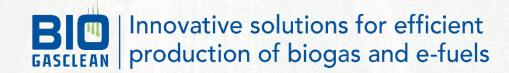
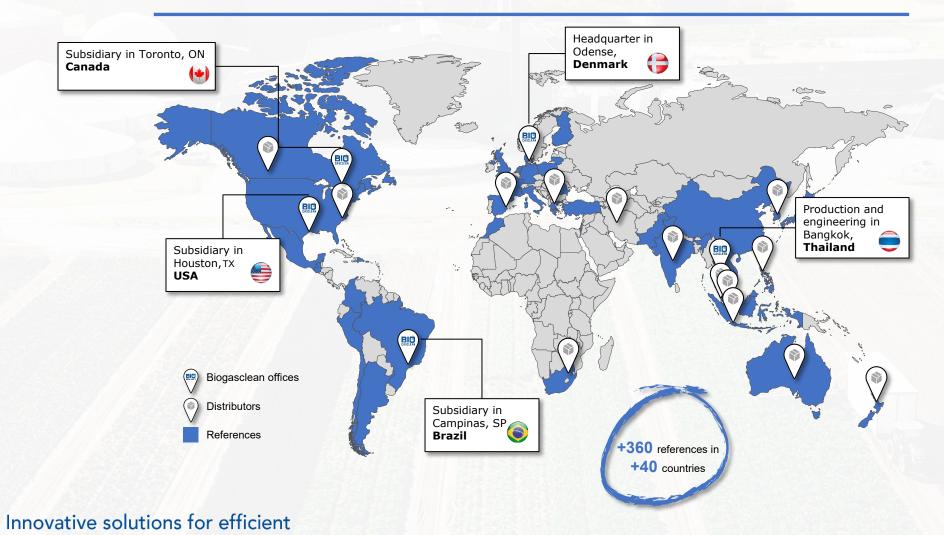
# Biological **desulfurization** and **methanation** of biogas and CO<sub>2</sub>

#### Hydrogen & P2X 2024 June 2024



#### **Global footprint**



**B** Innovative solutions for efficient GASELEAN production of biogas and e-fuels

#### **Question for the audience**

How many of you believe there is currently a viable business case for e-methane? And the technology to produce e-methane is well proven?

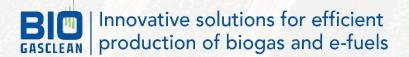


#### **Bio E-Fuel**

#### A biological Power-To-G (P2G) technology

- **Bio E-Fuel** is a biological process converting  $(CO_2)$  and hydrogen  $(H_2)$  to methane  $(CH_4)$  in a Bio Trickling Reactor; i.e. biological methanation of  $CO_2$ .
- **Bio E-Fuel** can be applied everywhere where you have a  $CO_2$  source. Biogas typically consists of 55-60%  $CH_4$  and 40-45%  $CO_2$ . With Bio E-Fuel biogas plants can increase the methane content in biogas to +97-98%, i.e. the efficiency of biogas production increases by up to 78%.

The process is very robust and handles untreated biogas and CO<sub>2</sub> without prior removal of sulfur and other impurities.



