

Historical agreement in the Spanish Gas System

Enagás has acquired the Reganosa network of natural gas pipelines, which will enter into the shareholding of El Musel Regasification Plant with 25%

This transaction reinforces the Spanish Gas System, provides for the commissioning of the Guitiriz-Zamora hydrogen pipeline for 2030, and enables synergies between the two companies to be exploited and to explore new possibilities for collaboration to contribute to the security of supply and move forward with the decarbonization targets in Spain and in Europe.

Madrid, 28 February 2023. Enagás and Reganosa have signed an agreement by which Enagás has acquired a network of 130 km of natural gas pipelines from Reganosa for 54 million euros. In return Reganosa has purchased a 25% stake in the El Musel Regasification plant in Gijón for 95 million euros.

According to the agreement terms, Enagás acquires the whole of the transmission network which up to now was owned by Reganosa and consists of 130 km of gas pipelines of 80 bar. This network is included in the Backbone network and is key to guarantee the security of supply as well as the proper functioning of the Iberian gas market. It connects to the LNG terminal of Mugarodos and the Tui - Llanera gas pipeline in Guitiriz and Abegondo. It has three measuring stations, three regulation and measurement stations and thirteen valve positions. The transmission network brings natural gas directly to the combined cycle power plants of As Pontes (800 MW) and Sabón (400 MW), to the refinery of A Coruña (120.000 barrels/day) and the towns of As Pontes and Cerceda.

In addition, Reganosa has given Enagás its position as promoter of the hydrogen pipeline between Guitiriz (Lugo) and Zamora, candidate for Project of Common Interest (PCI). Enagás, for its part, undertakes to promote the development of this transmission infrastructure and its connection to the interconnection with Portugal, ensuring the full integration of renewable hydrogen production in the area with the future hydrogen corridors in the Iberian Peninsula, with the aim of it becoming operational by 2030. Enagás will promote and give continuity to the processing of this infrastructure as PCI and will have the support of Reganosa to expedite its approval. The agreement favours the creation of a large energy hub in the north-west of the peninsula which will reinforce Spain's role as the hub for renewable hydrogen in Europe.

For its part Reganosa enters the shareholding with a 25% of the El Musel Terminal in Gijón, which until now was solely the property of Enagás and which has a storage capacity of 300,000m³ of LNG, shared between two tanks of 150,000 m³ each. It also has mooring and unloading installations designed for the largest methane vessels in the world, the QMAX of up to 266,000 m³. The El Musel terminal, as contemplated in the Government's Plan for More Energy Security, is ready to be put into operation for logistical use soon, once the current administrative procedures are completed. Once in operation, it can provide up to 8 billion cubic meters (bcm)/year of liquefied natural gas (LNG) to strengthen Europe's energy security of supply.

This agreement reinforces both companies, allowing to take advantage of their synergies and work together on new possibilities for collaboration to strengthen security of supply and progress with the decarbonisation objectives of Spain and Europe.

The CEO of Enagás, Arturo Gonzalo, highlighted that "this is a historical agreement that reinforces the strategy of both companies and strengthens the Spanish Gas System. The agreement will also contribute to reinforce the

terminal's potential of the El Musel and promotes our investment plan in Galicia". "There are many synergies between the two companies and this operation makes us better prepared to face the challenges we have ahead of us such as continuing to guarantee the energy supply in Spain and Europe and contribute to decarbonisation. In this line, this alliance is also a boost to Spain's role as a hub for renewable hydrogen in Europe". Arturo Gonzalo added that "together, Reganosa and Enagás, will continue to explore new possibilities for collaboration".

"The public-private collaboration and the cooperation between companies are in the origin of Reganosa, are part of its DNA. This is one more example, a historical one", stated the general director of Reganosa, Emilio Bruquetas. "We are proud to be able to contribute, together with Enagás, to the development of the north-west of the peninsula, to the strengthening of the Spanish energy system, to increasing security of supply and to achieving the objectives of decarbonisation of the economy". Finally, Bruquetas added: "The north-east of Spain has exceptional conditions for the production of green hydrogen and biogas. This alliance strengthens the future, lays the foundations for all the key infrastructures in the development of renewable gases to be built and operate at the service of the system".

The transaction is subject to approvals and suspensive conditions of such operations.

About Enagás

Enagás is a European TSO (Transmission System Operator) with 50 years' experience in the development, operation and maintenance of energetic infrastructures. Enagás has over 12,000 kilometres of gas pipelines, three underground storage facilities and eight regasification terminals —four of which are wholly owned by Enagás and four others with relevant shareholding—. The company operates in seven countries: Spain, United States, Mexico, Peru, Albania, Greece and Italy. Enagás is the Technical Manager of the Gas System in Spain.

In accordance with the commitment to the energy transition, Enagás has announced its target to be carbon neutral by 2040. Enagás is committed to decarbonisation and the promotion of renewable gases, especially hydrogen, and is the Spanish company promoting the H2MED corridor, together with operators from France and Portugal, as well as the first axes of the Hydrogen Backbone Network of Spain. Enagás has a leading position in sustainability and this is reflected by its permanence in the Dow Jones Sustainability Index World, for 15 consecutive years with one of the highest scores in its sector and the Top 5% S&P Global ESG Score 2022. Enagás is also a world leader in the Bloomberg Gender Equality Index.

About Reganosa

Reganosa is the first Galician multinational energy company. In accordance with the principles of safety, efficiency and flexibility, it carries out a key activity in the transformation of the energy model and in the mitigation of the effects of climate change. It operates core supply security assets in Europe and Africa, has key infrastructure for the energy sector in Spain and is a world leader in the management of third-party-owned liquefied natural gas terminals. In recent years Reganosa has provided services of different kinds in 24 countries. As a group in transformation, it currently develops projects of circular economy, generation with renewables, green hydrogen, energy storage, efficiency and digitization.

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