

**PRESS RELEASE**

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**Pumped Hydro Storage to implement demonstration plant in Callio Pyhäjärvi**

Stockholm/ Pyhäjärvi – Pumped Hydro Storage Sweden AB and Callio Pyhäjärvi has agreed on the implementation of a pumped hydro storage demonstration plant to be constructed in the Pyhäsalmi mine. The purpose of the project is to create and pilot a design which could be used for the development of a full-scale 50+ MW plant. Project planning has already begun, which includes technical design, scheduling and financial planning – pre-feasibility studies and calculations has been done at an earlier stage. Pumped Hydro Storage Sweden AB is responsible for developing, funding, constructing and of the operation of the demonstration plant. When the demonstration plant is constructed and piloted, decisions will be made regarding a full-scale pumped hydro plant.

*“We are moving in the right direction – things are starting to get realized at a concrete level. With pumped hydro storage, Pyhäjärvi will be a frontrunner in the energy transition which is attractive for other players as well. In Pumped Hydro Storage Sweden we have found a partner that fits our needs perfectly”,* says Henrik Kiviniemi, town manager at the town of Pyhäjärvi.

Sakari Nokela is the program director at Callio, a company responsible for building a new business ecosystem around the mine after the mining ceases. He is positive about the partnership:

*“We will do this in two steps. In a first phase our partner Pumped Hydro Storage Sweden will implement a demonstration plant. When it’s optimized and in operation, we will be able to scale it up to a full size pumped hydro storage plant with a capacity of up to 75 MW. We have an established roadmap for this.”*

Otto Werneskog is the Founder of Pumped Hydro Storage Sweden AB. He sees a big potential in the energy storage market:

*“The timing is perfect – the storage market is expected to have an exponential growth in the next years to come. Investments are expected to increase to 620 BUSD before 2040. Pumped hydro storage provides a solution with mature technology, great balancing capacity and with a long lifecycle. It is also cost-efficient and reliable”.*

*“With the energy transition our energy system gets more production that changes with the weather, and therefore it becomes important to find ways to store energy and to change the consumption according to production. The Pyhäjärvi energy storage project is very welcome, and definitely a good example of how things are developing.”* says Anni Mikkonen, CEO at the Finnish Wind Power Association.

More renewable energy production is essential to make the energy transition happen, and with more wind- and solar energy, the grid volatility increases. Balancing solutions becomes increasingly important in order to be able to match power supply with demand.

For further information, please contact:

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