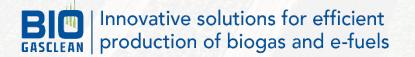


## **Bio E-fuel video**



#### **Proven technology**

## Is the technology proven?



#### **Bio E-Fuel - Development**

#### **Pilot V1** Location: Nature Energy Holsted, Denmark E-CH4 flow: 0,8 m3/h



**Pilot V2** Location: HOFOR – Avedøre Copenhagen, Denmark E-CH4 flow: 0,8 m3/h



**Full scale V1** Location: Nature Energy Glansager, Denmark E-CH4 flow: 381 m3/h



**Biomethanation** 

Bio e-fuel as a commercially available product in Europa and North America



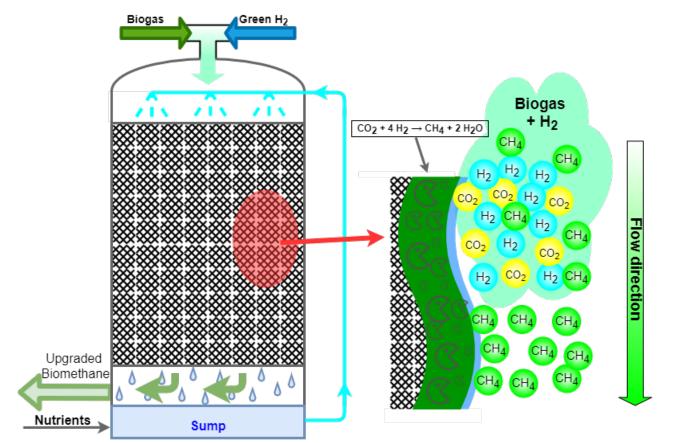






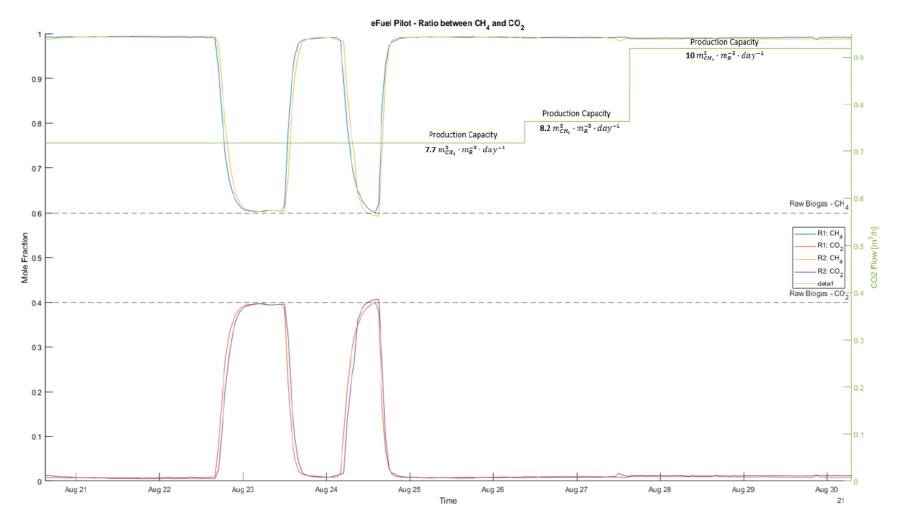
#### **Process in Bio E-Fuel Reactor**

Biological Methanation 4  $H_2$  +  $CO_2$  ->  $CH_4$  + 2  $H_2O$ 

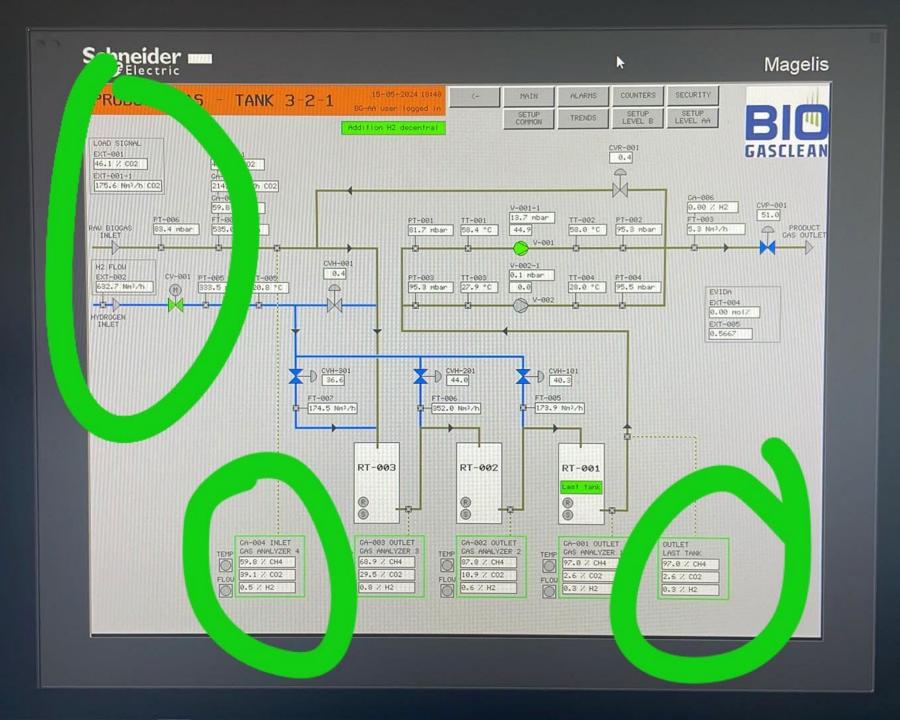


