## CONCLUSION OF AN AGREEMENT FOR THE CONSTRUCTION OF A NEW POWER UNIT IN PUŁAWY

09/29/2019



On 25 September 2019 Grupa Azoty Zakłady Azotowe Puławy S.A. and the consortium comprising of the following companies: Polimex-Mostostal S.A., Polimex Energetyka Sp. z o.o. and SBB ENERGY S.A. concluded an agreement for the construction of a new power unit in Puławy. The net value of the agreement amounts to PLN 1.16 billion.

The objective of this investment is to ensure that Grupa Azoty has a steady supply of heat energy for the chemical installations and to boost electricity production to meet the energy needs of the plant. The new modern unit will provide 100 MW of electricity and 300 MW of heat and it will replace two heavily exploited coal-fired power units from the 1960s. The investment will also make it possible for the facility to meet the emission standards required in the BAT conclusions which will enter into force on 16 August 2021, in compliance with the Directive of the European Parliament and the Council.

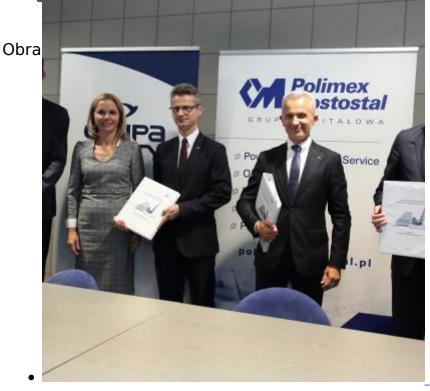
"- This is a day of great importance for us. The construction of a new coal-fired unit will ensure long-term energy security for our Company. It is also good news for the local community, as Grupa Azoty provides the heat for the city of Puławy. I would like to highlight that this project will guarantee the reduction in emissions compared to the previous undertaking, which the Company abandoned in 2017" – confirmed dr Krzysztof Bednarz, the President of the Management Board of Grupa Azoty Puławy.

"- We welcome the fact that our company has been selected for the implementation of this key project for Grupa Azoty and for the Lublin Voivodeship.

It is another project in the power sector of national importance executed by Polimex Mostostal Capital Group." – said Krzysztof Figat, the President of the Management Board of Polimex Mostostal S.A.

The new power unit will be constructed within the area of the CHP plant. The implementation of the investment will take 36 months. The final product will be an extraction and condensing power unit, with a pulverised coal boiler, with a closed cooling system and a wet fan cooling tower. The capacitor will be designed to reach 50% of its condensation capacity due to the constant reception of technological steam by external customers. Additionally, the new power unit will be equipped with an integrated SCR installation for reducing nitrogen oxides. It is also presumed that the investment will include a flue gas desulphurisation system

using a wet lime-gypsum process.









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