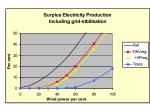


KEY CHALLENCES 1. Key enabling technologies towards 2030? 2. Potential disruptive technology developments looking towards 2030? 3. Main barriers to further integration of variable renewable electricity in a 2020 and 2030 perspective?

RECOMMENDATIONS I

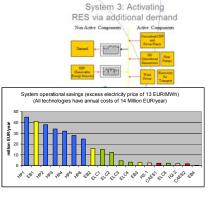
- Make CHP (and PP) unit regulation depend on wind power input (10-20% wind without loss of efficiency)
- Add large scale heat pumps (and heat storage capacity) to the CHP units (approx. 40 per cent Wind Power)
- Use electricity for transport as much as possible
- Other kinds of flexible demands are of less importance





RECOMMENDATIONS II

- Not much gained (integration of wind nor
 profit) from investing in
 electricity storage options
 including batteries
- However the inclusion of CHP, heat pumps and transportation units in securing grid stability is essential.

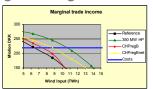


RECOMMENDATIONS III

- The kind of flexibility one need from a technical point of view (CHP, HP and transport) is the same kind of flexibility which is needed to raise profits of exchange in international electricity or gas markets.
- Interconnections will not help the integration of more wind but rather help share capacity and/or force a market opening through.





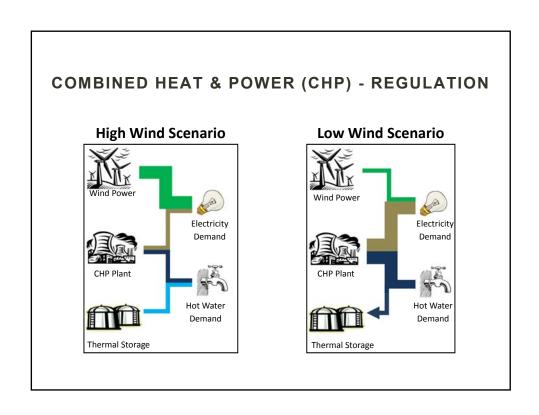


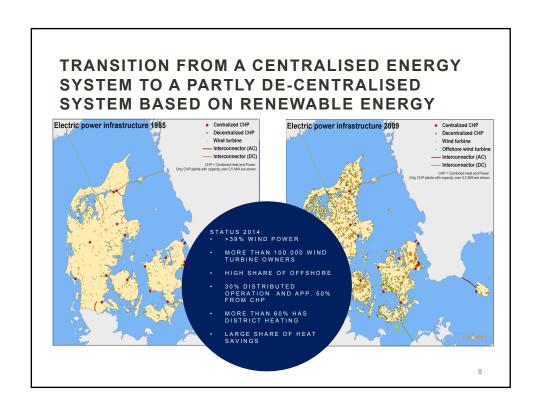
RECOMMENDATIONS IV

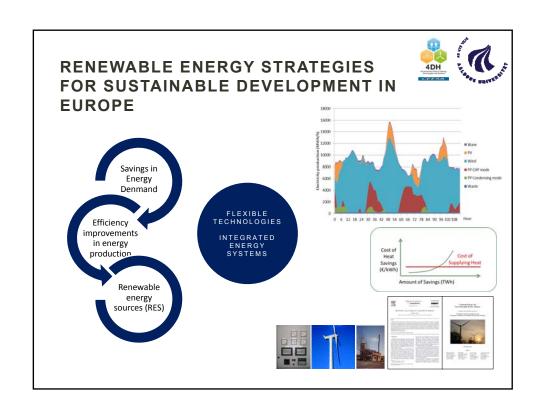


- In the medium long term perspective RES electricity has to be transformed into RES gases and liquid fuels (in combination with biomass) to supplement the limited biomass resource. Such conversion opens for the use of gas storage and liquid fuel storage.
- Hydrogen should not be used directly and not be used in micro-CHP.