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#### **Bio E-Fuel efficiency and performance**



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## P2G Plant at Nature Energy, Glansager - Overview

#### Location in Sonderborg, Denmark.

- The first full scale Bio E-Fuel Plant is under commissioning and received the first hydrogen in early **October 2023.**
- Production capacity: **381 Nm3/h E-Methane** or 3,400,000 Nm3/y or 33 GWh/y E-Methane.
- Biogasclean's Bio E-Fuel plants are based on a scalable and modular design with one or more tanks in stainless steel or reinforced fiberglass.



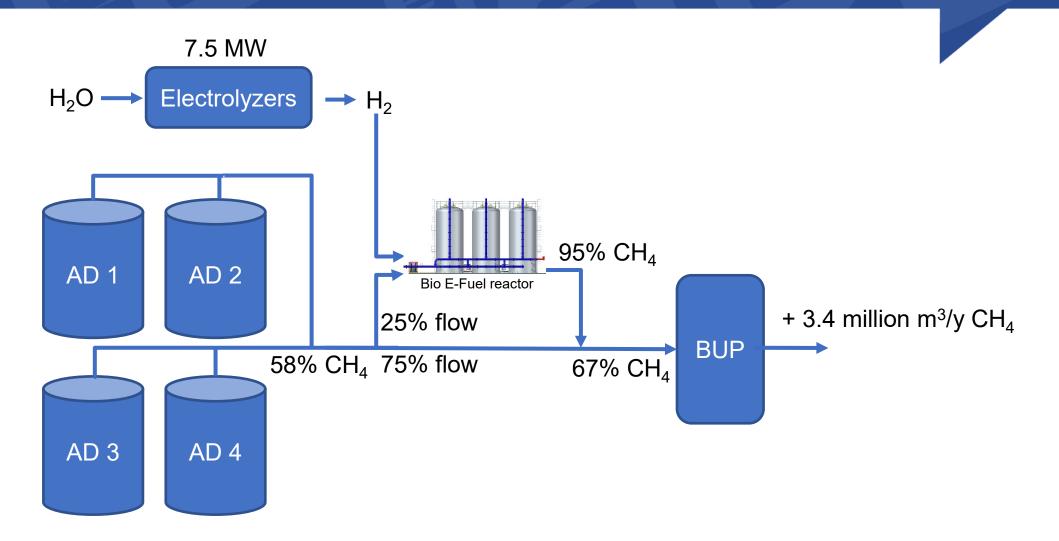
The Bio E-Fuel plant **comprises** 0 3 pcs. insulated tanks in stainless steel filled with a random packed packing material.

