



# BASF and Energy: Electricity Self-Generation

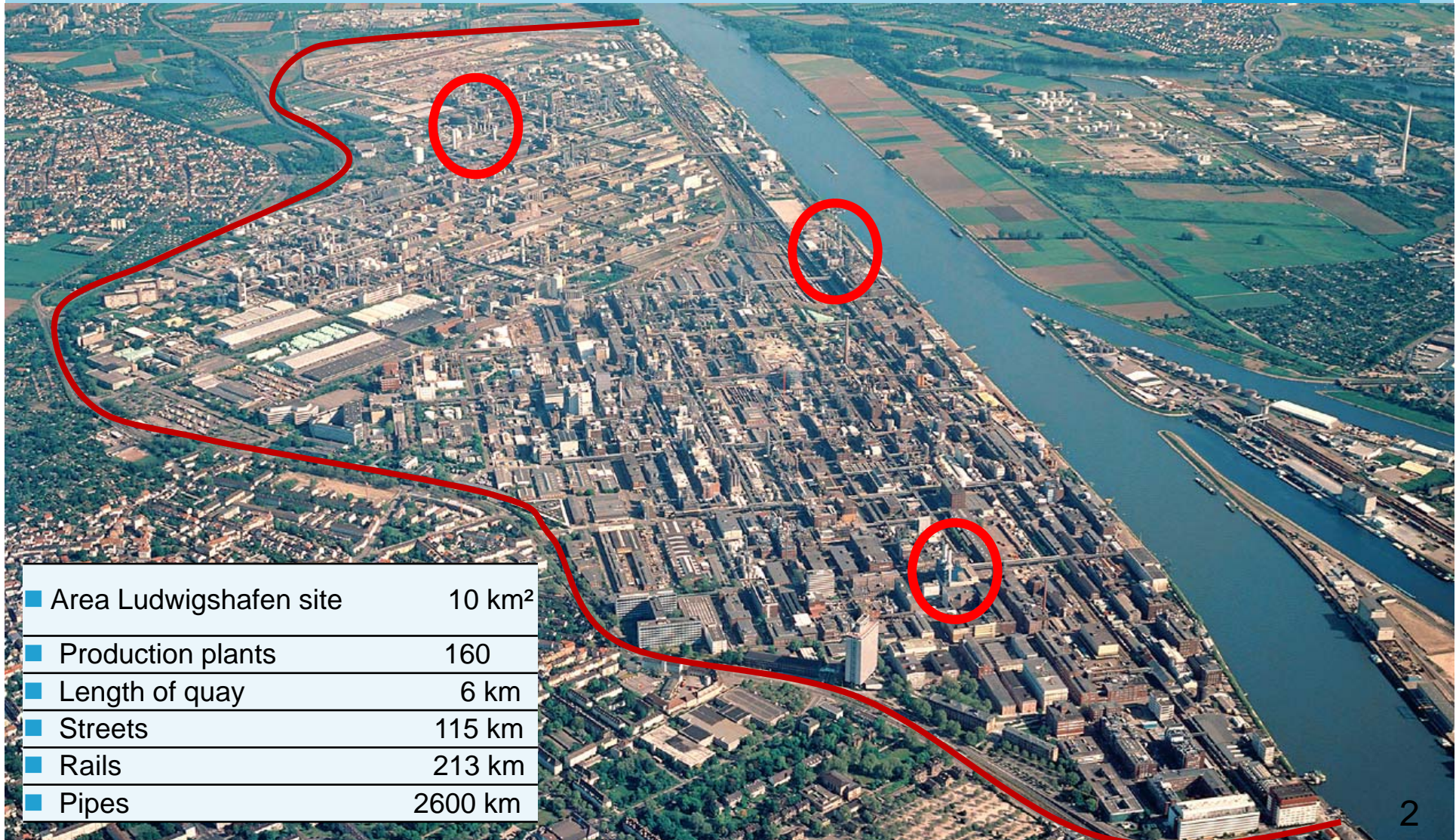
Wolfgang Weber, BASF  
Brussels 11<sup>th</sup> May 2017

