

A long-exposure photograph of a city street at night, showing vibrant light trails from cars in shades of yellow, orange, and red. The background features a modern building with blue lights and a street lamp with a bright starburst effect.

St1

**Workshop**  
**BIL Sweden – SPBI**  
**2017-02-09**



# St1 map

## ST1

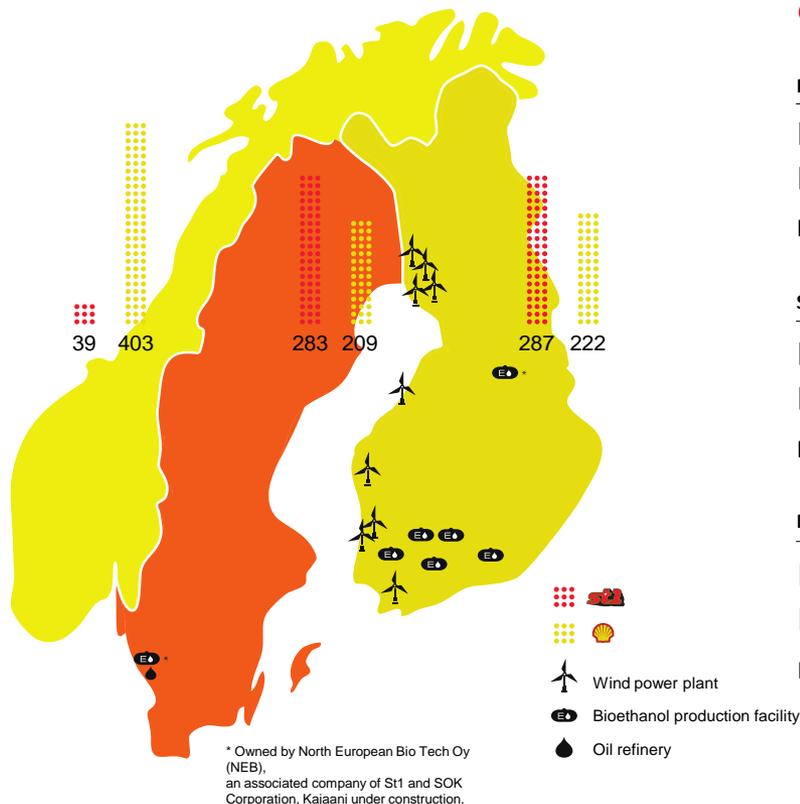
Operates in Finland, Sweden and Norway. Company's headquarters in Helsinki.

## STATION NETWORK

Total of ca. 1450 St1- and Shell-sites in Finland, Sweden and in Norway.

## ENERGY PRODUCTION

Ethanol plants producing waste-based advanced ethanol. Industrial wind power plants. Geothermal pilot heat plant under construction. Oil refinery in Sweden.



## MARKET SHARES

### FINLAND

Petrol	22.0%
Diesel	19.1%
Light fuel oil	22.2%

### SWEDEN

Petrol	21.7%
Diesel	15.5%
Light fuel oil	29.8%

### NORWAY

Petrol	28.9%
Diesel	24.4%
Light fuel oil	14.7%

## KEY FIGURES 2015

### ST1 NORDIC Net Sales, MEUR

**3,602.4**

### ST1 GROUP Net Sales, MEUR

**2,245.2**

# St1 Nordic Energy Outlook

2017-02-07



# Blending mandates trigger domestic investments



	Finnish System	Swedish System	Norwegian system
Pros	<ul style="list-style-type: none"> <li>+ Investment security through clear mandate structure and long term view</li> <li>+ Supports increasing low carbon fuel alternatives in fuel blending</li> </ul>	<ul style="list-style-type: none"> <li>+ Ensures a lot of biofuels volume into the system</li> <li>+ Market can pay a lot for existing fuels</li> </ul>	<ul style="list-style-type: none"> <li>+ Guaranteed volume of biofuels</li> <li>+ Supports going higher blends than mandated volume</li> </ul>
Cons	<ul style="list-style-type: none"> <li>- Not all transport energies are included in the system e.g. Gaseous fuels</li> </ul>	<ul style="list-style-type: none"> <li>- Not predictable</li> <li>- No Investment security due lack of long term vision</li> <li>- Cost for society</li> </ul>	<ul style="list-style-type: none"> <li>- Not predictable, subject to change 2017</li> <li>- Cost for society</li> </ul>

and balanced tax structure incentivizes the market uptake

# Common Nordic approach would speed up the overall decarbonization effort



Long-term view for decarbonization in the policies is imperative – preferably at the Nordic level

- New investments in sustainable, domestic and competitive production capacity are needed. Just shifting existing production volumes to the highest paying market(s) is both short-sighted and counter productive
- Investments need a 10–15 years market view for them to be made
- Combined Nordic market is big enough to make significant investments for renewable energy (e.g. advanced ethanol and other large biorefineries, such as BtL plants)
- To enable a liquid market for advanced biofuels there is a need for synchronizing cross-border ticket/certificate systems
- Harmonizing the Nordic transport system would enable internal market and investments

A renewable energy mandate of 10-20% in 2020, to be increased to 25–40% in 2030 (country levels may be different)

- Maximum 7% cap for 1G biofuels. One pool for all fuels
- Increase mandate by 1–3% per year
- Local E20 standard to be implemented earliest possible and E30 by 2030

**RIGHT SET OF POLICIES TRIGGERS INVESTMENTS IN LOCAL PRODUCTION OF ADVANCED BIOFUELS**