



SUEZ Energy North America, Inc.

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**SUEZ LNG Subsidiary Kicks Off Construction of
Neptune Offshore LNG Facility**

Company Presents \$23.5 Million in Mitigation Payments at Community Gathering

Boston, MA – July 23, 2008 – SUEZ LNG NA LLC (SUEZ) announced today that construction has begun on its offshore LNG project, Neptune. The first phase of construction, expected to be completed in September 2008, includes the installation of a 13-mile sub-sea pipeline that will connect the Neptune LNG facility with the existing Spectra Energy HubLineSM. The second phase, scheduled to begin in May 2009 and continue into September 2009, includes connection of the pipeline to HubLineSM and installation of the two off-loading buoys for the project. Upon completion, the LNG facility will consist of an unloading buoy system where specially designed vessels will moor, offload their natural gas, and deliver it to customers in Massachusetts and throughout New England.

SUEZ also presented \$23.5 million in total mitigation payments today to the organizations designated by the Commonwealth of Massachusetts at the SUEZ-hosted community celebration in the City of Gloucester. The company thanked the residents of the North Shore, local community groups, federal and state organizations, and elected officials for their help and support throughout the permitting process.

“This is a tremendously important day for SUEZ,” said Clay Harris, SUEZ LNG NA President and CEO. “It is the result of four years of hard work, planning and collaboration with the United States Maritime Administration, the United States Coast Guard, other federal agencies, the Commonwealth of Massachusetts, local officials, regulators, and the North Shore community. SUEZ has been dedicated to serving New England for over 30 years through our Everett facility. The addition of Neptune provides the most reliable means to supplement that service to meet growing demand. Today we achieved an important milestone in this process.”

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The City of Gloucester will serve as the home port for the Neptune project, representing a direct infusion of over \$10 million into the local economy over the expected lifespan of the project. This includes SUEZ's lease at the Cruiseport, where it will moor its support and towing vessel for the project, as well as lease storage and office space. The support vessel is equipped with fire-fighting equipment, and will be available to local emergency responders.

"I am pleased to see this project get under way," said Ian Bowles, Secretary of Energy and Environmental Affairs for Massachusetts. "This offshore LNG port represents an important new source of natural gas for the region delivered by innovative technology, and the mitigation funds provided by SUEZ represent vital new resources for the community. I am especially pleased that SUEZ has agreed to accelerate contributions for low income heating assistance and energy efficiency, recognizing that this winter's heating season is expected to be difficult for many Massachusetts families."

Pipeline installation activities for 2008 include: (1) laying the pipeline (consisting of both a natural gas transmission line and a flowline that connects the buoys) on the sea bottom; (2) plowing a sub-sea trench and placing the pipeline in the trench; (3) backfilling the trench.

About SUEZ Energy North America

SUEZ LNG NA LLC is a subsidiary of SUEZ Energy North America, Inc. (SENA). SENA is the business unit of SUEZ Energy International responsible for managing SUEZ's positions within the energy value chain in the United States, 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.

SENA owns and/or operates a total of 47 power, cogeneration, steam, and chilled-water facilities, including those in construction, representing a capacity of more than 6,382 MW of electricity generation, 6.0 million pounds per hour of steam, and 41,973 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. In addition, SUEZ Energy North America has two LNG deepwater port projects under development off the coasts of Massachusetts and Florida.

SUEZ Energy International is a business line of SUEZ, which is an international industrial and services Group that employs 149,000 people worldwide.

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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.suezenergyyna.com

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