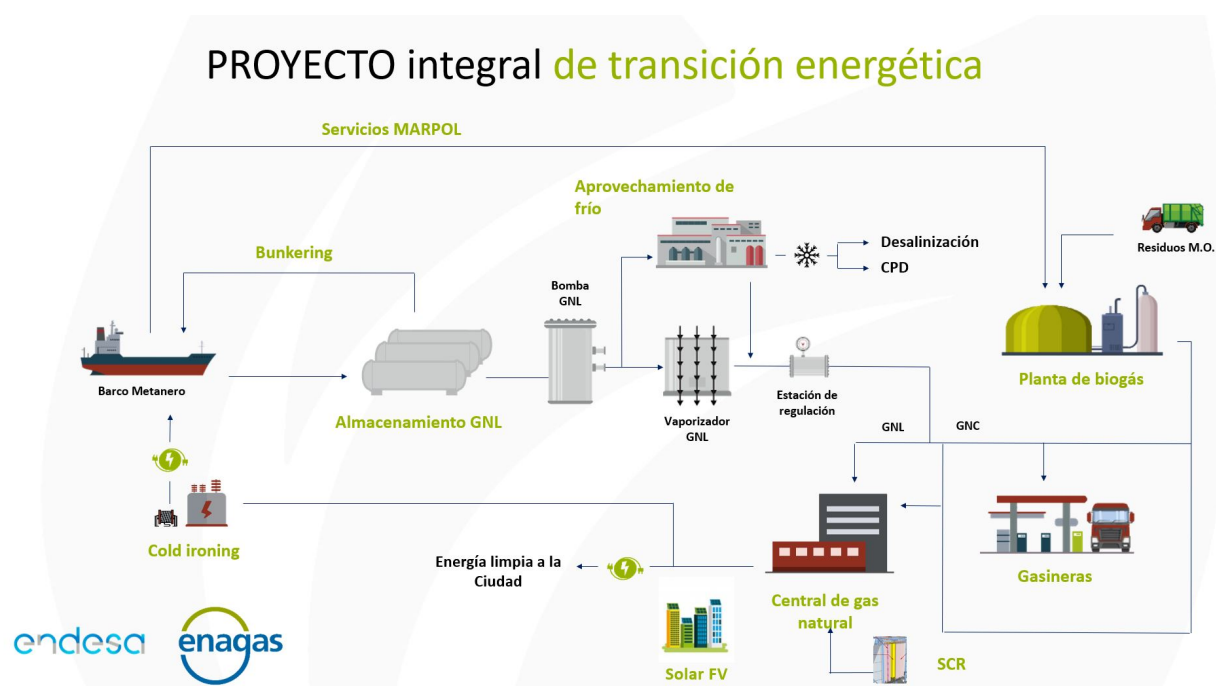


ENDESA AND ENAGÁS PRESENT THE ENERGY TRANSITION PROJECT FOR THE AUTONOMOUS CITY OF MELILLA

- The conversion of Endesa's thermal power plant to natural gas, the development of liquefied natural gas services on ships and ferries, the electrification of the docks, the use of cold in regasification, a biogas plant, and a solar photovoltaic project

Melilla, 15 June 2021 - Today, Endesa and Enagás, through its subsidiary Enagás Emprende, presented the Government of the Autonomous City of Melilla with a plan to develop an energy transition project for the city that will enable Melilla to become a European benchmark in terms of sustainable energy. This model will create more than 170 jobs, combining economic recovery through a comprehensive solution based on the transition of the power plant to gas, LNG storage, complementary gas services and port logistics, as well as distributed generation solutions.



“Melilla has a very particular isolated system,” explained José Ribelles, Endesa's Director of the gas generation line of business, “our commitment in this project is to guarantee the quality of supply to customers and to do so by reducing emissions. This will be possible thanks to the conversion of the Endesa plant to natural gas, which will eliminate 29% of CO₂ emissions, 95% of SO₂, 88% of NO_x, and 92% of particulate matter”.

According to Fernando Impuesto, Managing Director of Enagás Emprende, “the project we are presenting today is the result of public-private collaboration between companies, administrations, and institutions to contribute to the decarbonisation of the economy. These are comprehensive projects that will allow us to promote a fair energy transition for the City of Melilla through innovative technologies”.

