



SOLVAY

asking more from chemistry®

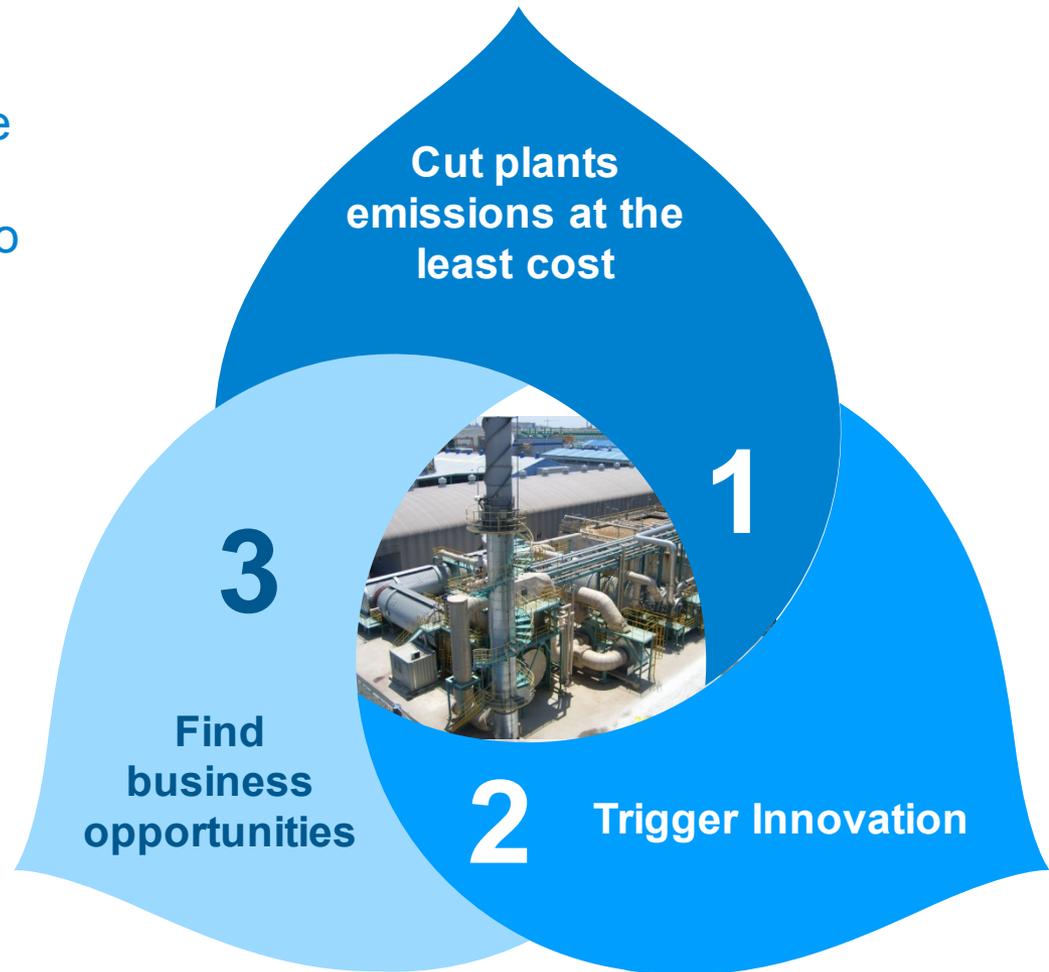
Solvay Experience in EU-ETS

Solvay Energy Services Asia

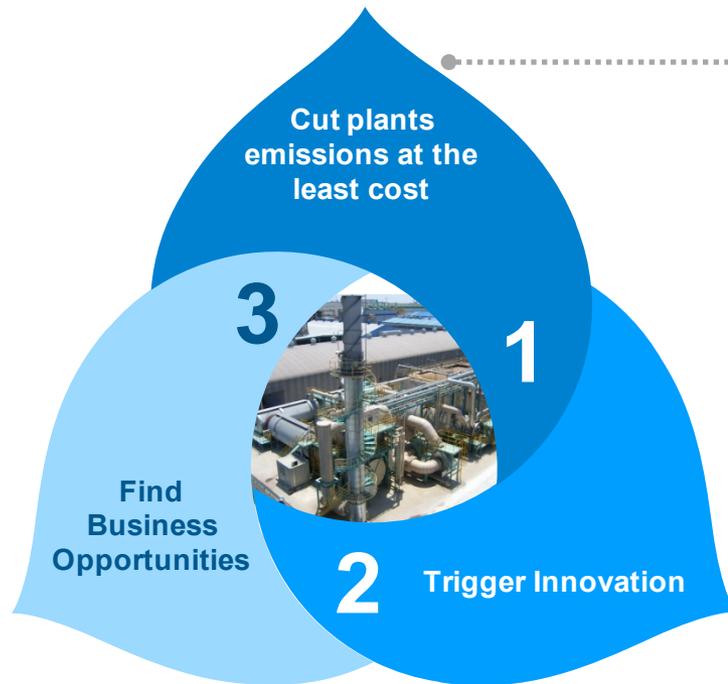
Solvay strategy in EU-ETS

It is difficult to have action apply to every company, here is what Solvay thought while defining its strategy on how to optimize its position in ETS and the value of its allowances.

