





Press release 05 February 2021

Châlons-en-Champagne launches the construction of its heating network with a new 100% carbon-free offering



Friday 5 February 2021 is a key date for the commitment to the territory's energy transition. The signing of an agreement between the City of Châlons-en-Champagne, ENGIE Solutions and Société Champenoise d'Energie (SCE) initiates the construction of a brand new heating network, which will enable customers who so wish to opt for a 100% decarbonised and local service. This is a first for France. From 2024, 10,000 Châlons housing equivalents will have access to competitive and renewable energy, more than 70% of which comes from energy recovery from Châlons household waste.

The City of Châlons-en-Champagne has an ambitious <u>but necessary</u> objective: to become a **zero-carbon city.** This means that it absorbs as much carbon as it emits. This equation can be achieved using two levers:

- By increasing its carbon capture capacity, including the planting of **26,000 trees**,
- And by reducing its emissions, thanks in particular to the development of renewable energies.

1. A major political will

Châlons-en-Champagne invests to preserve the environment:

- Adoption, as early as 2004, of the first local agenda,
- Increase in green spaces,
- Ban on the use of **phytosanitary products** in all public spaces,
- 31% reduction in energy expenditure (thanks to efforts to insulate buildings),

• Reduction of electricity consumption on public lighting, development of cycle paths, etc.

2. ENGIE Solutions, SCE, Syvalom, Luzéal: key partners

The creation of a heating network fed by the **recovery of waste incinerated** by Syvalom at La Veuve to reduce **fossil fuel energy consumption** on a city scale was studied.

<u>The idea is simple</u>: use the heat emitted when burning our waste to heat Châlons (public facilities such as the Hospital and collective housing for example), and thus replace 82,000 MWh of fossil fuel energy with energy.

To ensure the deployment and operation of this heating network, the City of Châlons-en-Champagne called on a consortium consisting of ENGIE Solutions and Société Champenoise d'Energie (SCE). Drawing on more than 30 years' experience in the construction and operation of district heating and cooling networks, ENGIE Solutions' teams will be responsible for the construction of this new network.

This heating network will also make it possible to replace the fossil fuel energy currently used by the Luzéal company to dehydrate the alfalfa it produces.

The project, in itself, is a perfect example of a union between several entities: coming together to take better action for the environment.

This is therefore a model project. It is....

- Environmentally friendly: it replaces fossil fuels with renewable energy.
- Economical: civil engineering works, worth around 45 million, for public works companies (laying the pipes from La Veuve to Châlons) and this is an opportunity for Luzéal to boost its business.
- Social: it guarantees the cost of energy to users.
- Competitive: in view of future tax changes on fossil fuels.

3. A heating network offering a single subscription to control your consumption

The Châlons heating network

32 km long and carrying **103 GWh** per year over the entire territory, the Châlons-en-Champagne heating network will distribute sustainable energy to all districts of Châlons-en-Champagne. The ENGIE Solutions and SCE teams will begin **work in the summer of 2021** for the delivery of renewable heat **to the first customers at the end of 2022**.

The creation of a specific company: CLOE

ENGIE Solutions and SCE guarantee the commitments made to the City of Châlons-en-Champagne through the creation of the CLOE project company (51% ENGIE Solutions, 49% SCE), combining the structure of a local *Société d'Economie Mixte* (public-private partnership) dedicated to future energy projects with the experience of an industrial operator committed to renewable energy solutions.

A high-tech network promoting the circular economy and local stakeholders

The main source of heat will come from Syvalom's **Energy Recovery Plant** (UVE - *Usine de Valorisation Énergétique*), which <u>produces electricity from household waste</u>. The recovery of the heat produced by the UVE alone will reduce CO2 emissions **by**

17,000 tonnes per year for the Châlons area, i.e. the average equivalent of 10,000 private cars.

