

Press release 9 November 2018

ENGIE to mobilize €800 million to develop green gases in the next five years in France

Today, during the inauguration of the Beauce Gâtinais Biogas (BGB) methanization unit in France, in presence of François de Rugy, French Minister of State, Minister of the Ecological and Solidarity Transition, Isabelle Kocher, ENGIE CEO, announced that €800 million would be mobilized in the next five years to develop green gases, a new French sector of excellence that will create value and jobs in France. This plan will support the objective of at least 10% green gas injected into the networks by 2030, as enshrined in the French Energy Transition Law for Green Growth.

ENGIE is positioning itself throughout the entire value chain of the biomethane industry: from project development, in close collaboration with farmers, to the sale to end consumers. By 2030, ENGIE and its partners aim to mobilize a total of €2 billion to produce 5 TWh per year of biomethane by that date.

The Group's objective is to support the sector's industrialization to reduce costs by about 30 to 40% by 2030 and thereby achieve cost parity with natural gas. ENGIE is concentrating on standardizing, massifying and digitizing projects, and will be partnering with suppliers to facilitate their expansion in the market. This industrialization will enable the emergence of nationally-focused SMEs and will help increase the proportion of French technologies in relevant biogas projects.

The Beauce Gâtinais Biogas facility, located in the Centre-Val de Loire region, developed in partnership with members of the agricultural sector, is a perfect example of harmonious progress promoted by ENGIE, focusing on regional development.

This facility will produce 23 GWh of biomethane each year, the equivalent of the hot water and heating consumption of 1,750 households. The materials processed by the biogas plant mainly comprise agricultural by-products of plant origin from the AgroPithiviers cooperative and from local agri-food industries together with horse manure. The plant will also produce 20,000 tons of organic fertilizers which will be provided to members of the AgroPithiviers cooperative.

The construction began in May 2017. The project represents a total investment of €10 million.



During the inauguration, Isabelle Kocher said, "Gas, which will gradually become green, will play a key role in the decarbonation of our country, along with other sources of clean energy generation. Produced on the territory, green gas is easily storable and non-intermittent. As such, it has unique properties that make it the natural partner of electrical renewable energy sources. It will be an important vector of our country's energy transition."

About ENGIE

We are a global energy and services group, focused on three core activities: low-carbon power generation, mainly based on natural gas and renewable energy, global networks and customer solutions. Driven by our ambition to contribute to a harmonious progress, we take up major global challenges such as the fight against global warming, access to energy to all, or mobility, and offer our residential customers, businesses and communities energy production solutions and services that reconcile individual and collective interests.

Our integrated - low-carbon, high-performing and sustainable - offers are based on digital technologies. Beyond energy, they facilitate the development of new uses and promote new ways of living and working. Our ambition is conveyed by each of our 150,000 employees in 70 countries. Together with our customers and partners, they form a community of imaginative builders who invent and build today solutions for tomorrow.

2017 turnover: 65 billion Euros. Listed in Paris and Brussels (ENGI), the Group is represented in the main financial (CAC 40, BEL 20, Euro STOXX 50, STOXX Europe 600, MSCI Europe, Euronext 100, FTSE Eurotop 100, Euro STOXX Utilities, STOXX Europe 600 Utilities) and extra-financial indices (DJSI World, DJSI Europe and Euronext Vigeo Eiris - World 120, Eurozone 120, Europe 120, France 20, CAC 40 Governance).

In France, ENGIE has a diversified power generation portfolio with more than 10,000 MW of installed capacities, 70% of which is renewable energy. ENGIE is the leader in wind power with 1,900 MW of installed capacity, the leader in solar power with nearly 1,200 MWp and is the alternative leader in hydroelectric production with an installed capacity of 3,800 MW (figures at end of July 2018).

About AgroPithiviers

One of the main pillars supporting agricultural activity in the Pithiviers district, the AgroPithiviers agricultural cooperative was established in 1933 and has throughout its history been the effective commercial tool of its member producers, who currently number 380. Collecting almost 200,000 tons of cereals and supported by the know-how of producers and its 50 employees, its day-to-day mission is to reconcile high quality production with the quantities required to supply all market segments. The cooperative supplies the traditional French milling and European malting industries, and the ingredients of many well-known bakery and brewery products include flour or malt from the Beauce Gâtinais region sourced from AgroPithiviers. These products, of which the majority are governed by production charters or specifications, are produced through environment-friendly cultural programs fully committed to sustainable development.

About SICAP

Established in 1920, SICAP (Société d'Intérêt Collectif Agricole pour l'Électricité) is the electricity distribution concession holder supplying 26,000 customers in 95 communes around Pithiviers. In addition to exercising its public service mission, SICAP invests in energy production resources enabling it to benefit from the renewable energy development dynamic and establish its own energy production capacity in the long term, thereby making itself less dependent on market fluctuations. These production resources, acquired with other partners, consist of eight hydraulic plants, four wind farms and a combined cycle gas plant. Based on its experience, SICAP continues to develop projects involving renewable energy (wind, photovoltaic, hydraulic), giving preference to participative funding in accordance with the French Law on the Energy Transition and Green Growth. Its involvement in BGB is in exact alignment with its green energy development strategy.

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