

# Vanadium Redox Flow Battery Technology FOR POLICY DIALOGUE ON ENERGY STORAGE

15 March, 2016

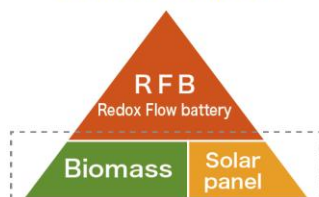
# LE SYSTEM

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## Company Profile

[Company Name]	LE SYSTEM CO., Ltd.
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[HP]	<a href="http://www.lesys.jp">http://www.lesys.jp</a>
[Established]	January, 2011.
[Stated Capital]	355,041,000yen ( including capital reserve 121,270,50yen )
[Principal Shareholders]	Energy & Environment Investment Inc., LIGITEK ELECTRONICS CO., LTD., Mitsubishi UFJ Capital Co., Ltd., Japan Investment Adviser Co., Ltd.(JIA) , IP Alliance Co., Ltd., Nishimatsu Construction Co., Ltd., etc.
[Corporate Employees]	Board Members: 7 Employees: 13 Engineering Advisors: 4

## Business Concept



**Biomass & Solar Panel support  
the RFB business.**

### RFB

RFB is safe, long-life, can be increased in size and requires little maintenance costs. VRFB may be used for various purposes: output variation relaxation, alignment of power usage disparities between day and night, back-up power sources, smart grid. The features of electrolyte of redox flow battery is almost no deterioration, enhanced life and stability, long term for using.



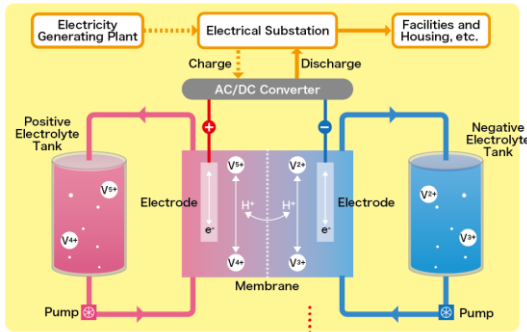
### Biomass

Biomass: LE system is primary consulting biomass project. We have been excellent experience and Knowledge in planning a methane fermentation plant.

### Solar panel

Solar panel: LE system affiliated with Ligitek Group which is registered on the Taiwan stock exchange. We sale the solar panel which made by Ligitek. The features of the solar panel is high quality and durability.

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Redox Flow Battery Structure

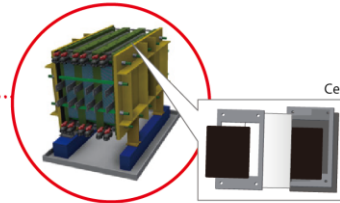
Basic principle of RF Battery (Redox Flow Battery) is by perform the charging and discharging by circulating the liquid which cause the electron transfer in the potential difference between positive and negative electrodes.

For other batteries, they are structured to charge and discharge for the chemical change by the electrodes. Whereas, this RF Battery perform charging and discharging for chemical change by the electrolyte which is called the oxidation-reduction process, which result the possibility to maintain the long period electrolyte.

By this principle, SAFE, LONG LIFE, and LOW MAINTANANCE COST are the features of this battery.

The actual device greatly composed by four parts.

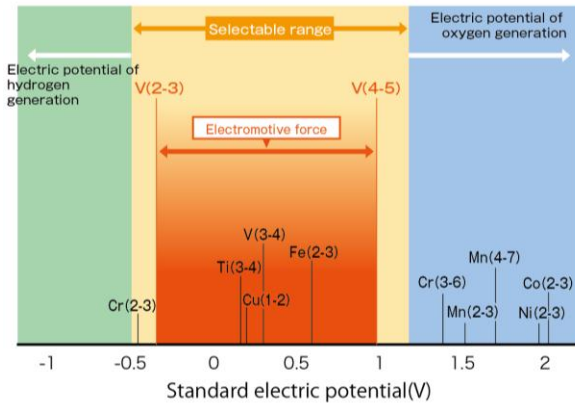
- **Control**  
Electric control (including inverter, etc.)
- **Cell**  
Role to control the input and output (charge and discharge)
- **Electrolyte**  
Each positive electrode liquid, negative electrode liquid is in the tank of the positive electrode, negative electrode and has a role to accumulate electricity. (If liquids increase, quantity of accumulation of electricity increases)
- **Pump**  
Pump necessary to pour an electrolyte into a cell



The size of cell and electrolyte tank can be changed depending on the needs.

