

## Veolia accelerates the decarbonization of municipal heat with energy from waste in London

- *Veolia benefits from a unique and differentiating positioning thanks to the combination of its expertise in both waste and energy*
- *Veolia is building a new network to provide heat to nearly 5,000 households in London with energy from waste*
- *The heat energy with around a 60% renewable content due to the biogenic component of the treated waste will help saving 14,000 tonnes of CO2 emissions a year*
- *The extension aims to support the future growth to accommodate 20,000 new homes over the next 15 years in line with Southwark Council's Area Action Plan*

Veolia, Europe's local decarbonizing energy leader, is constructing a new district heating network in London that will deliver heat from the Group's SELCHP Energy Recovery Facility (ERF), working in partnership with Southwark Council. By using 75GWh per year of low carbon heat from the electricity generating process that treats non recyclable waste, this network will supply nearly 5,000 homes across 11 social housing and schools.

Currently almost half of the final energy consumed in the UK is used as heat and the domestic, commercial and public sectors account for two-thirds of this energy consumption. This is largely fossil fuelled and district heating networks, using the heat from the waste-fed electricity generation process, represent an efficient, affordable and decarbonising alternative to provide households with cleaner energy.

Veolia will ensure the design, construction, commission and operation of the network. Once operational, the infrastructure project will provide heat energy with around a 60% renewable content due to the biogenic component of the treated waste and will save 14,000 tonnes of CO2 emissions a year compared to the current natural gas or oil boiler derived heat supplies.

This new network builds on the success of the existing urban heating network powered by SELCHP, which already provides low-carbon heat to 3,000 households and has saved about 95,000 tonnes of CO2 over the past ten years.

*"Developing local decarbonisation helps to break the dependence on fossil fuels and provide reliable heat to support communities and address energy price volatility. Our new district heating network in London will enable the UK to make further progress towards its decarbonisation targets by 2035," said **Estelle Brachlianoff, CEO of Veolia**, "Veolia benefits from a unique and differentiating positioning thanks to the combination of its expertise in waste and energy, which makes us the reference in local decarbonised energy. This segment is a major booster to our GreenUp strategic program, which will meet our customers' decarbonisation needs while guaranteeing energy security at an affordable price."*

Heat, supplied as hot water, will be supplied through a 7km network of insulated pipework at temperatures up to 95°C, and fed into the systems that distribute heat in the connected buildings to meet the thermal demands at each location. As this system represents a low carbon solution compared to alternative supplies, emitting only 0.026kgCO<sub>2</sub>/kWh, it will also help to advance carbon reductions for the London Borough of Southwark ahead of their target.

In a significant move earlier this year, Southwark Council approved a Local Development Order (LDO) permitting the construction of the new network. They are the first authority in London to introduce a LDO.

**Cllr Helen Dennis, cabinet member for new homes and sustainable development**, said: *“I’m excited Southwark is paving the way for future generations by tackling the climate emergency head on. This project to expand the low carbon heat network is absolutely vital to us reducing our reliance on fossil fuels and embracing cleaner, more efficient energy resources. The new insulated pipes also gets us closer to ensuring affordable and reliable heating for the 3,000 additional council homes due to be connected to the network around Old Kent Road.”*

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## ABOUT VEOLIA

Veolia's ambition is to become the benchmark company for ecological transformation. With nearly 218,000 employees on five continents, the Group designs and deploys useful, practical solutions for managing water, waste and energy that help to radically change the world. Through its three complementary activities, Veolia contributes to developing access to resources, preserving available resources and renewing them. In 2023, the Veolia group served 113 million people with drinking water and 103 million with wastewater services, produced 42 terawatt-hours of energy and recovered 63 million metric tons of waste. Veolia Environnement (Paris Euronext: VIE) generated consolidated sales of €45.3 billion in 2023.

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