30.08.2019, Sion

Going electric – Ambition to create the first electric region in Norway

Torstein Melhus, Director Market

Our mission: We provide clean energy for a sustainable society - now and in the future

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Key facts

Offices five countries

47 owned hydroelectric power stations in South of Norway Norway's **fourth largest** producer of hydroelectric power Operating revenue (2017): **10.221 million NOK**



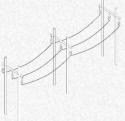
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Hydroelectric power: Operating and developing hydropower stations



Energy Management: Energy management and trading, flexibility

Our business



Network: Operating and developing the power grid



Marketing: Electricity retailing, electrical engineering services, entrepreneur HV services, venture capital investments, district heating and cooling, EV-charging

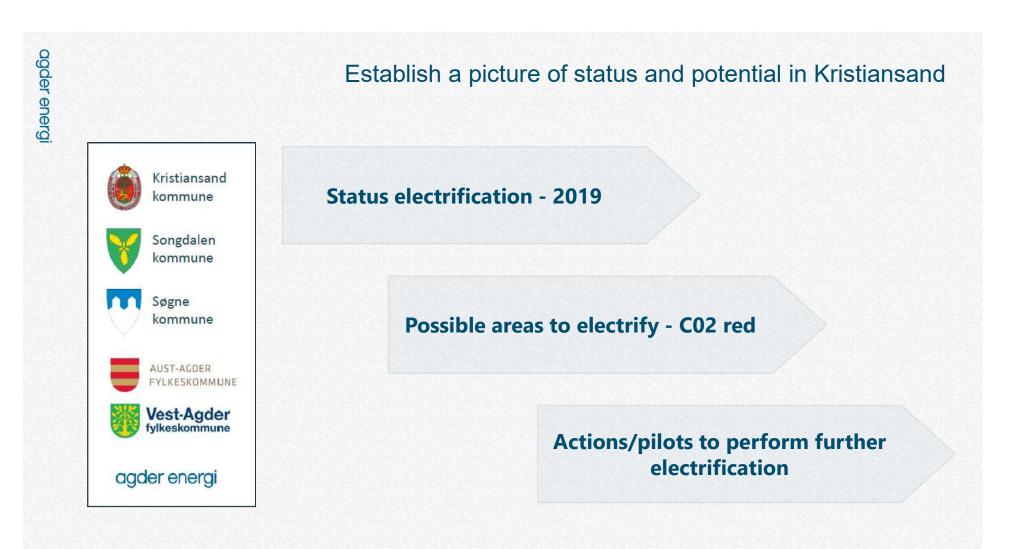
Bottom-up revolution

- From sentral to decentral production
- From analog to digital
- From fossile to renewable
- From manual to machine learning

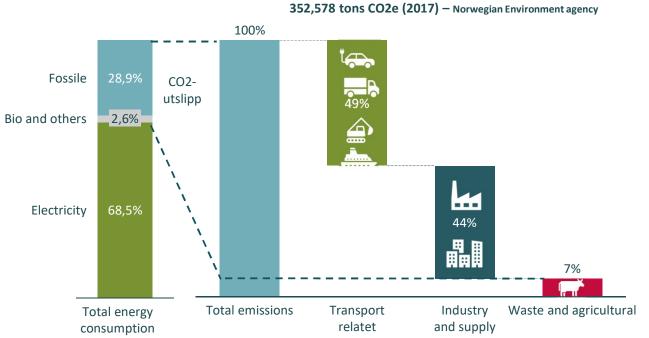
In our area we have a power surplus of flexible and sustainable hydropower of (aprox.) 13 TWh.

That gives credibility to our ambition of beeing the first electric region in Norway.