RFB mechanism

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Vanadium ore



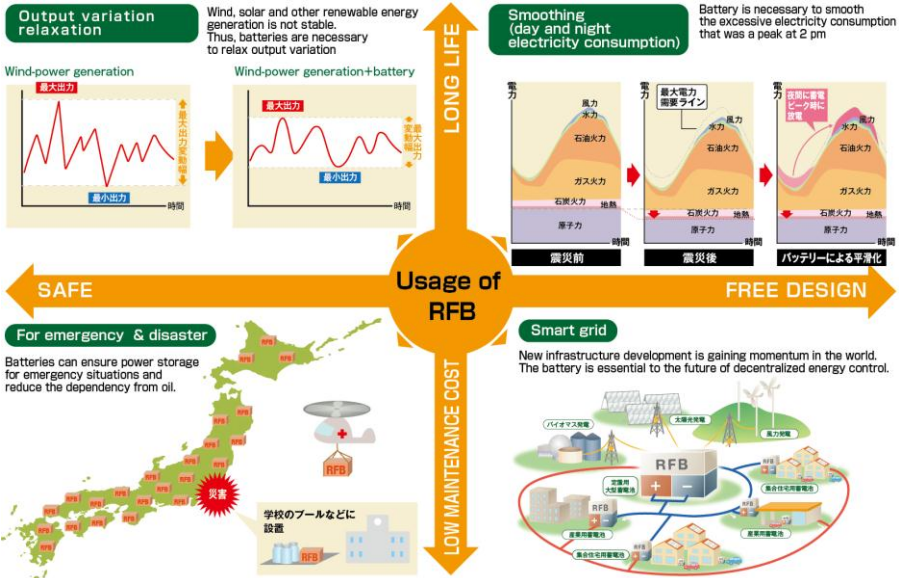
Vanadium is an element of atomic number 23. The symbol of an element is V. Vanadium is one of the group elements.

"Redox Flow Battery" is one type of rechargeable battery which occurs by the vanadium valence change in the electrolyte containing vanadium sulfate (III) and oxide vanadium sulfate (IV) during charge and discharge.

Redox Flow Battery using vanadium is expected to become large batteries for power storage then Sodium-Sulfur Battery (NaS Battery).

Characteristic of V (vanadium)

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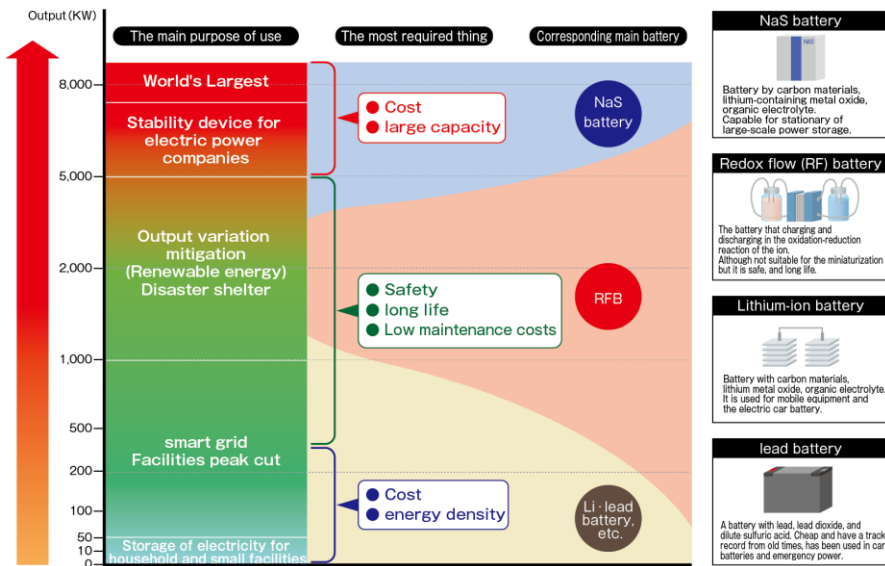


Usage of RFB

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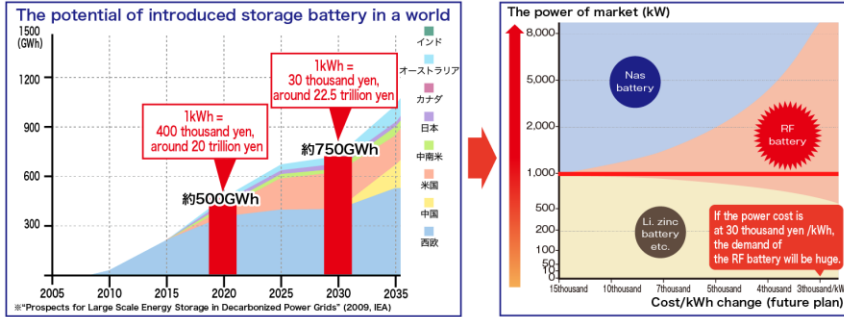


