

# Development directions

We focus on development, state-of-the-art technology and innovation. We increase production capacity, modernise infrastructure and implement effective management methods.



## Our mission

Enea delivers constantly improved products and services, ahead of our customers' expectations thanks to motivated teams working in a friendly, safe and innovative organisation.

## Our vision

Enea is a leading provider of integrated raw material and energy products and services and other innovative services providing them to a wide range of customers, and is valued for quality, comprehensiveness and reliability.



The '[Enea Capital Group Development Strategy to 2030](#)' helps us in their implementation

## Main areas of activity and related strategic objectives

[GRI 102-7]

[Custom index 2]

[Custom index 3]

[Custom index 4]

[Custom index 6]

[Sector EU index 28]

[Sector EU index 29]

[GRI 103-1 dla Aspektu: Zapewnienie ciągłości dostaw energii ]

[GRI 103-2 dla Aspektu: Zapewnienie ciągłości dostaw energii ]

[GRI 103-3 dla Aspektu: Zapewnienie ciągłości dostaw energii ]

## Extraction

- Production of hard coal.
- Sales of hard coal.
- Security of raw material base for the Group.

Objectives of the strategy until 2025:

- Hard coal consumption from own extraction assets for own needs: 75%.

In 2017:

- The main supplier of coal to the Enea Group is LW Bogdanka.
- Hard coal consumption index from own extraction assets for own needs: 76%.

## Production

- Electricity production based on hard coal, biomass, gas, wind, water and biogas.
- Production of heat.
- Transmission and distribution of heat.
- Electricity trading.

Objectives of the strategy until 2025:

- Conventional installed generation capacity: 5.8-6.3 GW.

In 2017:

- We have commissioned the most modern power unit in Poland and Europe, unit B11 of the Koźienice Power Plant.
- We bought the Połaniec Power Plant.
- We have increased our installed conventional generation capacity to 5.8 GW.
- Increase in electricity generation by 7,406 GWh as compared to 2016.

## Distribution

- Provision of electricity.
- Planning and ensuring the development of the distribution network.
- Operation, maintenance and repair of the distribution network.
- Management of measurement data.

Objectives of the strategy until 2025:

- Distribution network loss ratio: 5.9%.
- **SAIFI** index: 1.69.
- **SAIDI** index: 144 minutes.

In 2017:

- Distribution network loss ratio: 5.8%.
- **SAIFI** index: 4.31<sup>2)</sup>.
- **SAIDI** index: 619 minutes.

<sup>2)</sup> The reason for the high SAIFI and SAIDI indexes was extreme weather events (storms, orcasms), which led to mass damage to power lines.

## Turnover

Retail trade:

- Trading of electricity and gaseous fuels on the retail market.
- Product and service offer tailored to customer needs.
- All-inclusive customer service.

Wholesale trade:

- Optimisation of the portfolio of wholesale electricity and gaseous fuel contracts.
- Activities on product markets.
- Ensuring access to wholesale markets.

Objectives of the strategy until 2025:

- Sales of electricity to final customers: 20.1 TWh.

In 2017:

- Increase in sales of electricity and gaseous fuel to end users by 927 GWh as compared to 2016.

## Major investments in 2017

### Enea Wytwarzanie:

- Commissioning of modern power unit no. 11 in Kozienice
- Launching of unit no. 3 after upgrade
- Launching of unit no. 8 after upgrade
- Commissioning of the SCR plant for units no. 4 to 8
- Continuation of the construction of the SCR unit and modernisation of the electrostatic precipitators for units no. 9 and 10 as part of the 2x500MW unit modernisation programme

### Enea Elektrownia Połaniec:

- Connection between the SCR installation and the boiler for units no. 2, 3, 7

### Enea Operator:

- Reconstruction of the 110kV Glinki – Żelechowo line
- Reconstruction of the 110kV Dąbie – Morzyczyn overhead line
- Reconstruction of the 110kV Krzęcin – Dolice overhead line
- Construction of a 110kV Nowogród Bobrzański – Żary Zakładowa overhead line
- Reconstruction of the 110kV Górzycza and Słubice overhead line
- Reconstruction of the 110kV Śmigiel and Leszno Gronowo overhead line
- Upgrading of [GPZ Kostrzyn](#), [GPZ Jachcice](#) and [GPZ Pakość](#)

## Investment plans

### Enea Operator:

Enea Operator actively uses EU funds to implement its planned investments.



**In 2017, Enea Operator signed 17 contracts for co-financing infrastructure projects.**

The total net value of the projects amounts to

**PLN 273.2 million**

including the grant awarded amounting to nearly PLN 180 million.

The obtained funds will be used for the development of the distribution network in the scope of increasing the security of electricity supply, increasing the potential of connecting renewable energy sources to the network, and implementing the functionality of the intelligent power network.



**Moreover, Enea Operator concluded two agreements on co-financing research and development projects**

for the total value of

**PLN 7.9 million**

including PLN 3.9 million in grants.

Enea Operator plans, inter alia, the following:

- High and medium voltage investments related to the expansion, automation and modernisation of stations and power grids aimed at Improving the reliability of network operation
- Project implementation: Network Information System
- Reconstruction of the 110kV Morzyczyn – Drawski Młyn line
- Reconstruction of the 110kV Gryfino – Żydowce line
- Construction of **GPZ** Choszczno II and **GPZ** Recz
- Construction of **GPZ** Garbary and a 110kV Garbary – Cytadela, Garbary – EC Karolin line
- Construction of a Garaszewo network switchgear and a 110kV Kromolice – Nagrałowice, Kromolice – Gądk, Kromolice – Swarzędz line
- Construction of a 110kV Piła Krzewina – Miasteczko Krajeńskie line and reconstruction of **GPZ** Miasteczko Krajeńskie
- Reconstruction of **GPZ** Wronki
- Reconstruction of **GPZ** Piła Południe

- Reconstruction of [GPZ Żary](#)
- Innovative system services for energy storage increasing the quality and efficiency of electricity use
- Implementation of the EMS and DOL system
- Construction of [GPZ Poznań Główna](#), Suchy Las, Kisielin, Skwierzyna II
- Reconstruction of [GPZ](#) GPZ Fordon including construction of secondary power supply [GPZ Chodzież](#), [GPZ Oborniki](#), [GPZ Dąbie](#), [GPZ Zdroje](#)
- Construction of a 110kV Dąbie – Zdroje cable line
- Construction of a 110kV Bydgoszcz Śródmieście – Bydgoszcz Północ cable line
- Reconstruction of the 110kV Kościan – Śmigiel line

### Enea Wytwarzanie's plans include the following:

- Modernisation of unit no. 9
- Modernisation of unit no. 6
- Installation of flue gas desulphurisation systems for boilers K7 and K8
- Modernisation of unit no. 10
- Installation of the SCR flue gas denitrification system for units no. 9-10 (completed in 2019)
- Modernisation of a slag and ash storage site

### Enea Elektrownia Połaniec's plans include the following:

- Building up of the SCR installation for unit no. 4 (completed in 2018)
- Project Phoenix unit no. 5 (completion planned for 2020)