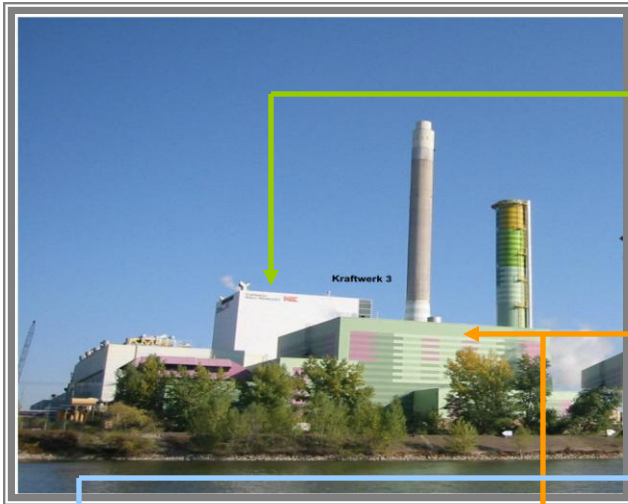




# Kraftwerke Mainz-Wiesbaden AG – Company Profile

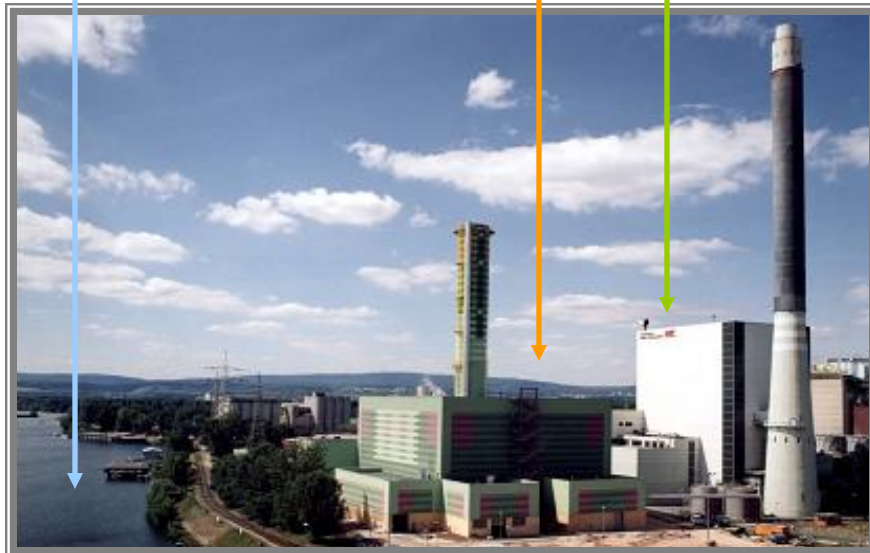


Gas Kombi Power Plant (KW 2)

Combined Cycle Power Plant (KW 3)

Rhine River

Incineration Plant



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## Board of Management



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## Brief Historical Overview

- **18. June 1899**

- Authorization Certificate for 2 Steam Boilers at the production site “Ingelheimer Aue“
- Over 100 years of experience in power generating

- **4. May 1931**

- Kraftwerke Mainz-Wiesbaden AG

Foundation as a municipal association of the cities Mainz and Wiesbaden

- Power Generating Units:

Mainz	32 MW
Wiesbaden	12 MW

- **28. April 1998**

- Deregulation of the German electricity market

- **18. May 1999**

- Incorporation of new shareholders

- **2006: 75<sup>th</sup> company anniversary**

- **2007: Shareholder Consolidation of Stadtwerke Mainz AG and ESWE Versorgungs AG**



# Facts & Figures

## Shareholders of KMW

	<u>Shares</u>
● Stadtwerke Mainz AG (SWM)	(50%)
● ESWE Versorgungs AG (ESWE)	(50%)