Battery market

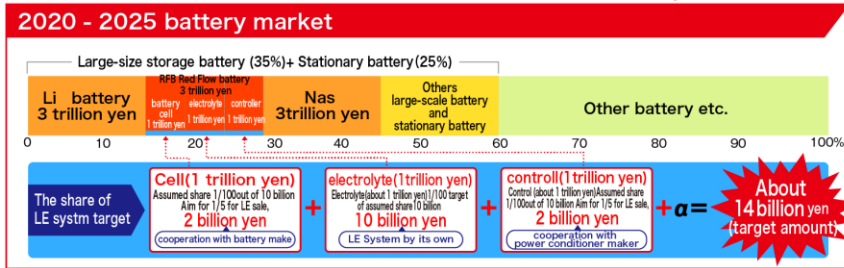
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market



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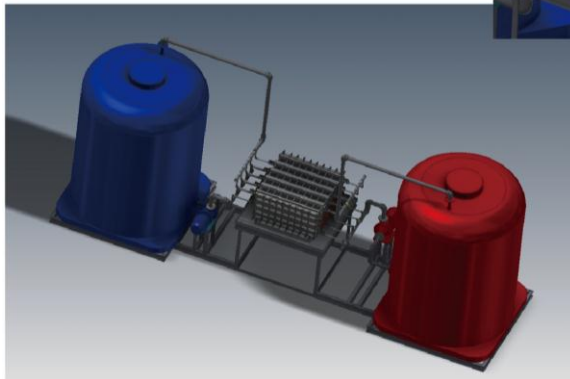
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RFB upsizing

RFB Structure

Three-dimensional graphics image  
Redox flow battery 25kW



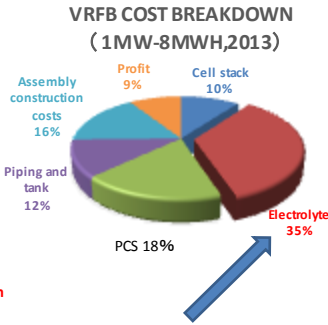
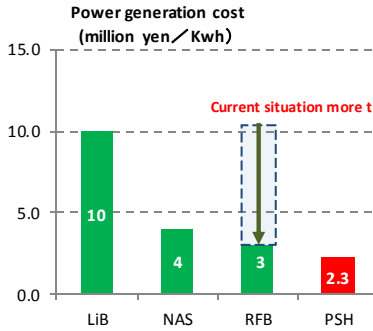
The output and amount storage can be freely adjusted by adjusting the number of cells and amount of the electrolyte.

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The vanadium redox flow battery (VRFB) has high generation cost compared to the other batteries



Vanadium electrolyte cost 35% of whole battery cost, it is important to make it cheaper.  
 ( Current situation 400,000 yen / m<sup>3</sup> →target 200,000 yen / m<sup>3</sup> )  
 →Aiming into 30,000 yen/kWh by combining it with mass production of a high output cell and an electric equipment

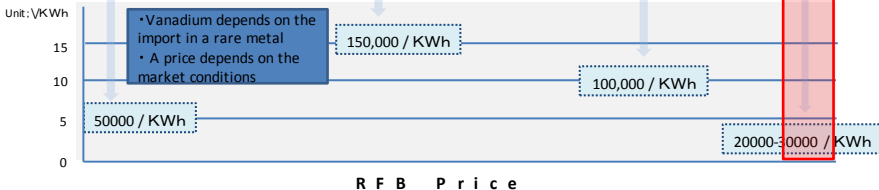
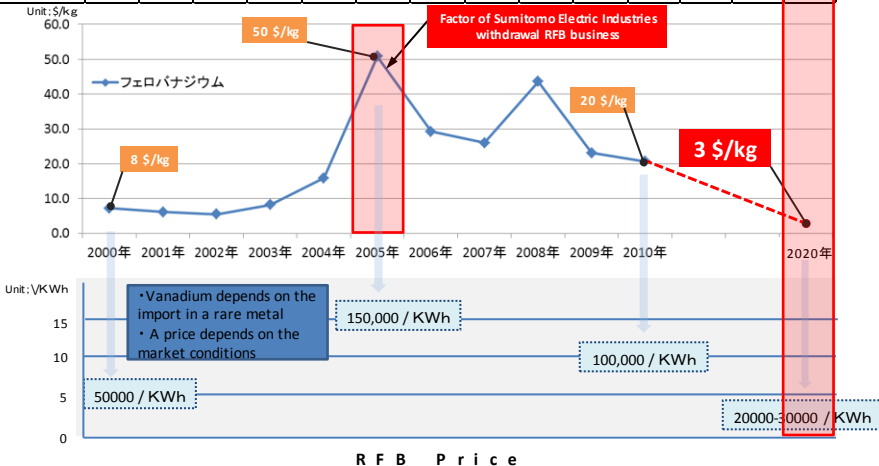
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Cost of vanadium RFB

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Vanadium import price

	2000年	2001年	2002年	2003年	2004年	2005年	2006年	2007年	2008年	2009年	2010年	...	...	2020年
Ferrovandium	7.2	6.1	5.5	8.2	15.9	50.8	29.2	26.0	43.6	23.1	20.7			3.0



※ exchange : ¥100.0=1\$

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V (Fev) Market price trend

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■ Petroleum coke

PC (petroleum coke) is a by-product produced in petroleum refining (FIG. 1). PC is a residue of the process where primary fuels such as gasoline or heavy oil are purified, vacuum distillation residual oil is subjected to coking unit and then kerosene and diesel oil is extracted from gas. The improvement of purification in recent years techniques will facilitate the production of PC.

