

## Press Release

*Holtmeier (VNG) / BALANCE / Biogas Hof / Viessmann*

### **VNG – Verbundnetz Gas AG starts biogas production**

#### **Inauguration ceremony for largest biogas facility in Upper Franconia**

**Leipzig/Hof, August 27, 2009.** Today's inauguration of the Hof/Saale bioenergy park marks the start of biogas production for Leipzig-based VNG – Verbundnetz Gas Aktiengesellschaft (VNG). The first of three self-contained biogas plants in the park was commissioned following an eleven-month construction period by Dr. Gerhard Holtmeier, VNG Executive Board Member for Gas Sales/Technical Affairs, and representatives from the participating companies at a ceremony attended by guests from politics and industry.

“The start of biogas production continues our systematic commitment to renewable energies,” Dr. Gerhard Holtmeier commented. “We plan to expand the potential for sustainable raw materials going forward and thereby extend our supply portfolio,” Holtmeier added.

The Hof/Saale bioenergy park is the latest development by the project company BGA Bioenergie GmbH; VNG holds an interest of just under 75 percent in the company via its subsidiary BALANCE VNG Bioenergie GmbH. The second investor is i4r Beteiligungsgesellschaft mbH, Lüneburg. Total investment in the three identical biogas plants is 9 million euros. The second plant is due for completion by mid-2010. Once all construction work has been completed by the middle of 2011, a total annual electrical capacity of 2.1 megawatts, or more than 17 million kilowatt hours of eco-power, will be fed into the local power grid of HEW Hof Energie & Wasser GmbH. This is sufficient to supply roughly 4,500 households.

BALANCE Managing Director Thomas Fritsch explained why Hof was chosen as the location for the pilot project: “One crucial factor in favour of building the biogas facility in Hof was the fact that the excess heat is fully exploited.” Most of the excess heat from the Hof plant will be fed to the nearby premises of Viessmann Kältetechnik AG.

EE:BS GmbH (Erneuerbare Energien: Betrieb und Service GmbH), commissioned by the project company BGA Bioenergie GmbH to operate the plant, is responsible for trouble-free functioning and for technical procedures.

Long-term delivery contracts with numerous farmers in the region guarantee the supply of sustainable raw materials such as corn, green waste or liquid manure. For these farmers, the bioenergy park is an attractive alternative for farmland cultivation. “We are delighted to be creating jobs for the region in the growth market for renewable energies,” Thomas Fritsch emphasized.

VNG – Verbundnetz Gas AG is an international group of companies and a reliable supplier of natural gas from Norwegian, Russian and other sources to major users and municipal distributors in Europe. VNG has been active in the gas industry for over 50 years. Today, VNG is Germany's third largest gas importer and ranks among Europe's top ten. In 2008, VNG with its workforce of roughly 640 employees delivered 171.4 billion kWh of gas and generated sales of 5.5 billion euros.

BALANCE, a wholly-owned subsidiary of VNG – Verbundnetz Gas AG, was founded in December 2006. The new company pools VNG's activities relating to alternative energies and energy efficiency technologies. BALANCE focuses its operations on comprehensive and professional project development, investment in biomethane projects and various services in the field of biomethane.

For further information, please go to [www.vng.de](http://www.vng.de).