12. June 2023

**Joint press release ›**

**EnBW, VNG and JERA plan feasibility study for an ammonia cracker demonstration plant in Rostock**

Karlsruhe. EnBW Energie Baden-Württemberg AG, VNG AG and the Japanese energy company JERA signed a memorandum of understanding with the goal of jointly conducting a feasibility study to evaluate the construction of an ammonia cracker demonstration plant. The project partners want to examine whether the construction of a demonstration plant for the production of hydrogen from ammonia in the Rostock port area is feasible. The learnings from the operation of the demonstration plant include insights into process optimization, the organization of supply and demand, and the economic framework conditions along the entire value chain.

Ammonia is considered as a very promising H2 carrier for long-distance transport of hydrogen. Clean ammonia (NH3) can be produced by combining renewable hydrogen (H2) with nitrogen (N2) – the main constituent of air. The project would allow for the transport of large quantities of hydrogen as ammonia to Rostock from oversea regions, where it could be re-converted into hydrogen and then transported to German consumers and customers. An existing ammonia terminal in the Rostock port area could be used for importing the ammonia.

“At EnBW, we are working at full steam to transform our generation capacities from fossil fuels such as coal to non-fossil fuels such as hydrogen. The joint project between EnBW, VNG and JERA fits in very well with our efforts to become climate-neutral by 2035,” explains Georg Stamatelopoulos, Member of the EnBW Board of Management / Chief Operating Officer Sustainable Generation Infrastructure. “Ammonia is suitable for storing and transporting hydrogen. With an ammonia cracker, ammonia can be reconverted to hydrogen and be transported to German customers. The key is to create the right conditions now for the fastest possible decarbonization of the business and the market ramp-up for hydrogen - in particular through planning certainty for investors and international collaborations.”

In its "VNG 2030+" strategy, the Leipzig-based gas company VNG is focusing on the ramp-up of decarbonized and green gases, in particular biogas and hydrogen. "The construction of a demonstration plant of an ammonia cracker in Rostock together with JERA and EnBW is another important step towards supporting the ramp-up of hydro-gen in Germany and thus making a contribution to decarbonization in eastern Germany. Hydrogen gained from ammonia will play an important role in energy supply in the future, so it is important to test and establish value chains at an early stage and thus set the course for a secure supply of hydrogen,” explains Hans-Joachim Polk, Chief Technology Officer of VNG AG.
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JERA, an energy company with a global reach, which has its strength in its expertise and intelligence in the entire energy supply chain, will take on the challenge of achieving net zero CO2 emissions from its domestic and over-seas businesses by 2050. “We are pleased to work together with EnBW and VNG, with whom we have confirmed alignment with regards to our purpose and strategic direction. A collaboration with such prominent leaders of the European energy industry is exactly what JERA had been longing for. In order to achieve our decarbonization goals, we must take necessary steps to increase options for new energy supply systems over the next decade, and being able to share those options among industry leaders throughout the globe would be of significant importance. In the context of this project, the formulation of a robust ammonia value chain is specifically the option which must be established by a strong collaborative framework among industry players with a wide variety of backgrounds, through sharing the same views on their purpose and strategic direction. I am very confident that this project is a giant leap towards our bright and clean future”, says Chairman of the Board, Global CEO in JERA, Yukio Kani.

About EnBW
With circa 27,000 employees, EnBW is one of the largest energy companies in Germany and Europe. It supplies around 5.5 million customers with electricity, gas, water as well as with services and products in the areas of infrastructure and energy. With the re-orientation from a classic energy supplier to a sustainable infrastructure company, the expansion of renewable energies as well as of the distribution and transport networks for electricity and gas are the cornerstones of the EnBW growth strategy and the focus of investments. From 2023 to 2025, EnBW will invest around 14 billion euros gross, mostly in the accelerated implementation of the energy transition. By the end of 2025, more than half of the EnBW generation portfolio is planned to consist of renewable energies, and the aim is to phase out coal by the end of 2028. These are key milestones on the company’s path to carbon neutrality in 2035. For more details: www.enbw.com/company.

About VNG
VNG is a group of over 20 companies active in the European energy industry, employing more than 1,600 people. As a gas importer and wholesaler as well as an operator of critical gas infrastructure, the Group, which is majority owned by EnBW, is headquartered in Leipzig, is central to the secure supply of gas in Germany. With the “VNG 2030+” strategy, VNG is also pursuing an ambitious path for a market ramp-up of renewable and decarbonised gases such as biogas and hydrogen, paving the way for a sustainable, secure supply and, in the long term, climate-neutral energy system of the future. VNG’s investments in infrastructure and green gas projects are primarily in central and eastern Germany, with the aim of making a significant contribution to structural change as a company firmly anchored in the region. More at: https://www.vng.de/en.
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About JERA

Established in 2015, JERA is an equal joint venture of two major Japanese electric power companies, TEPCO Fuel & Power Incorporated and Chubu Electric Power Company and produces about 30% of all electricity in Japan. JERA is an energy company with global reach that has strength in the entire energy supply chain, from participation in LNG upstream projects and fuel procurement, through fuel transportation to power generation. JERA, which stands for Japan’s Energy for a New Era, will take on the challenge of achieving net zero CO2 emissions from its domestic and overseas businesses by 2050 and is supporting an energy transition in an environmentally and socially responsible manner. For more details: www.jera.co.jp/english/

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