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Neptune LNG Deepwater Port Project Receives Approval from U.S. Maritime Administration

First Offshore LNG Project on the U.S. East Coast to Secure this Approval

January 30, 2007 -- SUEZ Energy North America's subsidiary, Neptune LNG LLC, today announced that the U.S. Maritime Administration has decided to issue a deepwater port license to the company to build, own, and operate the Neptune offshore LNG delivery system in Massachusetts Bay. Neptune is the first offshore LNG project on the United States' East Coast to reach this milestone.

The Maritime Administration is responsible for issuing a deepwater port license under the Deepwater Port Act of 1974 ("Act"). Today's action by the Maritime Administration to approve a license for Neptune, which is included in its Record of Decision for the Project, follows SUEZ's December 13, 2006, commitment to promote employment opportunities for U.S. mariners on both its existing fleet of LNG carriers serving the United States and on the vessels to be used for the Neptune project, and the milestone approval of the Neptune project by the Governor of Massachusetts on December 19, 2006.

Neptune LNG anticipates having a fully operational project, including construction of a pipeline connection to the existing sub-sea pipeline, HubLineSM, specially designed ships, and the LNG supply to serve customers in Massachusetts and the rest of New England in 2009.

In the Maritime Administration's Record of Decision, Sean T. Connaughton, Maritime Administrator, wrote, "it is clear to me that Neptune will fill a vital role in meeting our national energy requirements for many years to come."

"This approval is a major step forward for the Neptune project," said Zin Smati, president and CEO of SUEZ Energy North America. "We are extremely encouraged by the Maritime Administration's decision and look forward to having Neptune supplement our onshore LNG import terminal in Everett, Massachusetts, to meet the growing demand for natural gas from consumers in the region."

Demand for natural gas from power generators and residential consumers in New England is expected to increase by 1 to 2% per year over the next two decades, with Massachusetts alone accounting for half of the region's natural gas consumption. At this rate of growth, the region

could face a shortage of natural gas supply approaching 500 million cubic feet per day in the year 2010.

The Neptune project is being developed to provide between 400 and 750 million cubic feet of natural gas per day – enough to serve 1.5 million to 3 million homes daily. By increasing supply to the region, the Neptune project will help ensure that homes in Massachusetts and the other New England states have heat when the weather is cold and electricity year round.

“We are very pleased to have reached this milestone with the U.S. Maritime Administration and to continue building our strength in the increasingly competitive global LNG market,” said Dirk Beeuwsaert, CEO of SUEZ Energy International. *“This vital approval, combined with our secured and growing LNG supply portfolio and more than three decades of operational experience, uniquely position us to provide consumers in the key market of New England with a substantial and reliable new supply of natural gas for the long-term.”*

Neptune Project Overview

The Neptune port will use specially designed LNG ships equipped to store, transport, and vaporize LNG into natural gas that can be sent to customers using the existing HubLineSM sub-sea pipeline. The LNG carriers will be moored at the proposed deepwater port by means of a submerged unloading buoy system consisting of two buoys. An LNG ship will typically be moored for four to eight days while unloading its LNG cargo, depending on market demand. The two separate buoys will ensure that natural gas can be delivered in a continuous flow by having a brief overlap between arriving and departing LNG carriers.

The estimated cost for the project, including LNG ships built specifically to meet Massachusetts’ rigorous environmental standards, the buoy system and the connection to the HubLineSM pipeline, is approximately \$1 billion.

Neptune’s location has several important benefits. It does not require any precious coastal land, and also limits aesthetic impacts. Additionally, the site offers the necessary water depth to support the buoy system technology while specifically avoiding the Stellwagen Bank National Marine Sanctuary and essential shipping lanes into Boston Harbor.

Beyond New England, another SUEZ affiliate, Calypso LNG, LLC, is also developing a deepwater LNG port that will address Florida’s growing demand for natural gas. In addition, SUEZ is working on similar projects in Latin America and decided to convert the LNG ship *SUEZ Matthew* into a regasification vessel.

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About the Company:

Based in Houston, SUEZ Energy North America, Inc. is the business unit of SUEZ Energy International responsible for managing SUEZ’s positions within the energy value chain in the U.S.,

Mexico and Canada, including electricity generation and cogeneration, natural gas and liquefied natural gas (LNG), asset-based trading and origination, and retail energy sales and related services to commercial and industrial customers.

SUEZ Energy North America owns and/or operates a total of 45 power, cogeneration, steam, and chilled-water facilities, including those in construction or development, representing a capacity of more than 5,538 MW of electricity generation, 6.4 million pounds per hour of steam, and 61,749 tons per hour of chilled water. SUEZ Energy North America's wholly owned subsidiary, Distrigas of Massachusetts, owns and operates a liquefied natural gas receiving terminal in Everett, Mass., which began operations in 1971 and currently serves most of the gas utilities in New England and key power producers, meeting approximately 20 percent of New England's annual gas demand.

SUEZ Energy International is a business line of SUEZ (NYSE: SZE), which is an international industrial and services Group that employs 157,650 people worldwide and achieved revenues of 41.5 billion euros or \$49.9 billion in 2005.

For more information about these companies and their activities, please visit the following websites:

SUEZ: www.suez.com

SUEZ Energy International: www.suezenergyint.com

SUEZ Energy North America: www.suezenergyna.com

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