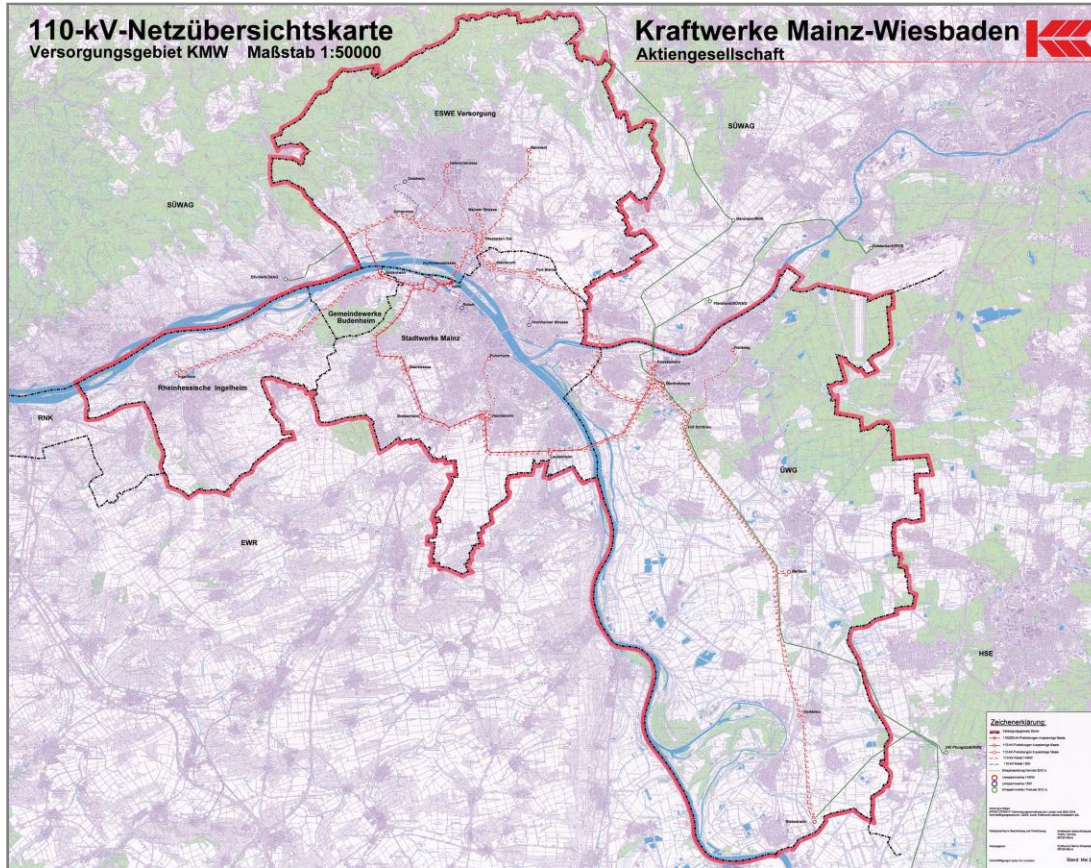
## Figures KMW

	<u>2009</u>	<u>2008</u>
● Turnover	444 million €	460 million €
● Employees	354	352
● Power generated	3,3 billion kWh	3,3 billion kWh
● Fuel provided	6,5 billion kWh	6,4 billion kWh
● Gas delivered	5,9 billion kWh	7,3 billion kWh
● Land at “Ingelheimer Aue“	approximately 260.000 m <sup>2</sup>	approximately 260.000 m



# Facts & Figures

## Power Supply Areas





# Facts & Figures

## Core Business

KMW is a modern energy producer. Our activities are targeted towards the production, supply and distribution of energy and the disposal, including services in related areas of business.

- Power Generation (including District Heating und Steam Production)
- Other (Technical Plant Management, Service Center, Projects and Administration)

## Facts & Figures

### Generating Facilities



- **Gas Kombi Power Plant (350 MW)**

The Gas Kombi Power Plant (Power Plant 2) was activated in 1977. The degree of efficiency amounts to approximately 44%. The commercialization of the capacity is dependent on the actual market situation (see also chapter Commercialisation). The Plant is also used as stand-by plant for the Combined Cycle Power Plant.

- **Combined Cycle Power Plant (400 MW)**

The GuD Power Plant was activated in 2001. This plant is one of the most efficient and state-of-the-art GuD facilities worldwide. The electrical degree of efficiency of this new plant amounts to approximately 58%. The combination of power and heat results in an overall efficiency of over 70% in relation to the primary energy input.

# Facts & Figures

## Generating Facilities

- **Coal-Fired Power Plant Project**

The Kraftwerke Mainz-Wiesbaden AG corporation has planned a highly-efficient coal-fired power plant with an output of electricity of around 820 megawatts on the Ingelheimer Aue in Mainz. At this location KMW AG operated a coal-fired power plant with an output of 300 MW until the year 2000.