GASCLEAN



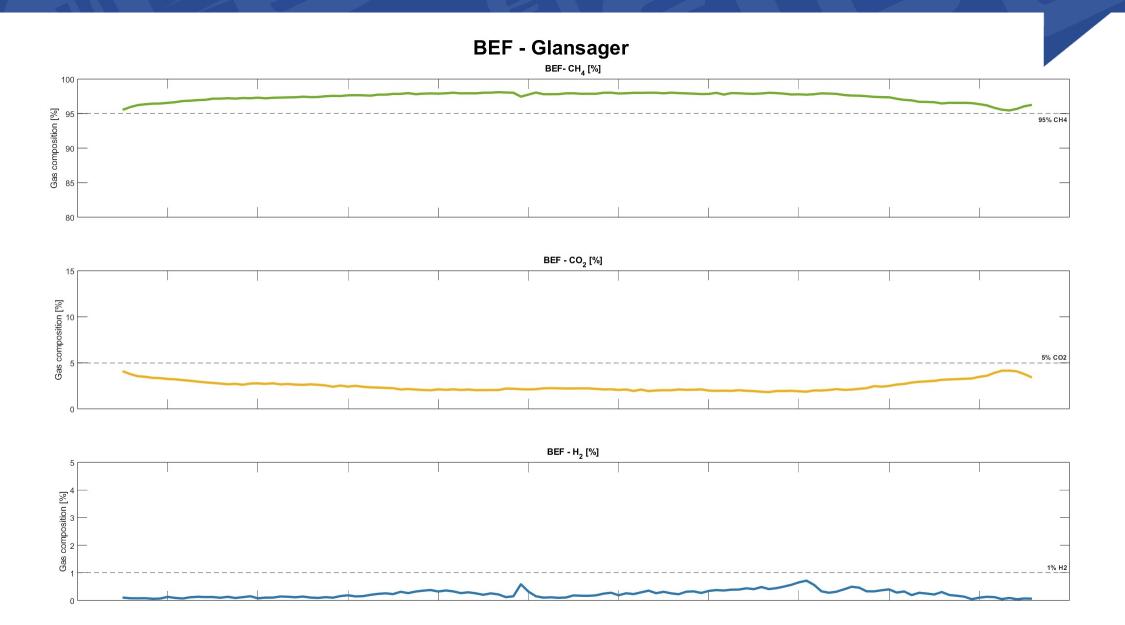


## PTG Plant at Nature Energy, Glansager – Flow diagram

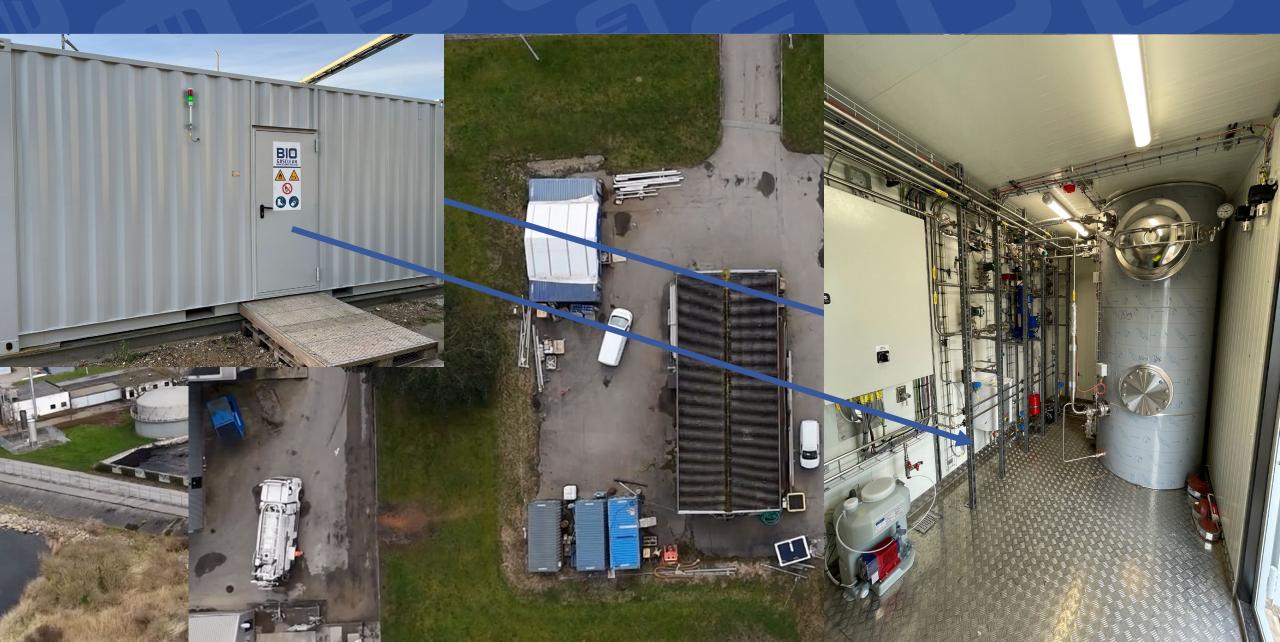




#### Product gas after the bio methanation system



## P2G Plant at Nature Energy, HOFOR WWTP



### Trend for e-methane production at municipal WWTPs

"The most important thing is that with this facility, we would be able to ensure that **all the gas we produce is 100% CO2-neutral**. So, if everything goes well, and all our test trials proceed in the right direction, then