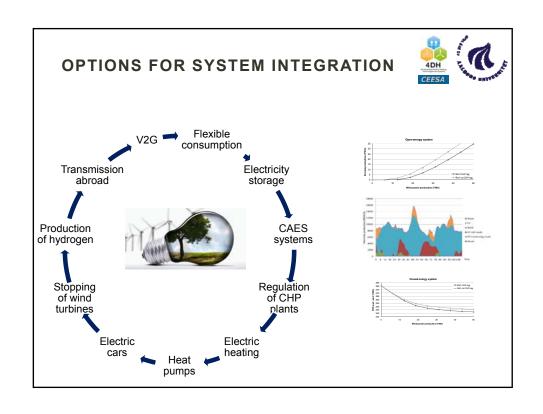


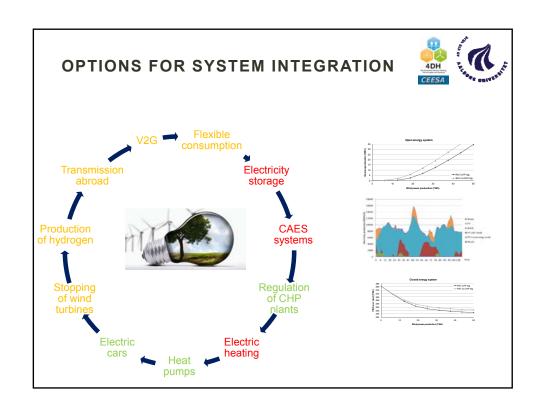


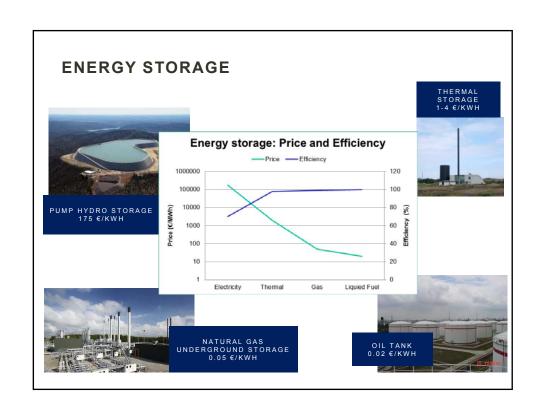












SMART ENERGY SYSTEMS - THE KEY TO COST-EFFICIENT 100% RENEWABLE ENERGY



 A sole focus on renewable <u>electricity</u> (<u>smart grid</u>) production leads to electricity storage and flexible demand solutions!

LEADS TO:
- ELECTRICIY
STORAGE,
- FLEXIBLE
DEMANDS

Renewable country to the Sys

 Looking at renewable electricity as a part smart energy systems including <u>heating</u>, <u>industry</u>, <u>gas</u> <u>and transportation</u> opens for cheaper and better solutions...

