

PRESS RELEASE

VNG / BALANCE Erneuerbare Energien GmbH / Biogas / "VNG 2030+" strategy

VNG subsidiary BALANCE Erneuerbare Energien GmbH acquires ninth biogas facility in Saxony

The plant in Schöpstal supplies around 4,000 households with green gas every year.

Leipzig, 5 October 2022. BALANCE Erneuerbare Energien GmbH (BALANCE), a fully owned VNG subsidiary, acquired 100% ownership of a biogas plant in Schöpstal (Görlitz district) with effect from 1 October 2022. The plant produces approx. 63 GWh of biogas per year, which is processed into biomethane and fed into the network of the long-distance gas network operator ONTRAS Gastransport GmbH, supplying an average of 4,000 households per year with green gas. The parties have agreed not to disclose the purchase price.

The biogas plant in Schöpstal is the ninth BALANCE facility in Saxony. It is one of 238 plants currently in operation in Germany that process biomethane and feed it into the gas grid. There are a total of around 9,700 biogas facilities in Germany. "This acquisition allows us to exploit synergies with the existing plant in Kodersdorf, which is only three kilometres away, when it comes to maintenance of the plant and the supply of substrate. We look forward to consistently developing and optimising this plant in accordance with market demands," said BALANCE Managing Director Thomas Fritsch. The capacity of the plant is 700 standard cubic metres of biomethane per hour (Nm³/h). The substrate used consists of renewable raw materials such as maize silage, which comes from farms in the region. The long-standing supply and service partnerships with farmers and logistics companies will be maintained. "It is very important to us to take local factors into account. The production of biogas increases regional added value, represents an alternative source of income for farmers and creates jobs in rural areas," Fritsch added.

By investing in the Schöpstal biogas facility, VNG is strengthening its activities in the area of biogas, as the central energy source of its green gas strategy. "Biogas is already versatile, can be used flexibly and is storable. This makes it the perfect complement to wind and solar energy, which are subject to fluctuations. By 2030, it will be possible to replace around 10% of German natural gas consumption with biomethane through the construction or conversion of biogas facilities to biomethane plants that feed into the natural gas network," explained Hans-Joachim Polk, Member of the Executive Board for Infrastructure and Technology at VNG AG. "We therefore welcome the announcement by the German federal government of its plans to expand biogas production and to remove regulatory obstacles. However, biomethane must not be forgotten. We are now expecting concrete steps from politicians and are ready to make our contribution to increased energy security and better climate protection."

With the 100% acquisition of the plant, which went into operation in 2011, BALANCE has added around 7.6 megawatts of Rated Thermal Output (MW_{RTO}) to its facilities portfolio. BALANCE now has 39 facilities in north and eastern Germany and a total installed capacity of around 165 MW_{RTO} . This enables BALANCE to supply around 50,000 households with renewable electricity and more than 53,000 households with green gas every year.

About BALANCE

BALANCE was established in 2006. With 39 facilities in north and eastern Germany, it is one of the leading operators of biogas facilities in Germany. The company has around 160 employees and supplies people throughout Germany with locally generated, reliable and carbon-neutral energy in the form of biogas, heat and power. BALANCE also develops innovative products at every stage of the value chain and is committed to boosting the profile of biogas in a sustainable energy economy.

Thanks to its ambitious growth strategy, BALANCE now has five times as many facilities as it did in 2018 and generates renewable energy with a rated thermal output of over 165 MW_{RTO} . This is enough for BALANCE to supply around 50,000 households with renewable electricity and up to 53,000 households with green gas every year. As a wholly owned subsidiary of VNG AG, BALANCE bundles all of the activities of the parent group in the field of renewable energy generation

About VNG

VNG is a group of over 20 companies active in the European energy industry, employing more than 1,500 people. As the third largest gas importer and gas storage operator in Germany and operating, through subsidiary ONTRAS Gastransport GmbH, a pipeline network covering 7,700 km, the group, which is headquartered in Leipzig, is central to the secure supply of gas in Germany. VNG supplies gas to around 400 municipal utilities and industrial customers, meeting around 20% of Germany's demand for gas.

In addition, with the "VNG 2030+" strategy, VNG is pursuing an ambitious path for its commitment in the field of renewable and decarbonised gases. VNG is already one of the leading producers of biogas in Germany and is actively involved in many projects to establish a CO₂-free hydrogen economy. Building on its core expertise in gas and critical infrastructure, VNG is working along the entire gas value chain to ensure a sustainable, climate-neutral and secure energy supply for the future.