this facility **will be replaced by a fullscale plant in 2027**, says gas manager Morten Stanley"

Source: https://www.tv2kosmopol.dk/koebenhavn/koebenhavnernes-tis-lort-og-opvaskevand-skal-blive-til-klimavenlig-bygas

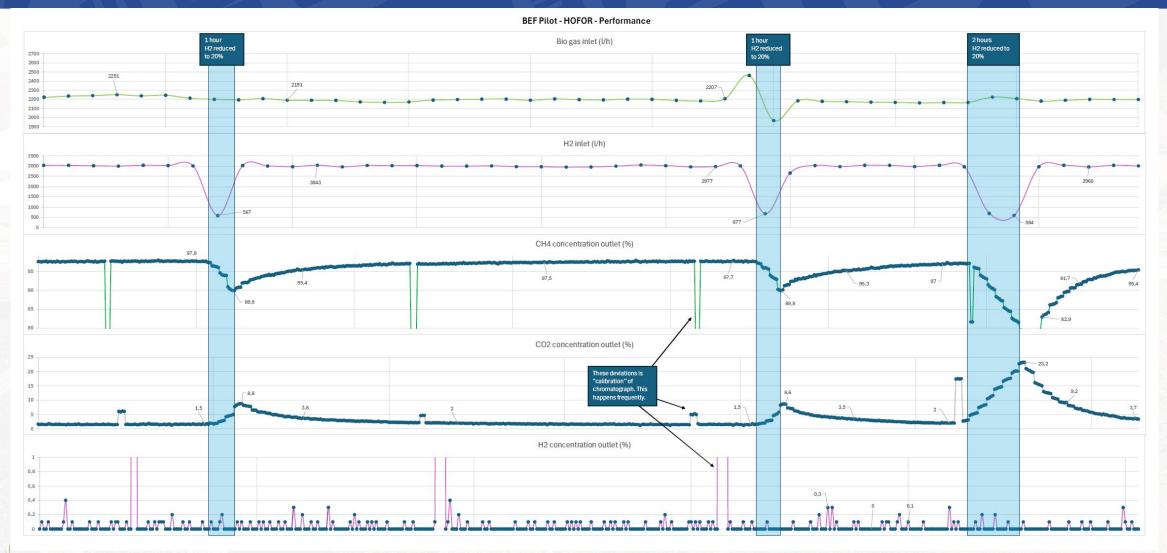
Københavnernes tis, lort og opvaskevand skal blive til klimavenlig bygas

Hovedstadsområdets forsyningsselskab, Hofor, har som de første i landet investeret i et Power-to-Gas-testanlæg. Det skal sætte turbo på udviklingen af klimavenlig bygas. Lort og tis er ingredienserne.



