

The generating heart of Vattenfall

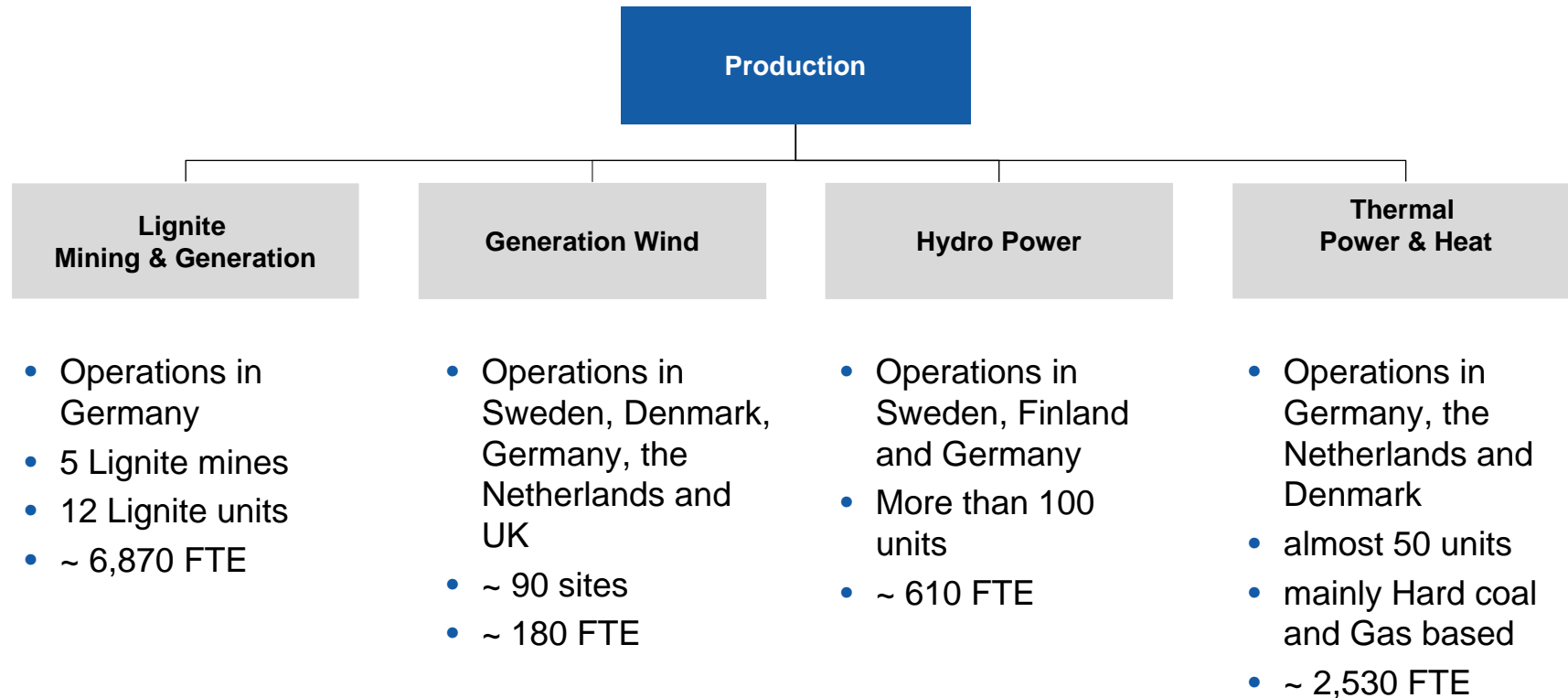
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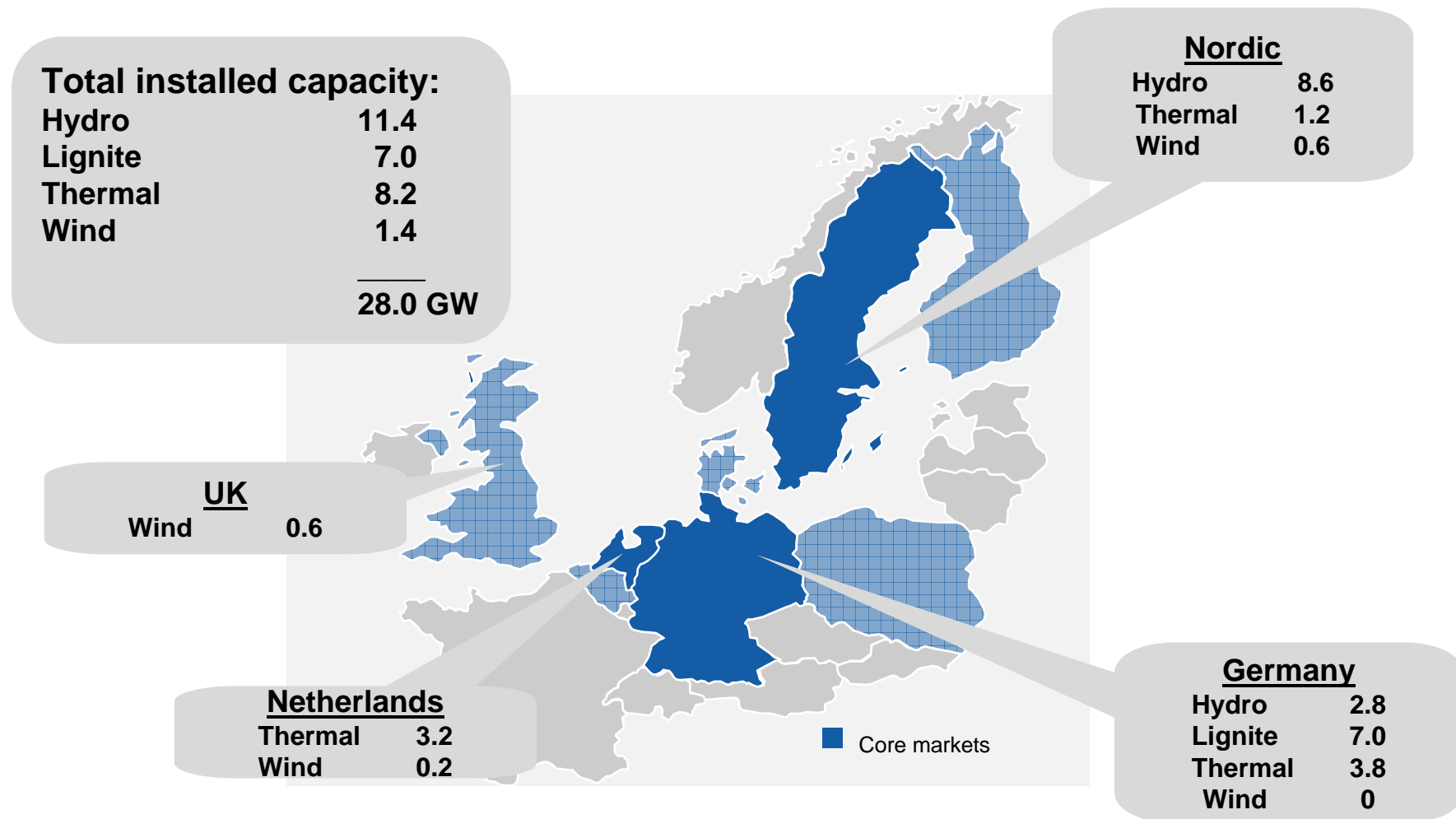
Organisation and key figures