A 100% carbon-free subscription offer: a first in France

70% of the heat distributed on the network is derived from the energy recovery of household waste from the Châlons area, so it will certainly be environmentally friendly. **From 2024, 10,000 Châlons housing equivalents** will have access to this competitive and locally produced recuperated energy!

Through a new subscription offer, subscribers will also have the opportunity to supplement the network's energy mix with 30% locally sourced **agricultural biomethane** (biogas), thus reducing their carbon footprint to zero in terms of heating. Guaranteed by certificates of origin, this **100% decarbonated alternative subscription** is a first in France.

The agricultural biomethane resulting from methanisation is a renewable and local energy, which enhances the value of the agricultural sector that is very well established in the Marne department.

The aim is to offer each customer the opportunity to **become an individual player in energy transition**, reducing their carbon footprint.

4. An economic opportunity

In order to provide economic incentives for stakeholders in the Châlons area, ENGIE Solutions and SCE will invest 75% of the amount of the purchases made for the work, i.e. €33 million, in local companies.

A key tool for making the City's energy consumption greener, the infrastructure construction will also require **80 full-time equivalents** over three years in the construction phase. Among these jobs, **9,700 hours** of social integration will be put in place to **promote the integration of people who are distanced from the labour market**, with the help of the association Partage Travail 51.

In order to control energy consumption, the network's **131 substations** as well as the heat production units will be connected, ensuring real-time monitoring of consumption and performance indicators. Linked to a **hypervision platform** (a digital tool for centralising data), this data will provide the City's departments **with a global vision of the network** and the possibility of optimising the use of the renewable resource.

For Cécile Previeu, Deputy Managing Director of ENGIE in charge of Customer Solutions activities: "At a time when heat represents half of the energy consumed in France, networks are essential levers for bringing the most renewable heating possible to each household."

"The future Châlons-en-Champagne network embodies ENGIE Solutions' ambition to support local authorities in making these infrastructures not only an environmental but also an economic opportunity for the stakeholders in a region." says Aurélie Lehericy, Deputy Managing Director of ENGIE Solutions Villes & Collectivités.

"Through the construction and operation of our district heating network, our ambition is not only to provide virtuous and competitive heat to all the inhabitants of Châlons-en-Champagne, but also to anticipate future changes in our city," says Benoist APPARU, Mayor

of Châlons-en-Champagne. "It is a strong commitment to energy transition and a project that is part of our carbon neutrality plan."

Key figures around the heating network:

- 10,000 housing equivalents benefiting from sustainable energy
- **32 km** of virtuous network
- 131 connected substations
- 103 GWh per year
- 70 % of CO₂ emissions eliminated
- **700 trees** planted
- More than €33 million in local purchases to support the local and circular economy

Press Contacts:

City of Châlons-en-Champagne: Nadège Pinto

n.pinto@chalonsenchampagne.fr

06 50 70 82 67

ENGIE Solutions: Cécile de Bentzmann

06 03 18 97 73

cecile.de-bentzmann@engie.com

About ENGIE Solutions

ENGIE Solutions supports towns, industries and companies in the tertiary sector, providing them with solutions to the challenges posed by the energy transition in the form of turnkey and bespoke packages.

ENGIE Solutions' experts apply all their expertise in pursuit of three aims: optimising the use of energy and resources, greening energies and reinventing living and working environments.

ENGIE Solutions guarantees its clients a single point of contact and a combination of complementary offerings that go beyond energy. The company is committed to achieving results and its 50,000 employees which operate throughout France (900 sites) have expertise in an extremely diverse number of areas, ranging from the design and operation of infrastructure & services, to funding, installation and maintenance.

ENGIE Solutions is part of the ENGIE Group, one of the world's leading low-carbon energy and services groups whose purpose ("raison d'être") is to act to accelerate the transition towards a carbon-neutral world.

Turnover: 10 billion euros

Read more: http://www.engie-solutions.co in lttp://www.engie-solutions.co