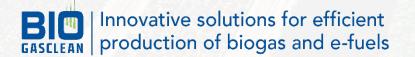
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#### **Bio E-Fuel HOFOR Performance**



#### Viable business case for e-methane?

## Viable business case for e-methane?



#### **Production price of 1 m3 e-methane**

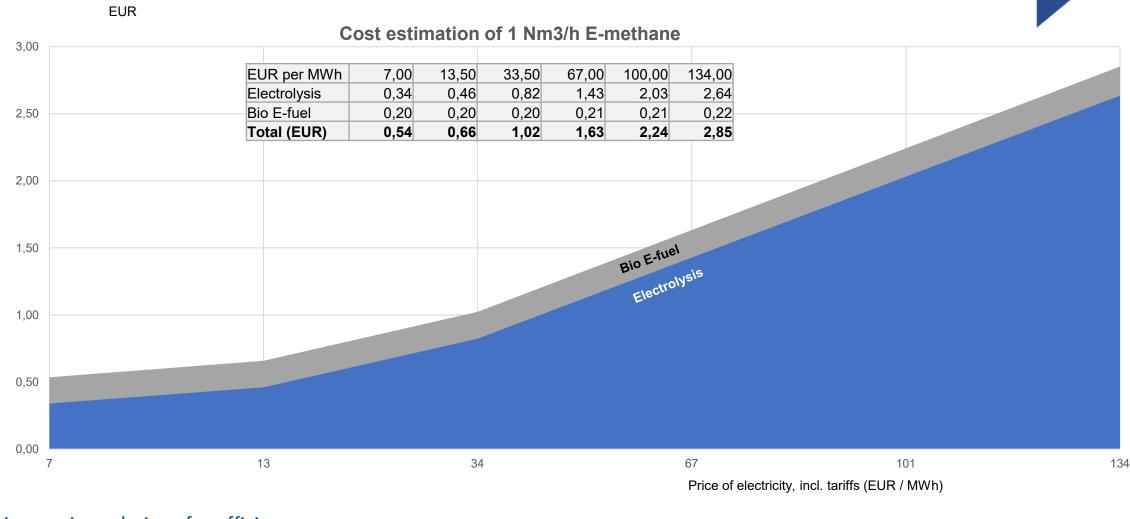
#### Assumptions

- Efficiency of electrolysis (73%) = 54 kWh pr. Kg H2
- Depreciation of <u>10 years (Electrolysis and bio methanation)</u>
- Yearly uptime = 75 %
- $\circ$  Average price of electricity = 0.3 DKK pr. kWh = 40.3 EUR pr. MWh

Total production price (CAPEX, OPEX and Depreciation) per Nm3 E-methane = 1.15 EUR



## **Cost estimation electrolysis and Bio E-Fuel (EUR)**



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## Offtake price and economy for e-methane June 2024

- Initial estimated offtake price for e-methane certificates: 150 EUR/MWh
- Costs associated with trading of certificates and other associated costs still not determined
- This e-methane does not yet comply with RFNBO, yet. But is expected to be compliant soon.
  The CO2 is **biogenic**.

The energy used for hydrogen production is **renewable** (GOO).

• Requirements for e-methane certification according to **RFNBO** are still not completely clear.

We expect the e-methane easily to qualify for RFNBO.

Qualification is expected to trigger higher e-methane certificate prices.