After a resolution in principle in the Supervisory Board and the Annual General Meeting of KMW AG in 2006 the Mainz City Council consented in January 2007 by 44 votes to 16 in favour of the project. Following this the power station was ordered from the General Contractor Siemens in July 2007.

On 20. January 2009 the approval authority SGD Süd in Neustadt issued the outline emission protection decision and on 4. May 2009 the immediate implementation of the outline decisions and the first partial building consent, which had been applied for.

The construction of the project was stopped in the autumn of 2009. The reason for this was the dramatic crisis in the finance markets, which also had a negative effect on the coal-fired power station planned in Mainz.



## Facts & Figures

### Generating Facilities



- **MHKW / EGM (Müllheizkraftwerk; Entsorgungsgesellschaft Mainz mbH)**

The new Incineration Plant, which is owned by KMW (50,1%), the City of Mainz (5%) and private third companies started to dispose municipal waste as of 1. January 2004. For operating the plant a new company (EGM – Entsorgungsgesellschaft Mainz mbH) was founded.

The MHKW has two combustion lines. The capacity of the plant amounts up to 230.000 tons of waste per year. Furthermore a link between the GuD power plant and the MHKW results an additional increase of efficiency (website: <http://www.mhkw-mainz.de>). With an operational availability of over 94% (2004) the MHKW reaches an outstanding figure compared to other new waste incineration plants. In 2009 the building of a third combustion line was completed, thus the yearly capacity increased to around 340 000 tons.

- **KEO (Konsortium Energieversorgung Opel)**

The example KEO highlights a further management goal of KMW: to develop in co-operation with partners individual solutions of energy supply solutions for major customers. The shareholders of KEO are RWE Key Account GmbH, who own two thirds and KMW, who own one third of the company. The consortium was able to succeed a challenging, European-wide competition due to a high performance concept for the energy supply of the location Opel Rüsselsheim. The activation of the newly constructed GuD plant with a capacity of 110 MW at the Opel Rüsselsheim site took place on the 10. September 1999.



# Facts & Figures

## Important Holdings

- Heizkraftwerk GmbH Mainz (HKW), 33,3%
- Konsortium Energieversorgung Opel oHG (KEO), 33,3%
- EGM Entsorgungsgesellschaft Mainz mbH, 50,1%
- Gas-Union GmbH, 17,5%
- KWI Kraftwerksinstandhaltungs GmbH, 100,0%
- KVL KMW Valentin Lager GmbH, 50,0%

## Further Activities

- Technical & commercial management
- Technical management
- Technical & commercial management
- 
- Spin off of service and maintenance activities
- Commercial management

# Management Measures

*Due to the liberalization of the German energy market in 1998 the management responded to the growing competition with the following main measures:*

- **Organizational Restructuring 1997 and current**
  - Center Organization (client-supplier relationships between the organizational units since 1997)
  - Further current restructuring, an advancement of the Center Organization
- **Construction of the GuD power plant (Construction: December 1998 – June 2001)**
  - Increase of efficiency
- **Incorporation of further shareholders (1999, HSE and EVO)**
  - Effective 1. January 2005 HSE acquired the stake of EVO in KMW
  - Effective 4. July 2007 ESWE acquired the stake of HSE in KMW
- **Shutdown (June 2000) and deconstruction (February 2002 – mid 2004) Power Plant 1**
- **Construction of the waste incineration plant 2001 – 2003, annex 2008/2009**
  - Coverage of a new field of business



## Commercialization / Advantages

***Beginning in 2006 a part (270 MW) of the capacity of Power Plant 3 (up to 400 MW) will be distributed directly to the shareholders (at market prices):***

- resulting in secured sales of 75% of the electrical minimum load of Power Plant 3

***The remaining quantity of KW 3 in addition to the capacity of KW 2 (if margin contribution can be obtained) is marketed through one or more traders, delivering the following advantages:***

- Short / Middle term commercialization of the capacity (power exchange / OTC)
- Spot / Forward market (standardized variety of products)
- Quick / Flexible reactions to actual market developments
- Quick / Flexible reactions to unplanned downtime
- Power buybacks are possible
- Market closeness through active market involvement
- Development / improvement of market know-how
- Independant commercialization / anonymous market participants
- Independant operation modes of Power Plant 2