Construction begins on world's first integrated commercial plant for producing nearly CO2-neutral fuel in Chile

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10/09/2021 Press release of Porsche and Siemens Energy.

- Ground-breaking ceremony for the lighthouse Haru Oni project sponsored by the German Federal Ministry of Economic Affairs
- Porsche will use the nearly CO_2-neutral eFuels in motor sports from 2022
- Preparations for the next major commercial phase already underway

Stuttgart/Munich. Sports car manufacturer Porsche and Siemens Energy have joined forces with a number of international companies to build an industrial plant for the production of nearly CO_2-neutral fuel (eFuel) in Punta Arenas, Chile. The ground-breaking ceremony for this pioneering project took place today in the presence of Chile's Energy Minister Juan Carlos Jobet. A pilot plant is initially being built north of Punta Arenas in Chilean Patagonia, which is expected to produce around 130,000 litres of eFuels in 2022. The capacity will then be expanded in two stages to around 55 million litres by 2024 and to around 550 million litres by 2026. The necessary environmental permits have now been obtained by the Chilean project company Highly Innovative Fuels (HIF). Siemens Energy has also already started preparatory work for the next major commercial phase of the project.

"I'm pleased that we're making progress on this international lighthouse project for the hydrogen economy together with strong international partners from business and politics," said Armin Schnettler, EVP for New Energy Business at Siemens Energy. "With Haru Oni, we're bringing our power-to-X technologies to the global market. We're jointly developing and realising the world's first integrated and commercial large-scale plant for producing synthetic, climate-neutral fuels. In southern Chile, we're implementing one of the energy industry's most exciting projects for the future and driving forward the decarbonisation of the mobility sector. It means we're making an important and rapidly effective contribution to reducing CO_2 emissions in the traffic and transport sector."

The sports car manufacturer Porsche initiated the demonstration project and will be using the eFuels in its own combustion engine vehicles. Michael Steiner, Member of the Executive Board for Research and Development at Porsche AG, said: "Porsche was founded with pioneering spirit. That's what drives us, we thrive on innovation. We also see ourselves as pioneers when it comes to renewable fuels, and we want to drive development forward. This fits in with our clear overall sustainability strategy. It means that Porsche as a whole can be net CO_2 neutral as early as 2030. Fuels produced with renewable energy can make a contribution to this. Our icon, the 911, is particularly suitable for the use of eFuels. But so are our much-loved historic vehicles, because around 70 percent of all Porsches ever built are still on the road today. Our tests with renewable fuels are going very successfully. eFuels will make it possible to reduce fossil CO_2 emissions in combustion engines by up to 90 percent. Among other things, we'll be using the first fuel from Chile in our Porsche Mobil 1 Supercup race cars from 2022."

Chile has set itself ambitious targets as part of its National Green Hydrogen Strategy. It plans an electrolyser capacity of 5 gigawatts (GW) by 2025, rising to 25 GW by 2030. The aim is to produce the world's cheapest hydrogen and develop the country into a leading exporter of green hydrogen and its derivatives.

The Haru Oni project takes advantage of the perfect climatic conditions for wind energy in Magallanes province in southern Chile to produce the virtually CO_2-neutral fuel using low-cost green wind power. In the first step, electrolysers split water into oxygen and green hydrogen using wind power. CO_2 is then filtered from the air and combined with the green hydrogen to produce synthetic methanol, which in turn is converted into eFuel. The pilot plant is scheduled to start production in mid-2022. In addition to Siemens Energy, Porsche and HIF, Enel, ExxonMobil, Gasco and ENAP are participating in the Haru Oni project.

More information about the ⊠Haru Oni" project at: www.siemens-energy.com/haru-oni

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Dr. Ing. h.c. F. Porsche AG, with headquarters in Stuttgart-Zuffenhausen, is one of the most profitable car makers in the world. In 2020, Porsche delivered more than 270,000 vehicles of the 911, 718 Boxster, 718 Cayman, Cayenne, Macan, Panamera and Taycan models to customers worldwide. Thereby, the sports car manufacturer's operating profit amounted to 4.2 billion euros, up three per cent. Porsche operates plants in Stuttgart and Leipzig as well as a development centre in Weissach. The sports car manufacturer employs 36,000 people. Porsche is committed to innovation, many of the technologies have their origins in motorsport. Porsche is aware of every aspect of its corporate responsibility: economic, environmental and social. By 2030, the company plans to have a carbon-neutral footprint across the entire value added chain and the life cycle of new vehicles sold.

Siemens Energy is one of the world's leading energy technology companies. The company works with its customers and partners on energy systems for the future, thus supporting the transition to a more sustainable world. With its portfolio of products, solutions and services, Siemens Energy covers almost the entire energy value chain – from power generation and transmission to storage. The portfolio includes conventional and renewable energy technology,
such as gas and steam turbines, hybrid power plants operated with hydrogen, and power generators and transformers. More than 50 percent of the portfolio has already been decarbonized. A majority stake in the listed company Siemens Gamesa Renewable Energy (SGRE) makes Siemens Energy a global market leader for renewable energies. An estimated one-sixth of the electricity generated worldwide is based on technologies from Siemens Energy. Siemens Energy employs more than 90,000 people worldwide in more than 90 countries and generated revenue of around €27.5 billion in fiscal year 2020. www.siemens-energy.com.

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