Building the optimal asset portfolio

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Today’s Focus

- Delivering Vattenfall’s Vision
- Pipeline of projects: the challenge ahead and the organisational solution
- Developing the business
Delivering Vattenfall’s vision

- In R&D – from a diverse portfolio of activities to:
  - Focus on fewer technologies but those which provide edge
  - Focus on time to market and commercial break-through

- For projects – from a fragmented execution to:
  - Consolidation of project management skills (resource pool)
  - Centralised execution of major capital projects (project group)
  - Centralised assurance of all major projects (control function)
EUR 10 bn CAPEX 2011-2015

Key data
- Investment programme 2011-2015: CAPEX ~ 10 bln EUR (~90 bln SEK)
- Part of overall CAPEX plan of ~18 bln EUR (~165 bln SEK)

Moorburg (CHP 1,640 MW)
Construction ~2 bln EUR (operational 2012/2013)

Berlin/Lichterfelde (CHP)
Replacement & Development

Brandenburg (CCS)
Development of CCS demo plant

Magnum (multi-fuel 1,200 MW)
Construction Phase 1 ~2 bln EUR (operational 2013)
Development Phase 2 incl. CCS

Twingo (2 CCGT’s, 435 MW each)
Construction in total - ~1 bln EUR (operational 2012/2013)

Ultimo (CCGT with BFG, 170 MW)
Development

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Organisation: focus on resources, execution and control

- Key Figures
  - Capex 2011-15: SEK ~ 90 billion
  - FTE: ~ 2000

- Asset Development
  - Engineering
  - Research Projects
  - Thermal Projects
  - Nuclear & Hydro Projects
  - Governance

- Skill pool
- Execution
- Control
Developing the new business: benefits

Delivery of the right projects....

- **on time....**
  - To date: some projects delivered late
  - Goal: all projects on time through more professional planning

- **within budget...**
  - To date: frequent budget overruns
  - Goal: all projects within budget through tighter centralised control

- **and according to specifications**
  - To date: limited standardization or sharing of best practices
  - Goal: standardised projects of good quality at low costs