 **BASF**  
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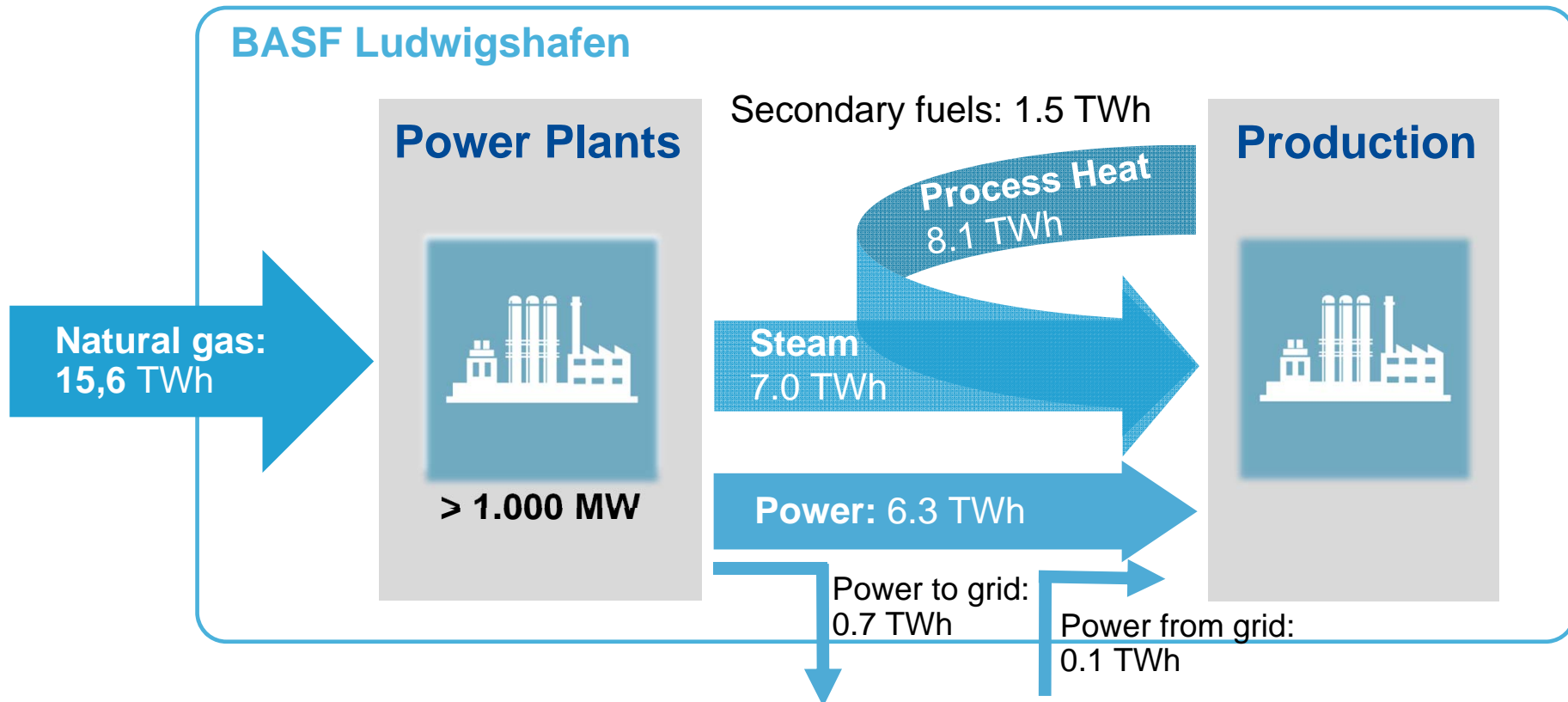
# Ludwigshafen site

