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PRESS RELEASE

Publication of Pöyry report on the STEP project (South Transit East Pyrenees)

The European Commission has published a cost-benefits analysis of the STEP project delivered by the Pöyry company.

Teréga, the gas transport operator in charge of the STEP studies, is currently studying this project in response to a request by the French and Spanish authorities, as well as the European Union, in line with the Madrid declaration at the March 2015 summit for energy interconnections.

On 24 November 2017 STEP was granted the European status of a "Project of Common Interest".

Teréga was assigned to head up the studies for the French part of the project, and Enegas the Spanish part. The joint investment application to the two operators was filed with the regulatory authorities of the relevant countries on 9 April last, taking into account all the shared studies at European level analysing the costs and benefits of the STEP project, including the Pöyry report.

This shows that in contrast to the ambitious MidCat programme launched ten years ago to develop the gas infrastructures between Spain and France (the costs of which reached over €3 billion), the STEP project is the appropriate and optimised response, and will bring significant benefits to Spain and France in terms of security of supply, smooth crossborder gas flows and competitiveness.

For the French part, by 2022 Teréga plans to build an underground gas pipeline approximately 120 km long, at an estimated cost of €290 million.

Read the report on the European Commission website:

<https://ec.europa.eu/enerav/en/studies/cost-benefit-analysis-step-first-phase-midcat>



About Teréga

The company, historically established in Southwest France, has over 5.000 km of pipeline and 2 underground storage sites at its disposal, representing 16% of France's total gas transport network and 24% of the country's storage capacity.

In 2016 it generated revenues of €467 million and had over 580 employees.

Fulfilling its public service obligations, Teréga transports natural gas to over 400 supply points in conditions of optimal security, cost and reliability.

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