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Prothea advises IES Biogas in its first acquisition of a biomethane plant

Prothea is pleased to announce the acquisition of Enersi Sicilia by Snam. Prothea has advised IES Biogas, a company controlled by Snam, that will carry out construction and management of the plant.

Biogas and biomethane play a key role both in the European energy strategy and in Italy's recently adopted National Energy Strategy (SEN). Despite Italy is the first European nation in terms of methane consumptions for transportation with more than 1 million vehicles and 1'200 fuelling stations, Italy's SEN envisages an increase of about 8 billion of cubic meters within 2030 – approximately 10% of current consumptions. In order to promote such growth, in March 2018 a specific national decree was issued: it allocates 4.7 billion Euro to incentivize 1.1 billion cubic meters/year for plants entering into operation between 2018 and 2020. The mechanism results in an incentive of 32,3 €/MWh.

According to ISPRA, in 2017 Italy produced more than 30 million tons of waste of which more than half are collected for recycling purposes. Total organic urban waste ("FORSU") collected by the 52 active anaerobic digestion plants exceeded 1.8 million tons. It is also worth reminding the positive trends of the recycling industry, and particularly of the organic waste treated in biomethane production plants, whose CAGR over the last 10 years is 10%.

Snam is the European leader in the gas infrastructure network and through its affiliate Snam4Mobility is fostering the development of the infrastructure for the production and distribution of biomethane. Enersi Sicilia acquisition represents an important additional milestone achieved in this strategy. The project is expected to collect and treat up to 36'000 tons of FORSU to be collected from neighbouring municipalities and converted in more than 3 million cubic meters of biomethane. IES Biogas will build and operate the plant.

Prothea assisted as sole financial advisor IES Biogas, while Agnoli and Giuggioli acted as legal counsel.