Table 1 shows a comparison of bituminous coal and VR. PC has a heating value of ca. 1.24 times that of bituminous coal. In estimating the amount of heat generated, for the same amount of power generation, PC requires only 80% of bituminous coal (1/1.24). It also contains more heavy metals than general fuel and there are less volatile materials during the combustion in the boiler. In general, fuel costs are lower than bituminous coal. Thus, even with regard to power generation costs, PC is quite competitive with the bituminous coal powered plant.

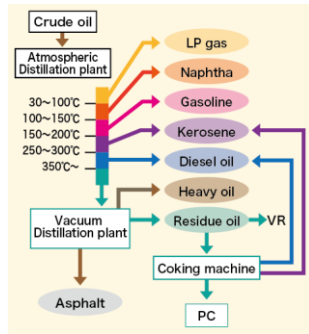


Fig.1 PC Production Process

Table 1. General Characteristics Comparison between the PC and other fuels

	PC	Bituminous coal	VR
Higher calorific value (air-dried) (kJ/kg)	34893	28180	41850
Volatile content (air-dried) (wt%)	9.9~13	26.2	—
Fixed carbon (air-dried) (wt%)	87~90	56.3	20~30
Sulfur content (anhydrous ashless) (wt%)	<6.5	0.40	4.0~6.0
Vanadium (ppm)	<1500	—	<300

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■ Kashima-Kita Power Plant

12 companies that operate the plant such as Mitsubishi Chemical, Kashima Oil and Kashima Electrolytic at Kashima coastal industrial zone were invested and established the Kashima-Kita Electric Power Cooperation (KEPC) which is managing the power plant and supplying the power and steam to the each company.

Besides Kashima south co-generation Kashima south joint power plant, there are Tokyo Electric Power Kashima thermal power plant, Kashima co-fired Kashima joint power plant and Nippon Steel Sumitomo Metals Kashima thermal power plant in the vicinity.

These plant are utilized inexpensive heavy oil matter (such as Orinoco Tar and Petroleum Coke). Although it have many impurity materials, they have been completed the acceptance system and the recycling technology of impurities.



Power generation facilities  
Total output: 605,000 kW

Unit 1 rated output: 95,000 kW Fuel: petroleum coke

Unit 2 rated output: 125,000 kW Fuel: heavy oil

Unit 3 rated output: 165,000 kW Fuel: heavy oil

Unit 4 rated output: 150,000 kW Fuel: petroleum coke

Unit 5 rated output: 70,000 kW Fuel: petroleum coke

燃料から生成した酸化物を除去する  
Process by which Fuel gas and Sulfur are Produced from Fuel

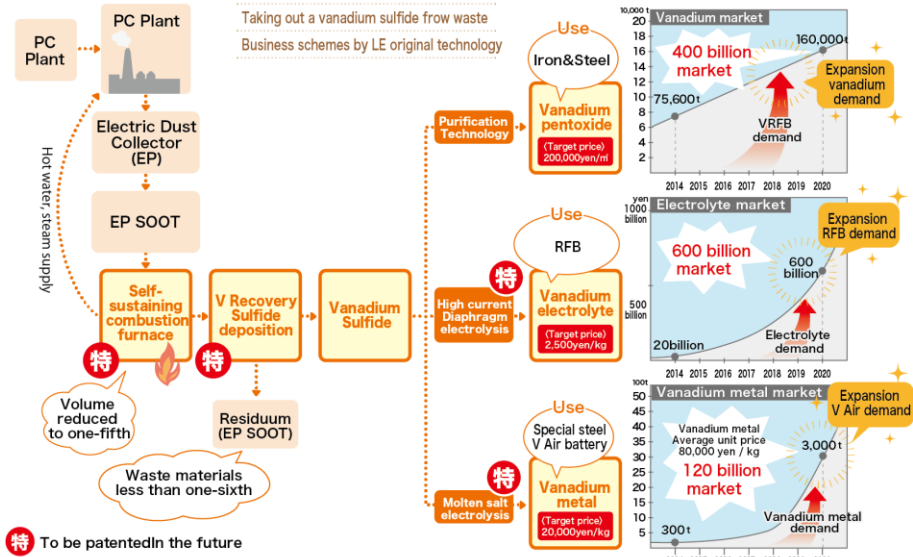
燃料 Fuel	反応 Reaction	反応式 Reaction in the Boiler and Fuel gas duct	生成物 Reaction Products
カーボン C	+	O <sub>2</sub>	→ CO <sub>2</sub> , C
水素 H	+	O <sub>2</sub>	→ H <sub>2</sub> O
硫黄 S	+	O <sub>2</sub>	→ SO <sub>2</sub> , SO <sub>3</sub> + H <sub>2</sub> O (NH <sub>3</sub> はSO <sub>4</sub> )
バナジウム V ニッケル Ni モリブデン Mo	+	O <sub>2</sub>	→ それぞれの酸化物と硫酸塩 respective oxides and sulfates