## Three co-generation plants on-site





# BASF energy balance 2016



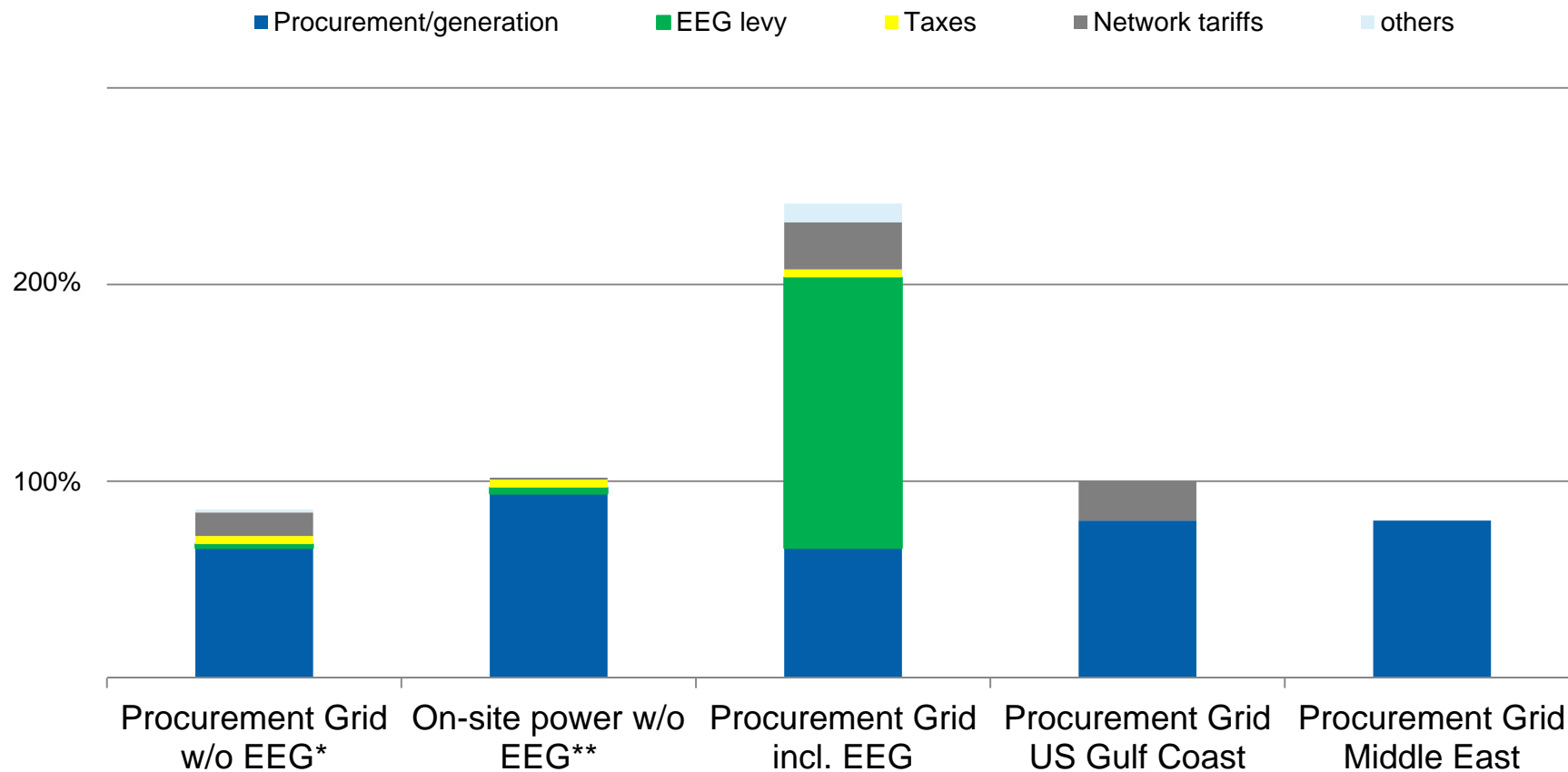
**BASF power supply – nearly self-sufficient**

