Polimex Energetyka and PGE Polska Grupa Energetyczna signed a contract

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PGE Polska Grupa Energetyczna and Polimex Energetyka signed a contract for the upgrade of boilers in power units 1-3 at Turów Power Plant. The value of the contract amounts to over PLN 417 million.

The upgrade of CFB-670 boilers is a part of the upgrade project of power units 1-3 at Turów Power Plant. The aim of this project is the optimal usage of production units, and in particular elimination of forced outage that had the largest impact on the availability of the power units 1-3, and adjustment of generating units to the environmental protection requirements and increase of their lifetime by minimum 20 years.

Boiler upgrade will include among others: pressure part, supporting structures and flue gas ducts, fuel inlet system, ash removal system, other auxiliary systems and upgrade of electrical systems and C&I systems. The gross value of the contract with Polimex Energetyka amounts to PLN 417,635,000. The start of the upgrade is planned for Q2 2017.

Construction of modern generating units as well as comprehensive upgrade of the existing power units will significantly improve the energy performance in the Polish power plants. Signature of the contract with PGE Group is important for us, we have been working together on the construction of two power units in Opole, and now our cooperation will be extended by the project in Turów – says Joanna Makowiecka-Gaca, **President of the Management Board of Polimex Mostostal.**

We consistently modernize our production assets so as they are adjusted to environmental norms that are becoming gradually stricter. The upgrade of power units 1-3 will enable further, safe operation of Turów Power Plant. This will also

lead to full usage of lignite from the mine located in Turów, ensuring at the same time stable employment in the entire energy complex – says **Marek Woszczyk, President of the Management Board of PGE Polska Grupa Energetyczna**.

Polimex Energetyka is a company from Polimex-Mostostal Group. Polimex Energetyka offers the following services: "turnkey" construction of energy facilities, design services, overhauls and upgrade, industrial services, environmental protection, production of transformers, diagnostics and technical studies, installation of power boilers and installing turbine generator units, specialized steel construction assembly works, supplies of steel structures, boilers.

PGE Group is also upgrading power units 4-6 at Turów Power Plant, equipping them with flue gas desulfurization plants. The investment is worth over PLN 500 million and the project is subsidized in almost 50% from the EU funds. The construction process that started in July 2014 is now reaching the final stage. Thanks to the system, the power plant will reduce emissions of sulfur oxides several times and thanks to the technology of wet desulfurization it will reduce the emission of dust to the atmosphere.

The construction of a 450 MW power unit powered by brown coal – one of the flagship projects of PGE in the production field was initiated at Turów Power Plant in May. Currently, the Group and the contractor are negotiating conditions of the extension of the scope of works planned to incorporate the works connected with adjusting the power unit to environmental norms that become gradually stricter. Arrangements concerning details of technical solutions in this filed are being made.

Only in the first three quarters of 2015, PGE allocated PLN 5.9 billion to investments, which is 50% more compared with a respective period of 2014. Outlays on all upgrade projects in the field of conventional generation in the first three quarters of 2015 amounted to PLN 2.1 billion. PGE Group plans to spend approximately PLN 30 billion on the construction of new and upgrade of the existing production assets in years 2014-2020.

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