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### Vanadium Recovery Scheme



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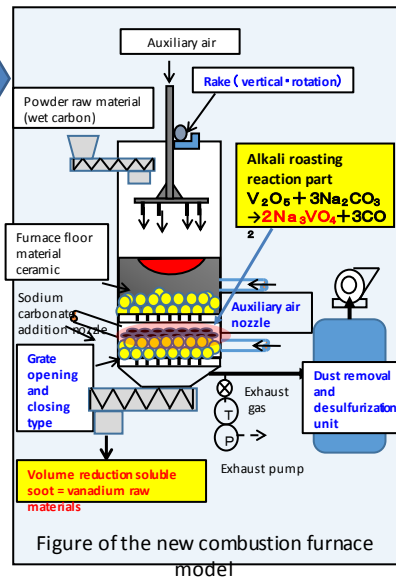
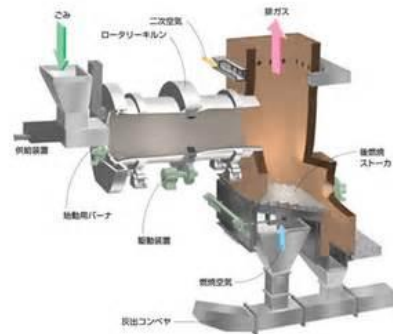
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Overall development scheme

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- Compared to the rotary kiln, energy-saving and low-cost
- Simple, compact and low-cost structure
- low-temperature combustion and auxiliary fuel unnecessary
- Exhaust gas treatment is easy
- Easy to control the reaction of alkali roasting

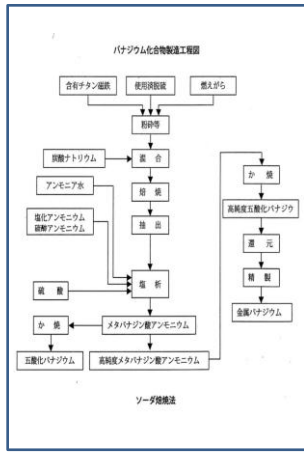
The conventional model (rotary kiln)



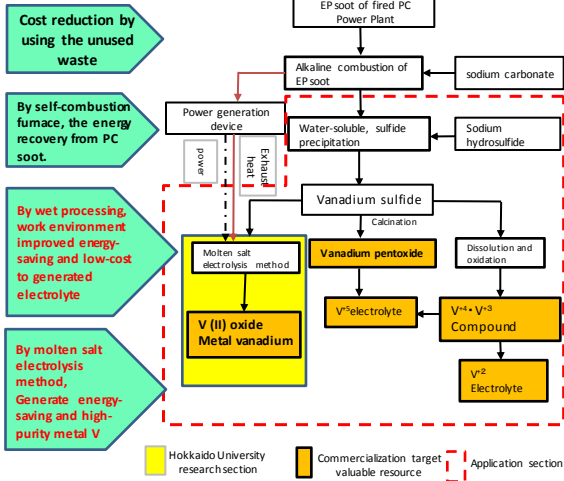
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Self-sustaining Combustion Furnace for Vanadium Recovery

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Conventional vanadium recovery method



**V Recovery System**

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The comparison of conventional method for vanadium recovery

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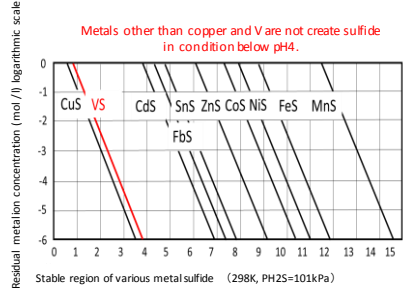
**Alkali roasting of EP soot**  
 - volume reduction of unburned carbon  
 - Solubilization of vanadium (V)

**Water dissolved and sulfide precipitation**  
 • Dissolve the V salt in water.  
 • Separation removal of such as Ni, Fe, Cu that not made the Na salt.  
 • Highly purified and solidified precipitation of sulfides under acidic conditions  
 • Soluble Mg, Na, the Ca are eliminated.

**V electrolytic solution produced from the vanadium sulfide**  
 • In an aqueous solution of VS precipitation, oxide dissolved  
 • Thiosulfate, oxidized to sulfate ion. Until the final V2O5  
 • V is reduced and become tetravalent electrolytic solution.  
 • Electrolytic reduction to trivalent divalent liquid produced.  
 • Tetravalent electrolyte becomes pentavalent electrolyte.