### Offtake and projected economy for e-methane

• Expected long-term projection of electricity price (excluding the 10-20% most expensive periods):

Price per kWh: **0.3 DKK** 

Equivalent to 300 DKK per MWh or 40 EUR per MWh

Implications for e-methane pricing:

40 EUR per MWh translates to an e-methane price of approximately 1.15 EUR per m<sup>3</sup>

1 MWh requires approximately 100 Nm<sup>3</sup> of methane, resulting in a cost of 115 EUR per MWh

• Comparison:

Current estimated price: 150 EUR/MWh + price of methane (and without trading costs)

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#### **Uncertainty for e-Methane projects**

#### • Technological Uncertainty:

Emerging technologies yet to reach full commercial maturity? – We have proved the technologies on several setups and the technologies are ready

Challenges in scaling up production efficiently – Glansager has proved the scalability of biological methanation

#### • Pricing Uncertainty:

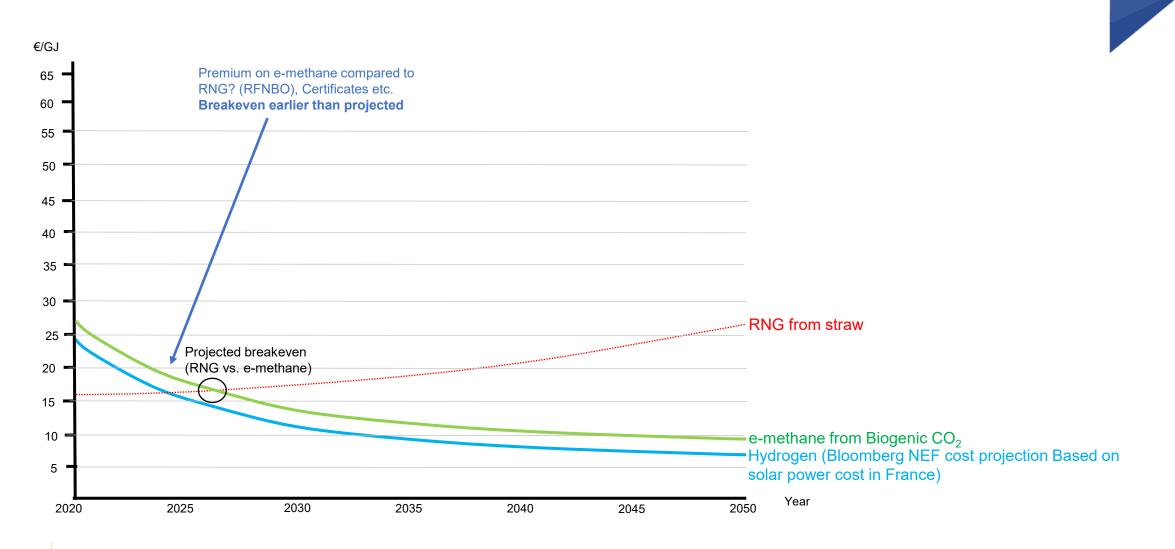
Lack of established pricing frameworks and benchmarks – Yet the first valuation at 150 EUR/MWh is very positive for the case

#### • Future Market Dynamics:

Uncertain regulatory landscape affecting long-term investment decisions Potential competition with other uses for biogenic CO2 or H2

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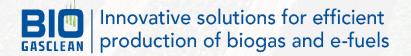
## Expected cost break-even between bio-methane and emethane



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#### **Biogasclean methanation key takeaways**

- Bio E-Fuel can be applied everywhere where you have a CO<sub>2</sub> source; however, it is a perfect fit for biogas plants as the CO<sub>2</sub> and the infrastructure for methane production are already available.
- Bio E-Fuel increases the output on biogas plants from 55-60% to +97-98% CH<sub>4</sub>; i.e., up to 78% more biomethane produced from the same amount of organic substrate.
- Bio E-Fuel can process the **raw biogas or CO<sub>2</sub>** flow without any prior removal sulfur or other impurities.
- **Operation at low pressure** (<200 mBar) and **low temperature** (<60°C) gives low OPEX.
- There is a **huge potential** of e-methane production
- Currently we are already seeing viability in e-methane production and promising business cases
- We need more investments in the e-methane market



## Thank you

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