First of all, our 3 objectives:



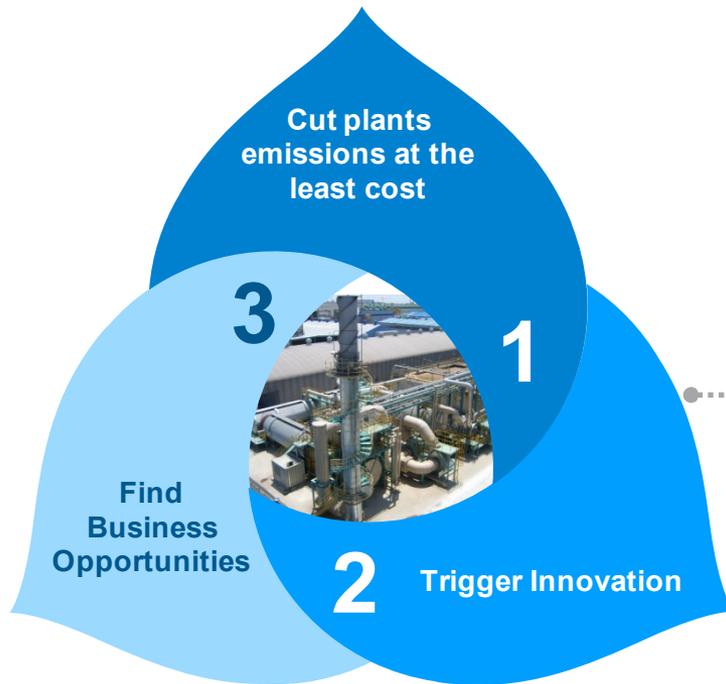
Solvay experience in European ETS



Actions

- Set up of a robust **Monitoring System: need to know where you stand** to take fast, real-time actions on Allowance trading market, depending on your emerging needs and market situation.
- **30 Solvay plants' emissions managed as a portfolio:**
 - More efficient , Avoid non-expert decision and plant level, reduce errors.
 - Leverage complementary needs of different sites.
- **USE MRV data and ETS price signal for management to make** operational arbitrage decisions eg fuel use, fuel purchasing and fuel switch.

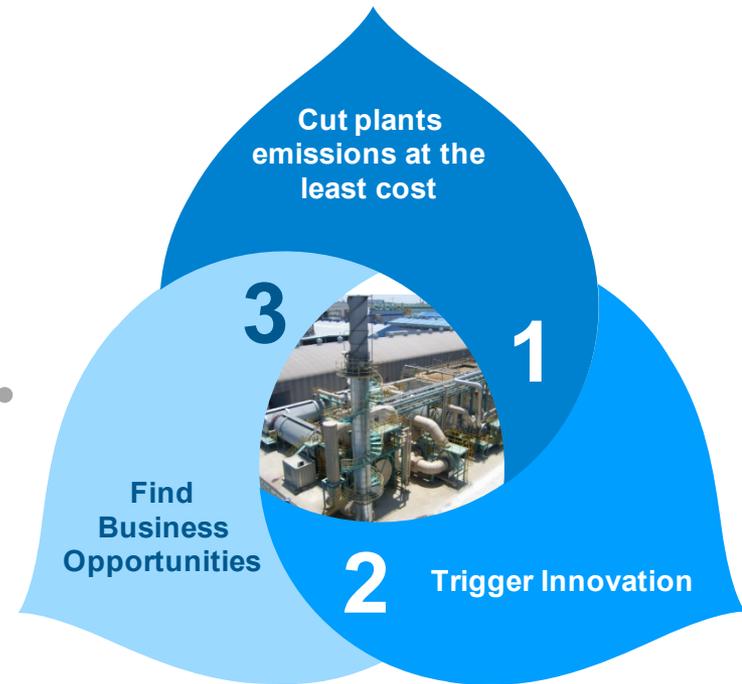
Solvay experience in European ETS



- **Strong Monitoring Data, allows faster implementation technological innovation** – which reduce structurally emissions, hence freeing Allowance.. This would not have been possible without strong set of data.
- **Organizational Innovation: Solvay Energy Services is created as business Unit with mandate to Carbon and Energy optimization.** Energy services oversees the energy sourcing, energy production and use and carbon monitoring and optimization of all Solvay sites, and take optimization decision with an independent investment envelop. (Solwatt programme). Union of energy sourcing / trading and carbon is more useful for Allowance management than relying on experience of CDM, because it has a very different risk approach.

Solvay experience in European ETS

- Implementation of MRV plus the creation of an expert centre allowed Solvay to be able to **scan for opportunities to value its carbon assets worldwide** and, as a result, to optimise its allowances.
- Solvay plants has **abatement opportunities that were not implemented because they were not yet object of a cap**; Energy Services used its knowledge of carbon market and investment envelope to invest in them and repay them as offset projects, so that when the emissions were eventually covered by the ETS, the plant had a much better emission profile than competition, and freed large allowance volume thanks to project that has already been fully repaid.
- **Solvay Energy Services used the portfolio optimization learned in the group to join forces with partners and offer services to other companies.** Energy Services JV, called Orbeo eventually become one major carbon player worldwide.



www.solvay.com



SOLVAY

asking more from chemistry®