Table 2. The composition of the PC-fired EP soot (concentration%)

	No washing	After washing with water
Moisture	29.05	25.91
Carbon	70.74	88.94
Ammonium sulfate precipitation	16.11	
Ash	11.53	5.7
V	2.02	0.61
Ni	0.59	0.36
Fe	0.42	0.28
Mg	1.01	0.05
Ca	0.2	0.09
Na	0.21	0.08
Lower calorific value kcal / kg	3300	3700



The principle of selective highly purified and solidified precipitation of VS

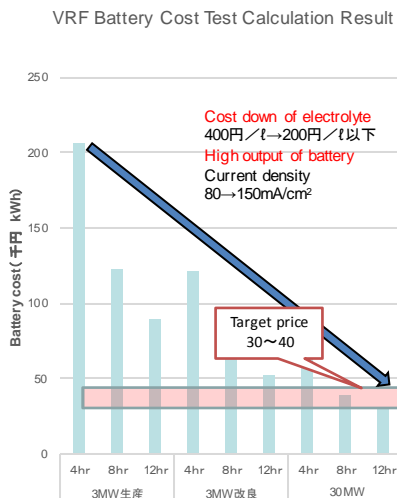
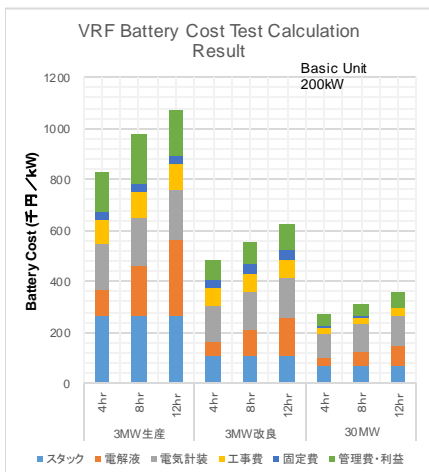
The Technology of Sulfide Combination

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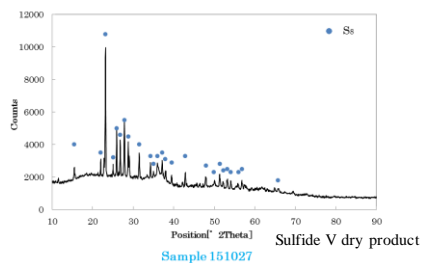


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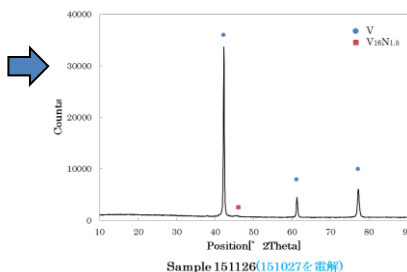
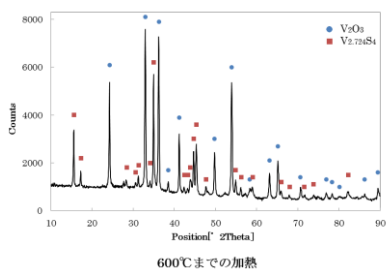
The Vanadium Battery Prospects

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R&D Results



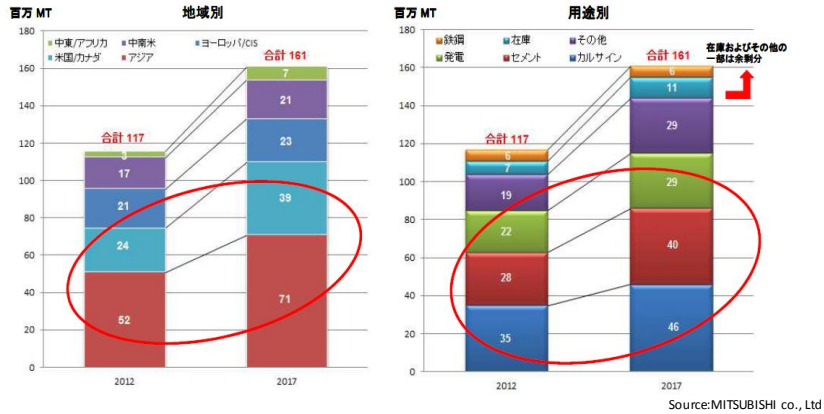
Result analysis is V sulfide and sulfide of trivalent and tetravalent



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The Purity of Metallic Vanadium

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Production and supply is extended (preceding). On the other hand the growth of consumption and demand is limited (trailing)  
 Consumption and a lot of demand in Asia and North America, viewed as a raw material use (calcine), fuel use (cement and power generation)

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The Trend of Petroleum Coke

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Vanadium RFB maker in the world

