



Press release

January 31, 2018

ENGIE, Storengy and Graziella Green Power together for the first geothermal power plant in Europe using a new and innovative technology “zero-emission”

On January 31, 2018, a Development Agreement has been signed between the Italian energy firm Graziella Green Power and the global energy player ENGIE, through its subsidiaries Storengy and ENGIE Italia, starting a cooperation to realize an innovative binary cycle geothermal plant, located in Castelnuovo Val di Cecina (Tuscany Region, Italy).

The project, whose main works are set to begin in 2019, consists in developing, building and operating a geothermal power plant of 5 MWe net capacity. It will be a zero-emission plant thanks to an innovative solution: after generating electric power, the previously extracted geothermal fluid will be reinjected in the same reservoir together with non-condensable gases (CO₂ and others), sustaining a production cycle without atmospheric emissions. When it will be fully operational, the geothermal plant will reach an energy production estimated at around 40,000 MWh per year (enough to supply electricity to 14,000 families), generating also important economic benefits for the local communities. To ensure a minimal environmental impact on territory and population, the plant layout has been designed to limit its land footprint, with a low visual impact and without evaporative cooling towers.

« Our company was seeking a big statement partner to realize innovative projects linked to geothermal power - explains Iacopo Magrini, Chief Executive Officer of Graziella Green Power, - and ENGIE has shown its intention to extend its commitment in this kind of renewable energy. The work that we have carried out so far, together with ENGIE's and its subsidiary Storengy's competences and knowledge, will allow to reach a new step for the future of the Italian geothermal sector. »

Once the administrative authorizations have been obtained, civil works and drilling activities will begin on site. ENGIE will provide its industrial background for the project management and operation of power plants, and through its subsidiary Storengy, an internationally recognized expertise in subsurface knowledge, for drilling execution and geoscience activities. Graziella Green Power will support the underground exploration and drilling activities and will be an active actor on the territory for the site and project management activities.

“Committed to the energy transition, geothermal energy is a key component of Storengy's strategy. This partnership with Graziella Green Power is a fantastic opportunity for us to be



part of a very innovative project, with our first geothermal plant in Italy.” declared Cécile Prévieu, Chief Executive Officer of Storengy.

"This project is a concrete example of our vision of the 3D world, decarbonized, decentralized, digitalized - said Olivier Jacquier, Chief Executive Officer of ENGIE Italy -. ENGIE wants to be an actor of this vision, through the development of renewable sources and energy efficiency, with the fundamental push of innovation, the main driver of all our solutions. We operate throughout the country, in Tuscany for example with the University of Florence, the Province and the University Hospital of Pisa, to help institutions and communities to manage energy and resources efficiently. The realization of this innovative geothermal power plant, in partnership with Graziella Green Power, allows us to create new jobs, to preserve the environment, to be consistent and determined with regards to our purpose: united for harmonious progress ".

With this project, the Arezzo's company reaffirms its commitment, within Graziella Holding, to develop the production of energy from renewable sources and opts now to invest in the geothermal sources naturally present in Tuscan subsurface. *« Tuscany is one of the most important geothermal pole in the world - Gianni Gori, president of Graziella Green Power, clarifies. - So, our project is oriented to enhance this richness with a compatible plant, without emissions and in harmony with the landscape context, which will open in Italy new frontiers for the geothermal sector, with the ambition to keep realizing in the future, other stations like the one based in Val di Cecina ».*

About Graziella Green Power

Graziella Green Power SpA is today one of the largest producers of photovoltaic electricity in Italy, engaged in the development of plants in the geothermal, bioenergy and wind energy field, with the aim of strengthening its leadership in the production of energy from sources renewable.

About ENGIE

The ENGIE Group is committed to taking on the major challenges of the energy revolution, towards a world more decarbonised, decentralised and digitalised. The Group aims to become the leader of this new energy world by focusing on three key activities for the future: low carbon generation in particular from natural gas and renewable energy, energy infrastructure and efficient solutions adapted to all its customers (individuals, businesses, territories, etc.). ENGIE is active in around 70 countries, employs 150,000 people worldwide and achieved revenues of €66.6 billion in 2016.

ENGIE in Italy offers a full range in the entire energy value chain, from supply to services, with high attention to innovative products and solutions for energy efficiency and integrated management. With over 2,800 employees in more than 50 offices throughout the country, ENGIE in Italy is the leading operator in energy services, the second in the sale of gas (wholesale market) and fifth in electricity production. ENGIE has a presence in all segments, from residential to the tertiary sector, public and private, to small and large industry. In Italy, ENGIE counts 6 wind powers, 5 photovoltaic plants and 3 biomass plants for a total of 175,8 MW. A capacity ENGIE intends to increase through acquisitions and development of new projects.

**About Storengy**

Storengy, a subsidiary of ENGIE, is Europe's leading operator of natural gas storage facilities. With 60 years' experience, it designs, develops and operates all types of storage facilities and provides its customers with innovative products based on its extensive experience in many different markets and their respective environments.

Storengy operates in Europe (France, Germany and the United Kingdom) and has gradually expanded its operations around the world. It owns 21 natural gas storage sites with a total capacity of 12.2 billion m³. As an active player in the energy transition, Storengy offers its technical expertise to numerous partners around the world with a view to developing geothermal projects (heat and power production) and innovative energy storage solutions.

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