

# RWE and Dragon LNG'S innovative project receives support from UK Research and Innovation

Pembroke, 30. November 2023

RWE, the largest power generator in Wales, and Dragon LNG, one of the three UK LNG terminals providing energy security into the UK, have formed a partnership to explore the potential construction of a Multi-Utility Service Transit (MUST) infrastructure project connecting industry across the Milford Haven Waterway.

Depending on the outcome of a feasibility study, currently underway, the opportunities that the MUST project could potentially provide are:

- Full elimination of CO<sub>2</sub> emissions from Dragon LNG's regasification process by utilising the residual process heat from the generators at RWE's Pembroke Power Station
- Establishing an export route for CO<sub>2</sub> from a potential carbon capture plant being developed at Pembroke Power Station
- Enabling the development of a CO<sub>2</sub> liquefaction, storage and shipping capability at Dragon LNG
- Establishing an additional export route for blue and green hydrogen (H<sub>2</sub>) from the south to the north side of the Milford Haven waterway with potential hydrogen from RWE's Pembroke Green Hydrogen projects
- Create an opportunity for other industries to access a key piece of infrastructure across the Milford Haven to enable broader industrial decarbonisation. This could include supply water, direct wire connection (potentially from offshore renewables) and other utilities or products

As a collaborative, flagship component of the South Wales Industrial Cluster (SWIC) Deployment Project, the MUST project represents a step change in net zero infrastructure. The project is supported by an award from UK Research and Innovation (UKRI's) Industrial Decarbonisation Challenge programme, which will provide key support in the engineering and design phases of the project.

**Dr Bryony Livesey – Industrial Strategy Challenge Fund (ISCF) Director – Industrial Decarbonisation** stated: "Developing cost-effective decarbonisation routes for the UK's major industrial regions is a crucial element of reaching net zero emissions by 2050. The MUST project will make an important contribution to the development of the South Wales Industrial Cluster, and we look forward to supporting the project to deliver its objectives."

**Sarah Jennings – Executive Director at Natural Resources Wales** stated: "Natural Resources Wales welcomes the opportunity to support the development of the Multi-Utility Service Transit (MUST) project through the feasibility study stage. Our priority will be finding solutions that enable decarbonisation ambitions while ensuring the sensitivity of the Pembrokeshire Marine SAC and Milford Haven Waterway SSSI is fully understood and safeguarded as the proposals take shape. Through open collaboration, we hope to see innovative nature-positive solutions that carefully balance decarbonisation opportunities with the conservation of these special natural assets and the interests of local communities."

**Simon Ames, MD Dragon LNG and Dragon Energy** commented: “Dragon has an exciting and incredibly important future ahead as we decarbonise our existing site through the growth of renewables to protect the lives and jobs in our communities, playing a key part in a just energy transition. We need help from government and regulators to ensure it can happen in a sustainable way providing essential infrastructure whilst protecting the environment and the grant from UKRI was incredibly timely and together with support from NRW to participate in the feasibility studies.”

**Richard Little, RWE Director of PNZC,** commented: “We are delighted that the MUST project has received funding. It is a key enabler of RWE’s Pembroke Net Zero Centre (PNZC), a major multi-technology decarbonisation initiative in South Wales, which supports the broader decarbonisation of the region’s industry as part of the South Wales Industrial Cluster. Using RWE’s decades of experience and expertise in power production, the PNZC will bring together three key pillars of energy infrastructure - the decarbonisation of the gas-fired Pembroke Power Station; the production of green hydrogen on site, and the development of floating offshore wind in the Celtic Sea.”

**For further enquiries:**

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| Kelly Nye  | Karen Wood   |
| Media Relations  | External Relations and Social Performance Manager                      |
| RWE Generation   | Dragon LNG   |
| T +44 7795354552   | 07979 140017   |
| E <a href="mailto:kelly.nye@rwe.com">kelly.nye@rwe.com</a> | <a href="mailto:karen.wood@dragonlng.com">karen.wood@dragonlng.com</a> |

#### **RWE**

*RWE is leading the way to a green energy world. With an extensive investment and growth strategy, the company will expand its powerful, green generation capacity to 50 gigawatts internationally by 2030. RWE is investing more than €50 billion gross for this purpose in this decade. The portfolio is based on offshore and onshore wind, solar, hydrogen, batteries, biomass and gas.*

*RWE Supply & Trading provides tailored energy solutions for large customers. RWE has locations in the attractive markets of Europe, North America and the Asia-Pacific region. The company is responsibly phasing out nuclear energy and coal. Government-mandated phaseout roadmaps have been defined for both of these energy sources. RWE employs around 19,000 people worldwide and has a clear target: to get to net zero by 2040. On its way there, the company has set itself ambitious targets for all activities that cause greenhouse gas emissions. The Science Based Targets initiative has confirmed that these emission reduction targets are in line with the Paris Agreement. Very much in the spirit of the company’s purpose: Our energy for a sustainable life.*

#### **Dragon LNG and Dragon Energy**

*Dragon is a joint venture partnership between Shell UK Ltd (50%) and Ancala LNG Ltd (50%). The Dragon LNG terminal in Waterston, Pembrokeshire is one of three LNG terminals in the UK. The two LNG sites on the Milford Haven were responsible for 25% of the UK gas supply in 2022. We regasify LNG into the national grid on a continuous or intermittent basis and have the capability to manage on a zero send-out basis. Dragon LNG’s ambition is to become a -net zero terminal by 2029 and Dragon Energy is developing a renewables park in the south side of the site with a solar park complete and a wind turbine development at application stage. With a strong commitment to make a positive difference to their Community, Dragon supports numerous projects and ensures consistent close communication with all its stakeholders.*