<p><b>1 Japan</b></p> <p>Sumitomo Electric Industries, Ltd  <a href="http://www.sei.co.jp">http://www.sei.co.jp</a></p>	<p><b>2 China</b></p> <p>Prudent Energy  <a href="http://www.pdenergy.com">http://www.pdenergy.com</a></p>	<p><b>3 China</b></p> <p>Chengde Wan Litong industrial group  <a href="http://cg.made-in-china.com/showroom/1449346302816646/">http://cg.made-in-china.com/showroom/1449346302816646/</a></p>	<p><b>4 China</b></p> <p>Dalian Institute of Chemical Physics (DICP)  <a href="http://english.dicp.cas.cn">http://english.dicp.cas.cn</a></p>
<p><b>5 Thailand</b></p> <p>Cellennium  <a href="http://vanadiumbattery.com">http://vanadiumbattery.com</a></p>	<p><b>6 Australia</b></p> <p>VFuel Pty  <a href="http://www.vfuel.com.au">http://www.vfuel.com.au</a></p>	<p><b>7 Germany</b></p> <p>Gildemeister  <a href="http://energy.gildemeister.com/en">http://energy.gildemeister.com/en</a></p>	<p><b>8 United Kingdom</b></p> <p>Gigha Wind Farm Battery Project  <a href="http://www.communityenergy.scotland.org.uk">http://www.communityenergy.scotland.org.uk</a></p>
<p><b>9 America</b></p> <p>Uni Energy Technologies  <a href="http://www.uettechnologies.com/">http://www.uettechnologies.com/</a></p>	<p><b>10 America</b></p> <p>Prudent Energy  <a href="http://www.pdenergy.com">http://www.pdenergy.com</a></p>		

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VRFB Maker in the world

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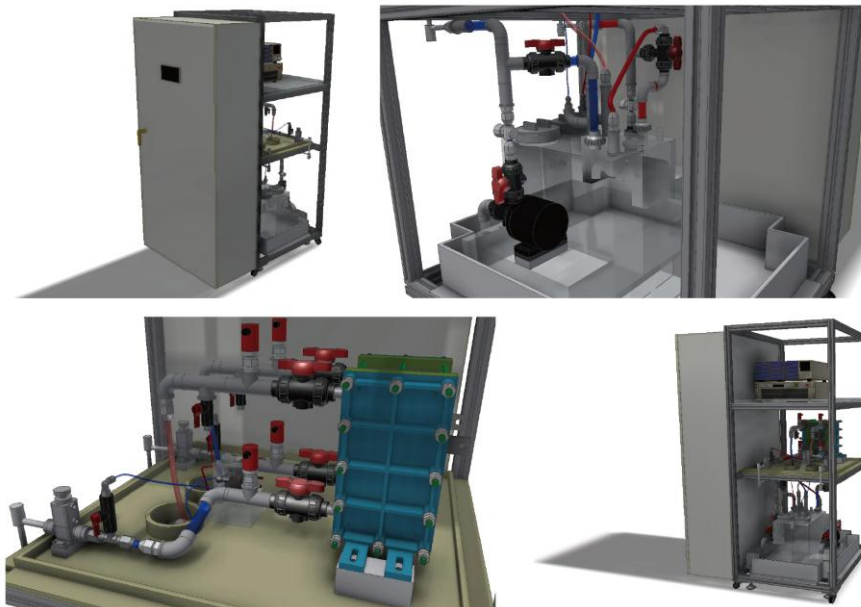


The 12.5kW VRFB In Container

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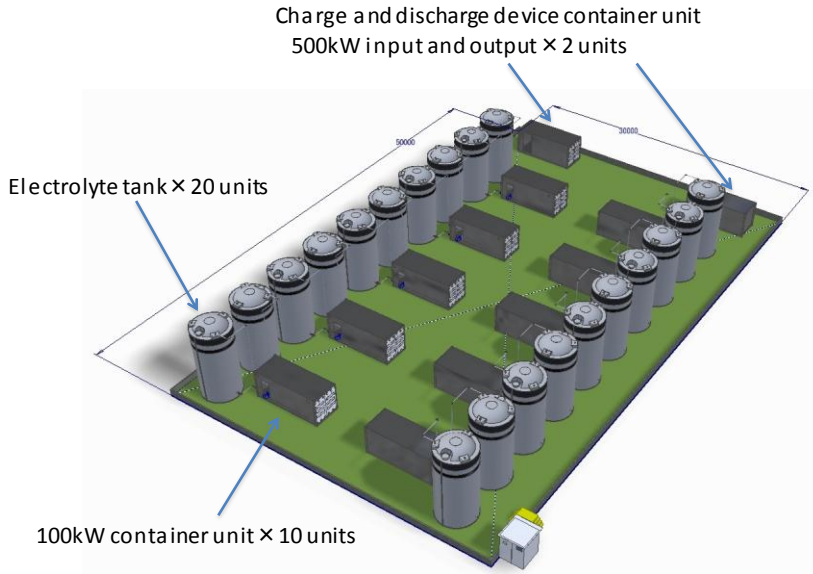


