

Biomethane Production in Italy



Madrid, June 6, 2019

Steps to decarbonize natural gas industry



- Increase gas penetration to reduce emissions:
 - Switch coal to gas in power generation
 - Gas (natural gas and biomethane) for mobility
- Carbon budget over emission targets
- Cost of co2 reduction

- Innovation in final consumption:
 - Gas Heat Pumps in buildings
 - Micro-CHP
 - Small Scale LNG
- Sustain volumes in the energy transition

- Explore the opportunities to decarbonize gas production:
 - Biomethane
 - Hydrogen
 - Power to gas

Growing awareness of the long-term role of gas



Investments to green our grid

- Energy efficiency : 360 mln euro in 5 years plan
- Reduction of methane leakage



Investments in new business lines which are part of the energy transition

- CNG
- SSLNG
- Biomethane
- Energy efficiency



R&D, thought-leadership to facilitate the energy transition across industries

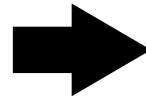
- Gas heat pumps/MicroCHP
- Hydrogen
- Advocacy studies
- Methane leakage principles signatory

Snam-TEC: €850m of investments in tomorrow's energy company



From a company based on...

- Fossil fuels
- Physical pipelines
- Underground



...to a company which is:

- Leader in **renewable energy**
- High technological content
- **Interconnected with the broader society**

SNAM TEC – Tomorrow's Energy Company

Biomethane and green gas



- €100m of investment in biomethane
- Studies on hydrogen, power to gas

Green mobility



- €100m of investment in CNG, SSLNG
- Cooperation with car companies, fuel companies

Energy efficiency



- Methane Leakage
- Energy efficiency for third parties and Snam assets
- Equipment substitution

Technology



- Smart Gas
- Dafne forecasting
- Testing satellites and drones to monitor assets

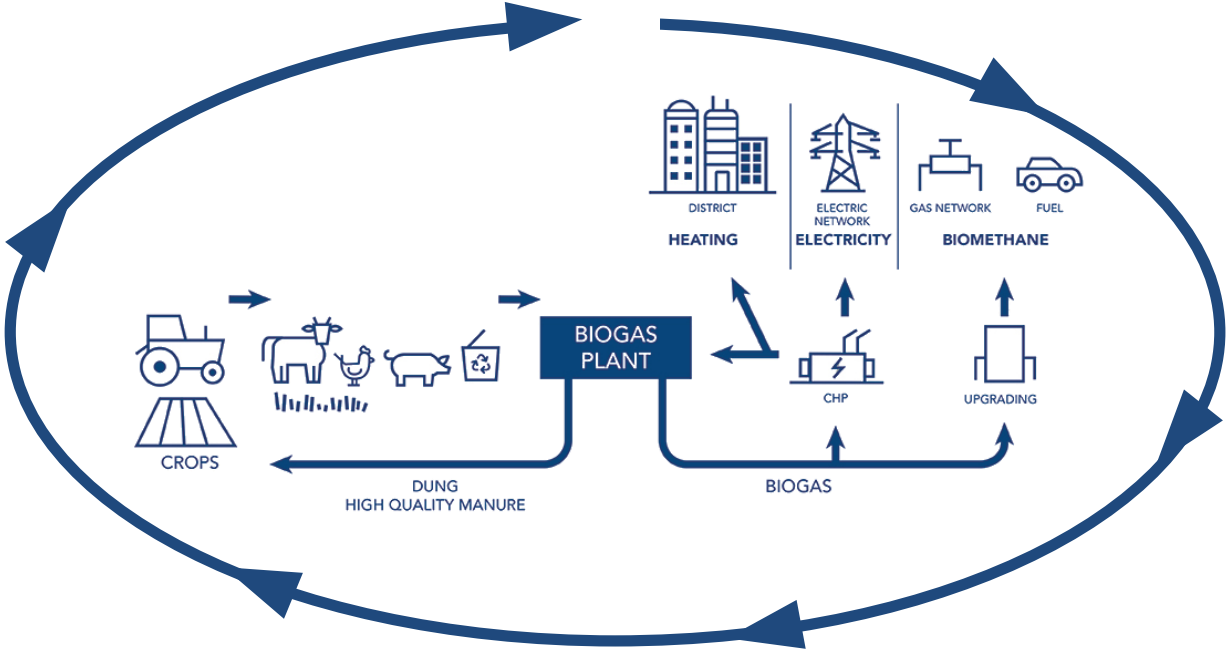
Why Biomethane (Green Gas)?



Biomethane is a 100% renewable energy source produced by the natural breakdown of organic material

1
Perfect example of circular economy

2
Efficient, Flexible and Programmable



5
Minimize decarbonization costs

4
Create value for local communities

3
100% renewable and sustainable