# BASF worldwide: Sites



- 14 sites with 27 gas turbines  
- Generation of 70% of electricity demand

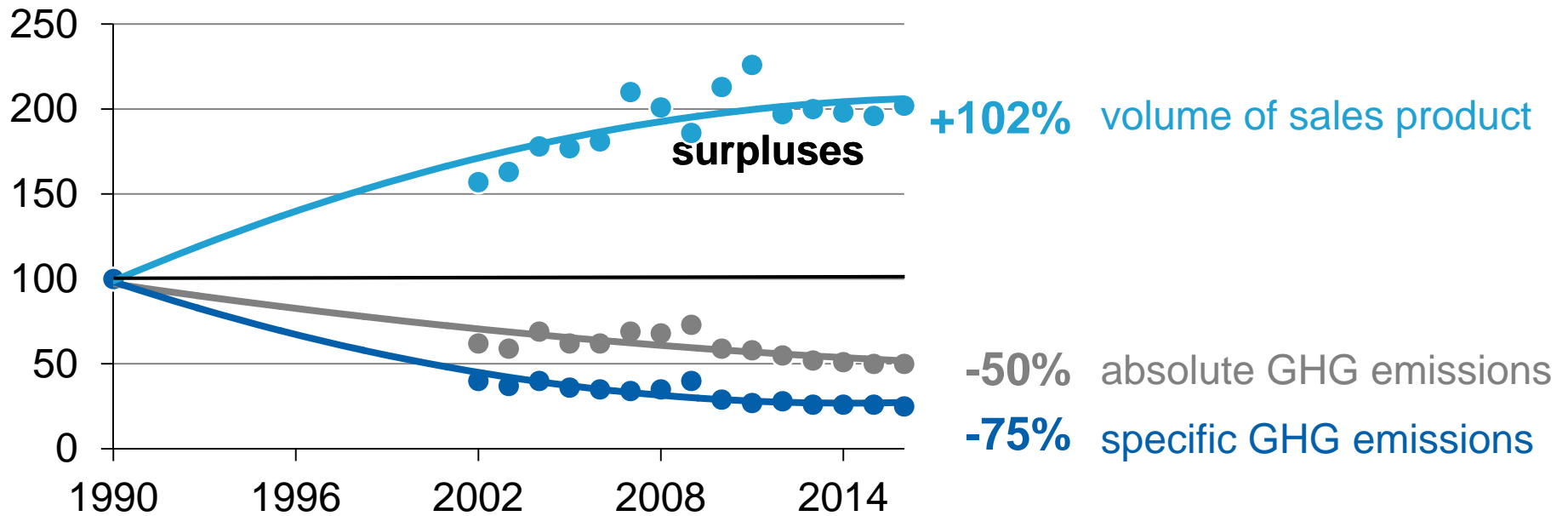
# Cost comparison on-site power vs. procurement



\*Industrial consumer at transmission grid, comparable to BASF

\*\*In-house power generation incl. fuel, CO2, fixed costs; procurement grid 2,5%, comparable to BASF

# Savings potentials get smaller



Index 1990 = 100 %, BASF-Gruppe w/o Oil- and Gas Business

# Conclusions

- Industrial on-site CHP power generation is highly efficient and remains an important source for still some time; RES intake can play increasing role if well managed
- Certain trade-off between flexibility and efficiency
- Lack of EU cooperation and certain national policies (e.g. EEG) lead to high levies, hampering market signals, lowering industrial RES intake

# Requests

- Europeanize energy policies to dampen price increases (e.g. RES growth, capacity “markets”)
- Reduce and dynamize levies to incentivize demand-response and RES intake in industry
- Promote RES market integration by internalising back-up and storage costs
- Let flexibility options compete: storage, power plants, demand-response
- Accept lower efficiency in case of increased flexibility





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