250W VRFB

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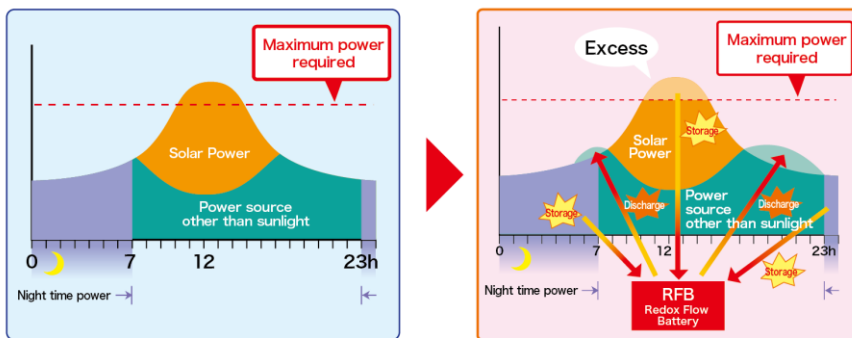
1 MW 5MWh RFB installation image

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### Urban Pumped-storage Power Generation



- Increase in the percentage of renewable energy
- Increase of demand as the base power
- Combine with a storage battery as the power generation amount is unstable
- Peak cut in the storage battery use as urban pumped-storage power generation

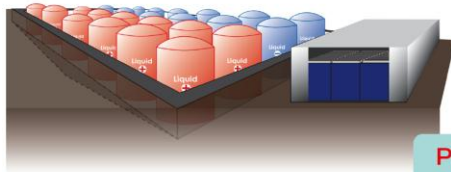
The Utilization Plans of Day and Night Electricity

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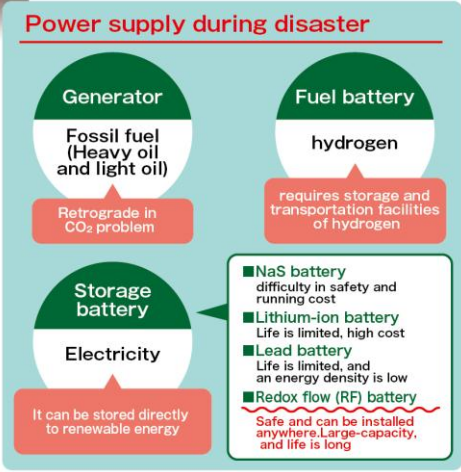
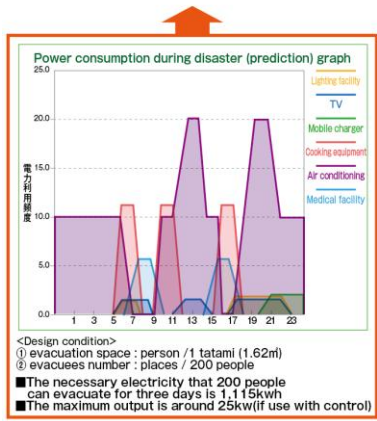
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### Backup during a disaster



RFB is possible to adjust the scale of the quantity of storage electricity as needed.

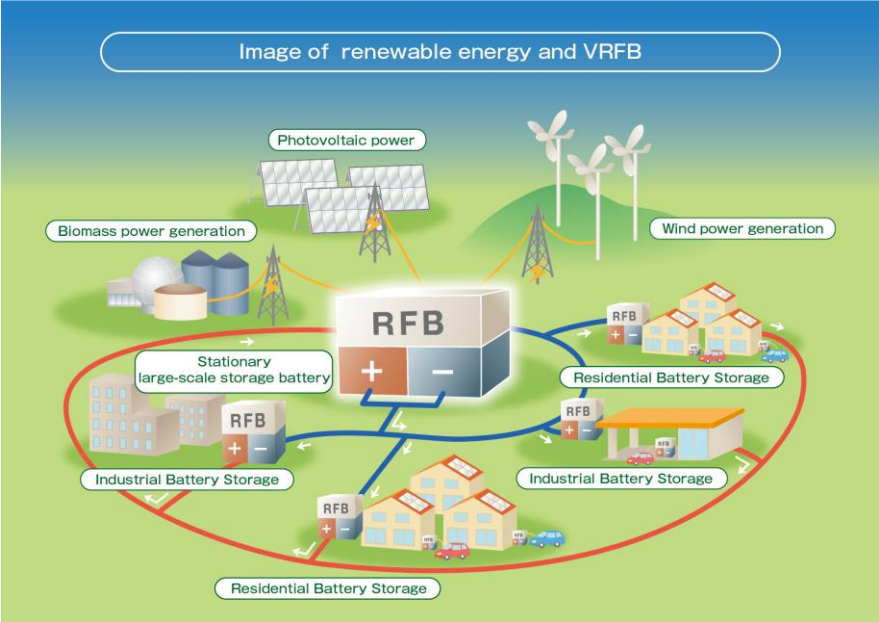


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Power Storage for Emergency

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Image of Renewable Energy and VRFB