

## Internal Information

Mělník heating site prepares for a future without coal: in addition to gas, there will also be a waste-toenergy facility

ČEZ, a. s., concluded a contract for the construction of a waste-to-energy facility (WTE) in the Mělník power plant location with the supplier selected in the procurement procedure according to the Public Procurement Act, which was an association of shareholders from the Metrostav Group, the company Metrostav DIZ, s. r. o., and Subterra, a. s. The selected supplier will carry out the contract based on the tender conditions as a so-called "turn-key" supply in the form of an EPC project. The value of the contract is 507.48 million euros.

The WTE facility's planned capacity for energy processing of residual mixed municipal waste after sorting is 320,000 tons per year. This amount will replace 174,222 tons of brown coal. For the combined production of heat and electricity, the planned WTE Mělník facility will use proven grate combustion technology, commonly used in Western Europe, and advanced flue gas cleaning technology, the parameters of which are sufficient even for the expected future tightening of BREF emission limits. Estimated production at WTE Mělník is 1,400 TJ of heat and 160 GWh of electricity. The construction of the facility should begin in 2025, the start of trial operation is expected at the turn of 2027/2028.

The WTE Mělník project was discussed at the spring meeting of the Investment Committee of the European Investment Bank (IV EIB). According to the decision of the IV EIB, the project meets all the conditions for the provision of a subsidy, and therefore, after its assessment, the IV EIB approved the expected amount of the subsidy up to a maximum value of approx. 6.1 billion CZK from the SFŽP Modernization Fund. This is the provision of ex-post investment support, i.e. its repayment is conditioned by bringing the facility into operation.