POWER-TO-HEAT

POWER-TO-GAS

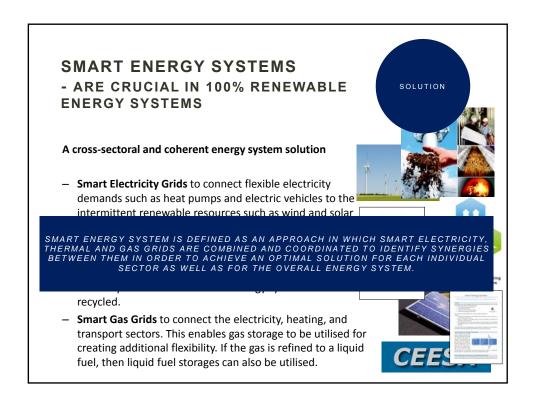
SMART ENERGY SYSTEMS

- ARE CRUCIAL IN 100% RENEWABLE ENERGY SYSTEMS

A cross-sectoral and coherent energy system solution

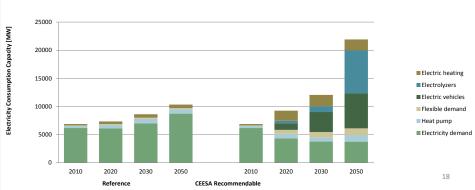
- Smart Electricity Grids to connect flexible electricity demands such as heat pumps and electric vehicles to the intermittent renewable resources such as wind and solar power.
- Smart Thermal Grids (District Heating and Cooling) to connect the electricity and heating sectors. This enables thermal storage to be utilised for creating additional flexibility and heat losses in the energy system to be recycled.
- Smart Gas Grids to connect the electricity, heating, and transport sectors. This enables gas storage to be utilised for creating additional flexibility. If the gas is refined to a liquid fuel, then liquid fuel storages can also be utilised.





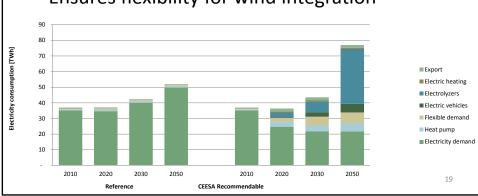
Electricity Consumption Capacity

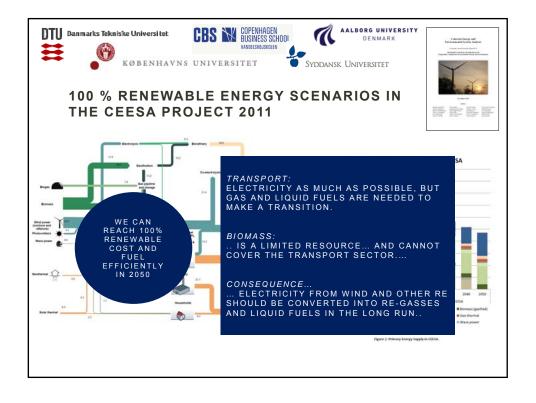
- Twice as high capacity as the reference in 2050
- · Incr. share of flexible consumption capacity



Electricity Consumption

- · Reduction in traditional electricity demand
- Increase of new flexible demands
- Ensures flexibility for wind integration





ISSUES TO BE ADDRESSED IN THE ENERGY UNION.....





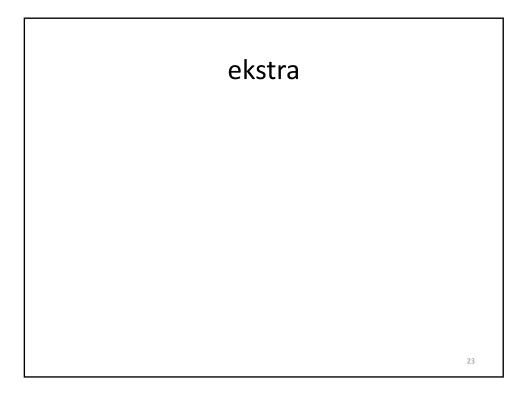
- CO2-kvota markets only solve a very small part of the problem and only addresses certain sectors
- New cables does not provide more renewable energy!
- The existing actors may not be able to lift the task (goes against existing business model)
- Energy savings good for society cost but hard to implement
- Existing marginal electricity price markets cannot survive as they are
- Feed-in-tariff model under pressure from ignorant civil servants and industry
- Public support and ownership needs a big hoost





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Electricity Production Capacity Increase of RE capacity Constant PP/CHP capacity Need for high flexibility in PP/CHP production PV-Wave Wind Condensing PP CHP, Central Condensing PP CHP, Central Condensing PP CHP, Central CHP, Decentral CHP,

Electricity Production Decreased production from PP/CHP Increase of total production 80% from wind, PV and wave power 60 ■ PV+Wave 50 ■ Wind 40 30 CHP, Decentral ■ Waste CHP 10 2010 2010 2030 25