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**Neptune LNG Deepwater Port Project Approved by
Massachusetts Governor Romney
More than 1 Million Consumers Stand to Benefit from the Project's
Natural Gas Supply Each Day**

December 19, 2006 -- SUEZ Energy North America's subsidiary, Neptune LNG LLC, today announced that Massachusetts Governor Mitt Romney has approved its proposed Neptune offshore LNG delivery system in Massachusetts Bay, representing a critical milestone for the project.

The Governor's approval clears the way for the U.S. Coast Guard and the Maritime Administration (MARAD) to finalize the processing of the Neptune deepwater port application. 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 every day, in 2009.

"We want to extend our sincere appreciation to the Governor and his Administration for their thorough review and analysis of the Neptune project proposal," said Zin Smati, president and CEO of SUEZ Energy North America. "For the past two years, the Neptune LNG team has worked tirelessly to ensure that Neptune will live up to the highest environmental, safety, and reliability standards. We 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.

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“The Neptune project represents SUEZ’s continued investment in the natural gas infrastructure of New England and our commitment to help meet the growing demands of the market,” said Dirk Beeuwsaert, CEO of SUEZ Energy International. *“Our diversified and secured LNG supply portfolio, combined with more than three decades of operational expertise, uniquely position us to provide consumers in the region with a substantial and reliable new supply of natural gas for the long-term.”*

Because of the Neptune deepwater port’s location off the coast of Massachusetts’ North Shore, local consumers also have “first claim” to the natural gas imported through Neptune, just as they do with the Everett Terminal, versus the current “last claim” on supplies from the Gulf of Mexico or Canada. Further, Neptune would supplement the efforts of the Everett Terminal in providing critical pipeline pressure support during periods of peak demand.

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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