Projects presented

Converting the Endesa plant to natural gas

Endesa will convert 3 engines of its power plant in the Autonomous City to natural gas, replacing the fuel oil currently used. This measure will cover 85% of the plant's production with this new fuel, which will lead to a direct reduction in greenhouse gas (GHG) emissions. In addition, the adaptation of the plant to gas will allow new business opportunities around gas to be developed, in turn generating quality employment in the Autonomous City.

Storage, regasification and bunkering of LNG

To carry out this fuel switch, Endesa and Enagás are working to develop an LNG storage and regasification infrastructure to maximise operational availability and fuel management efficiency. This infrastructure will be developed on a 10,000 m² plot in the Port of Melilla and will have a total storage capacity of 5,000 m³ of LNG, which will be connected to the plant through a dedicated gas pipeline. It will also be equipped with the necessary elements to allow third party supply of LNG as an alternative fuel for the maritime sector, as promoted by the Community Directives in this respect.

NO_x emission reduction system at the power plant

Endesa is also developing an environmental improvement project through the implementation of exhaust gas treatment systems called SCR (Selective Catalytic Reactor), which allows NO_x emissions from certain equipment at the Thermal Power Plant to be reduced.

The development of this initiative goes beyond the requirements of the environmental regulations in force, and it is therefore necessary to ensure that the investment and the associated operating costs are recognised from a regulatory point of view.

Cold Ironing

Likewise, both Endesa and Enagás are studying how to respond to the growing demand for electricity from ships by providing the docks with the necessary infrastructure for their electrification (Cold Ironing).

The project, which is currently under study, will enable a net reduction in CO₂, NO_x and SO₂ emissions by comparing the plant's gas-fired generation with the operation of ships using liquid fuels in ports. It also enables a significant reduction in noise from ships during berthing. The new service will entail a competitive element for the port, boosting economic activity in its facilities and the rest of the city.

Photovoltaic solar project

Endesa's clear objective is to make the Autonomous City of Melilla a sustainable reference point and, to this end, one of its proposals today included the installation of photovoltaic panels to promote self-consumption.

In this sense and taking into account the particular characteristics of Melilla, the aim is to take advantage of the roofs or public and private spaces available to install photovoltaic generation systems on them, as well as the possibility of storage. Solar photovoltaic energy reduces the use of fossil fuels and greenhouse gas emissions when producing electricity that can be used for direct or nearby consumption. In addition, the new regulatory framework now makes the implementation of this type of project more attractive, and simplifies the administrative and technical procedures to be carried out. In addition, incentive programmes associated with self-sufficient community consumption could be applied to maximise the use of available space.

Biogas plant

As part of this project and in line with the development of renewable gases, Enagás, also plans to build a biomethanisation plant to treat and reduce the volume of solid urban waste, through its subsidiary Enagás Renovables. The treatment of this waste generates biogas, which is a key source of sustainable energy for the promotion of the circular economy in the City of Melilla.

Sustainable mobility

This initiative also aims to create a sustainable mobility model that reduces pollution in the city. To do this, a plan is in place to install a gas station that will supply compressed natural gas (CNG) to the fleet of vehicles circulating within the Port of Melilla, to public transport vehicles and private vehicles.

Promoting natural gas and renewable gases as an alternative fuel for land transport will reduce greenhouse gas emissions and other pollutants associated with port activity, which will improve air quality in Melilla.

New opportunities for port services

Both the electrification of the docks and the development of the biomethanisation plant will increase Melilla's port competitiveness, improve sustainability -reducing its environmental footprint, both acoustic and atmospheric-, and benefit from new business opportunities linked to new services, such as the reception and management of the so-called MARPOL waste, generated during the service of the ships, as well as in their maintenance and cleaning operations.

Taking advantage of cold

Another of the pillars of this project, also related to the promotion of the circular economy, is to take advantage of the residual cold generated in the regasification process. This not only enables emissions and operating costs of the plant to be reduced, but also a new industry to be developed, that of refrigeration, in the City of Melilla.

Enagás, through its subsidiary E4efficiency, will promote the project with an innovative technology already proven in its liquefied natural gas (LNG) plants that reduces CO₂ emissions by up to 90% and the costs of cold generation for commercial and industrial uses by 50%.

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