Key figures FY 2012 (forecast)

- Installed capacity: 27,987 MW_{el}
- Electricity Production: 127 TWh_{el}
- Employees: ~ 10,430 (FTE)



Installed capacity (GW)



Focus areas

- Improve safety and commercial availability
- Optimise plant operations and maintenance to reduce costs
- Integrate new power plants;
 - Diemen 34 (gas-fired power plant in the Netherlands; 435 MW electricity and 260 MW Heat)
 - Hemweg 9 (combined cycle gas-fired power plant in the Netherlands, 435 MW)
 - Boxberg R (lignite-fired power plant, 675 MW)
- Review the asset portfolio to identify and improve underperforming assets
- Secure lignite mining reserves to fully utilize the remaining life time of existing lignite fired generation capacities
- Increase cost competitiveness and further build up competence in wind generation

Our main activities and achievements so far

- Priority safety
 - Top-KPI “*Lost Time Injury Frequency*” (LTIF) closely monitored
 - LTIF* is decreasing, continued positive development from 3.1 in 2011 to 2.0 in Oct 2012
- Availability on a continuously high level (FY 2012 forecast: 88.5%, 2011: 88.5%)
 - Lignite and Hydro performing well, however some thermal plants lower than expected
- Full commercial operation of Boxberg unit R (675 MW) in October, 2012
- Continued focus on cost-reduction. Programme for continuous improvement ongoing
 - Cost cutting efforts during 2012 lead to 700 MSEK savings; targets fulfilled
 - Maintenance investments (excl. higher expenses for planned lignite outages) below 2011 level
- Asset portfolio continuously reviewed with changing market outlook
 - Low performing assets identified. Actions initiated and partly finalized

*old BD structure

Future challenges

Market development	<ul style="list-style-type: none">• The market outlook changes the preconditions for our asset portfolio; change in merit order and increased need for flexibility• Active management of asset portfolio - Thermal and Hydro in particular
Integration of new assets	<ul style="list-style-type: none">• Successful integration of power plants in Lignite, Thermal and Wind
Mining permissions	<ul style="list-style-type: none">• Two permitting processes to secure additional lignite reserves are running in parallel
Regulatory management	<ul style="list-style-type: none">• Managing regulatory issues such as the implementation of the EU's Water Framework Directive increasingly important• Continued discussion about increasing fees and taxes (e.g. property tax Sweden)
Start of full auctioning of CO ₂ in 2013	<ul style="list-style-type: none">• Abatement of CO₂ by higher plant efficiency and co-firing of biomass• Estimated additional costs 2013 vs. 2012 due to full auctioning: SEK 4-5bn (= total Vattenfall)