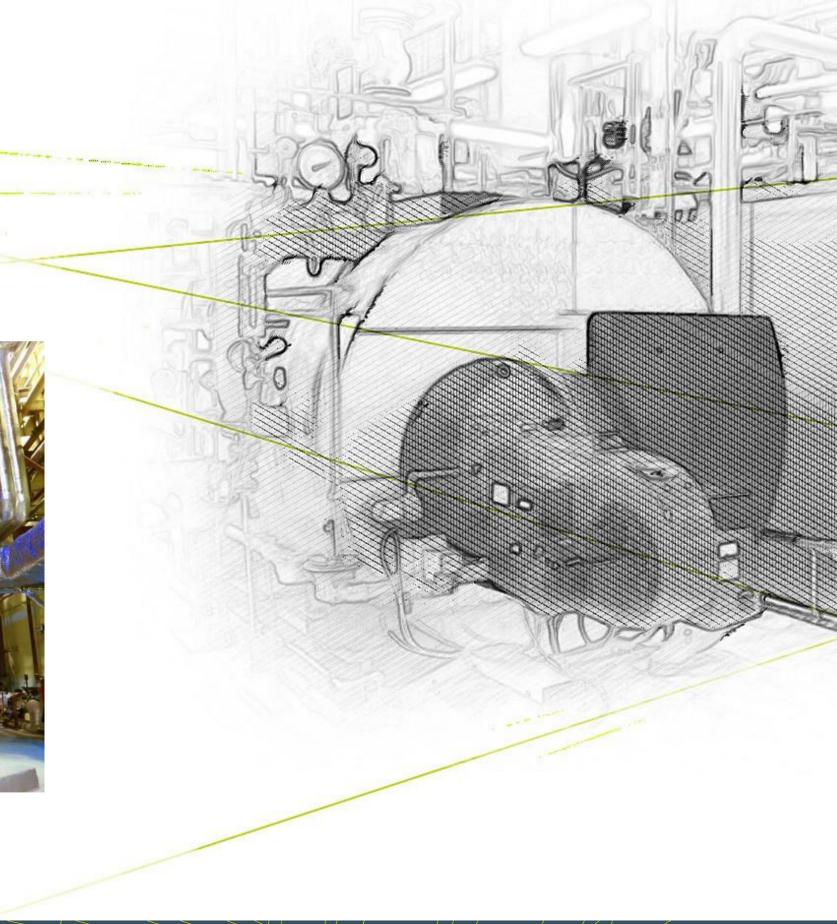
Case studies GENERAL CONTRACTING



SCHUMACHER PACKAGING

Heat and power plant improvement





Experience and case studies page 35





1,300
EUR 1.3 bn
EUR 480 ml
9.3 TWh
EUR 150 ml

industrial audits

value of energy-saving investments

annual savings generated by the designed investments

annual energy savings thanks to designed investments

value of the requested White Certificates

DB Energy - leader of change page 37

We reduce annual energy consumption IN ALL INDUSTRIES





Mining industry

28%









22%

DB Energy - market leader page 38



Selected



CLIENTS





































Forming Innovation.

































































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VI Commercial Division of District Court Wrocław-Fabryczna, under KRS number 0000685455, NIP 8942995375, REGON 02124914 Share capital of PLN 306,146







DB Energy conducts the R&D project titled "Development of an innovative drive diagnostics system (DiagSys) based on electrical signal measurements characteristic of mechanical damage to rotating machine components, together with a specialized analyser of machine operating status and efficiency (APPS 3)". The project is financed under the Intelligent Development Operational Programme 2014-2020, under sub-measure 1.1.1. "Industrial research and development work carried out by enterprises". No. of the competition: 1/1.1.1/2015. Value of the project PLN 5,974,021.85. Value of co-financing PLN 3,727,676.11.