OVERVIEW TOTAL ENERGYCONSUMPTION AND EMISSIONS IN KRISTIANSAND

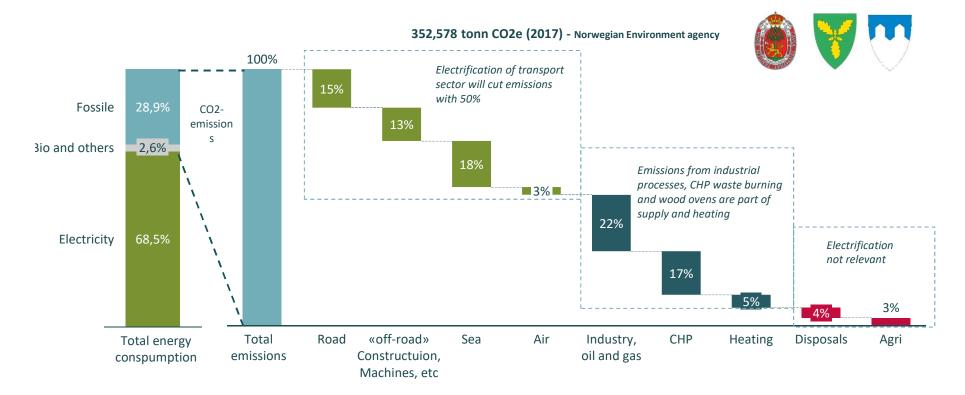






Source: SSB, Norwegian Environment Agency, THEMA Consulting Group

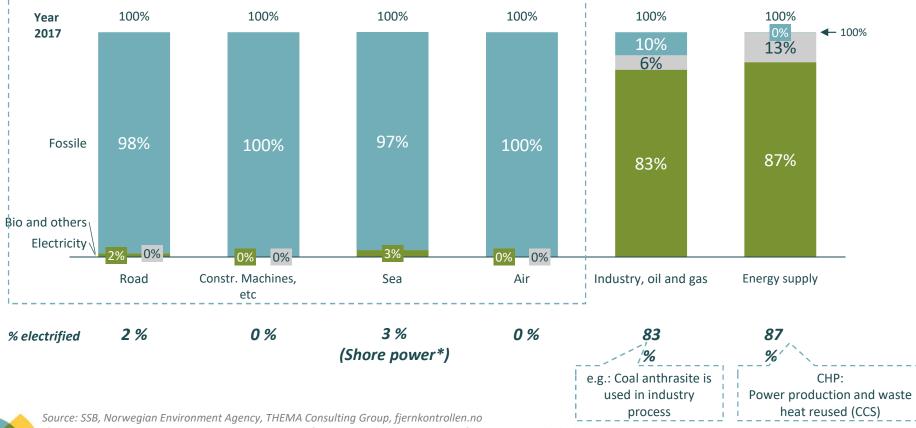
CURRENT ELECTRIFICATIONRATE IS 68.5 % IN KRISTIANSAND AND APPROXIMATELY HALF OF THE REMAINING EMISSIONS HAS POTENTIAL TO BE ELECTRIFIED!





Source: SSB, Norwegian Environment Agency, THEMA Consulting Group

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ELECTRIFICATION-RATE PER CATEGORI WITHIN KRISTIANSAND SHOWS THAT TRANSPORT OG CONSTRUCTIONMACHINES ARE THE AREAS WITH HIGHEST POTENTIAL TO BE ELECTRIFIED

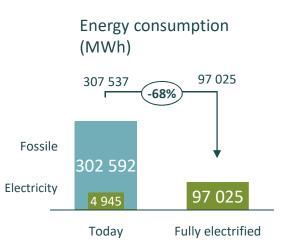
* Statistics underestimates actual energyconsumption from ships in harbour, so elektrifiseringsrate might be lower

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Electric vs fossile fuel

ENERGYEFFICIENCY INCREASES DRAMATICALLY AND VALUECHAINS WITHIN ENERGYDISTRIBUTION WILL CHANGE







Source: SSB, Norwegian Environment Agency, THEMA Consulting Group

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Presenterer «grønt» Høyreprogram: Vil at Kristiansand skal bli helelektrisk

Når Høyre nå går til valgkamp fokuserer de på fem saker: skole, klima, omsorg, idrett, og redusert eiendomsskatt.

Eve Myklebust

«Todays available technology is *not* the obstacle to solve the climate crisis. For the majority of us it's about changing our own habits. This might be a painful transformation. But I think we *are* willing to change our behaviour to make neccessary changes.»

Harald Furre, Mayor of Kristiansand

The Mayor: Electric Kristiansand A political aim

- We have a surplus of sustainable hydropower energy is not the obstacle
- We have identified potentials in electrification mainly about transport
- Conversion of the transport sector from fossile to electricity will:
 - Stop distribution of fossile fuel and replace with -cable/batteries/H2/solar/wind/...
 - Increase demands for fast charging cars, buses, taxis, trucks, airplanes, ferries.....
 - This will put a challenge for capacity on the GRID
 - Intelligence, real-time, prognostics, peak-shaving, aggregation flexibility
 - Optimization grid expansions versus smart control and local capacity
 - Digital twins to simulate, integrate and operate areas in true-time with AI
 - Microgrids? to optimize «behind the meter»
- We need to create pilots in many areas as transporthubs:
 - High peak-power in short periods for charging fossile fuel is out.....
 - Harbour areas, Airports..
 - Seasonal areas like the Zoo in summer (5.000 cars in daypark 4-8 weeks/year)

User flexibility Pilot Engene Trafo in 2015 with Microsoft Large scale pilot now in Norflex 11

Kristiansand Harbour: Established Europes largest shore-power 2018



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Possible pilot - Kristiansand Harbour



Microgrid?, Digital Twin, Flexibility market, H2, batteries, GRID: Ideal area to start a pilot, *high peak-load/few hours usage* Explore the challenges in capacity need, capacity build in grid, hydrogen as carrier, batteries vs grid, V2G.... Possible load in city to turn off periodically (aggregation/flexibility market) Digital twin virtual model of Harbour (and city) for tru time simulation and control

Goal:

- Make electrification smart Reduce high investments in GRID with few hours use. Optimize through digital infrastructure,
- processing of data in real-time and loadshifting to reduce peak-power

Norway: Focus on electric airplanes for short distance routes



SATSER: Widerøe ønsker å utfordre Avinors om elektrifisert innenriksluftfart innen 2040. Foto: Gorm Kallestad / NTB scanpin

Widerøe fremskynder el-satsingen

 Hele flåten kan være elfly før 2030, sier konsernsjef Stein Nilsen.

Estimated >10MW charge/plain From 2025 towards 2030

A challenge for Avinor A challenge for the grid

Kjevik Airport – possible pilotarea – not concluded Optimization towards grid Planning of future peak-power demands Aggregation, loadshift, balancing In true-time connect production hydroturbine and usage Kjevik Kristiansand Goal: Heat/cooling: El- taxi, busses, cityferry, goods transport Reduce cost and HP with seawater investment in EI - trucks, trolleys, cars **GRID**/capacity through optimizing Local prod: all users, producers and Solar/wind **Electric airplanes** storage in, and around, Batterystorage Hydrogen the area. Parking: Multiple charging stations Vehicle-to-the-grid (V2G) Part of peak-power planning Google

Develop tomorrows regional, electric airport

We believe that we can manage the transformation towards a sustainable and electric future.

But - to be able to remove fossile fuel as energy carrier we need:

- Smart solutions for energy distribution and grid capacity planning/balancing
- Electric/hybrid equipment development planes, ships, trucks, constr.mach.
- Political will and guts to push for behavioural change

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