

Press Release

Vicinity Energy and MAN Energy Solutions Partner to Install Industrial-Scale Heat Pump

Boston, MA, April 5, 2023 - <u>Vicinity Energy</u>, a national decarbonization leader with an extensive portfolio of district energy systems across the United States, announced its partnership with Augsburg, Germany-based MAN Energy Solutions to collaborate in the development of low-temperature source heat pump systems for steam generation. Vicinity plans to install an industrial-scale heat pump complex at its Kendall Station facility by 2026.

"Vicinity's first heat pump complex in Cambridge, MA, which draws from proven examples in Europe, will be the largest in the U.S. It will be powered by renewable electricity to safely and efficiently harvest energy from the Charles River, returning it at a lower temperature," says Bill DiCroce, president and CEO of Vicinity Energy. "We have made a lot of progress harvesting the energy of the sun and wind, MAN's cutting-edge technology will now enable Vicinity to renewably harvest energy at scale from rivers and oceans, which are presently warming from the effects of climate change. This is a big deal in district energy's efforts to decarbonize cities, and Vicinity is very proud to lead the way with MAN in this exciting venture."

"The heating sector accounts for 30-40 percent of global CO₂ emissions. The global energy transition cannot succeed without decarbonizing heat," says Uwe Lauber, CEO and CSO of MAN Energy Solutions. "At the same time, district heating systems are one of the most efficient and sustainable ways to provide heat to commercial buildings and industrial facilities. Hence the task is to reduce district heating systems' dependence on fossil fuel-fired heat sources. Our heat pump technology can do that, with many examples in the European field to prove it. I am very happy to collaborate with Vicinity Energy on the application of our technology to support Vicinity's impressive district energy system."

The race to net zero

This announcement represents another significant step in Vicinity's plans to electrify its operations to achieve net zero. In 2022, the company kicked off its electrification strategy by deconstructing a steam turbine at its Kendall Facility in Cambridge, Massachusetts. In its place, Vicinity is installing an industrial-scale electric boiler that will begin supplying carbon-free eSteam™ to customers in 2024.



The company's other 11 locations in major cities nationwide will undergo similar electrification processes in the coming years to achieve its goal of net zero by 2050.

About MAN Energy

MAN Energy Solutions enables its customers to achieve sustainable value creation in the transition toward a carbon neutral future. Addressing tomorrow's challenges within the marine, energy, and industrial sectors, we improve efficiency and performance at a systemic level. Leading the way in advanced engineering for more than 250 years, we provide a unique portfolio of technologies. Headquartered in Germany, MAN Energy Solutions employs some 14,000 people at over 120 sites globally. Our after-sales brand, MAN PrimeServ, offers a vast network of service centers to our customers all over the world.

About Vicinity Energy

Vicinity Energy is a clean energy company that owns and operates an extensive portfolio of district energy systems across the United States. Vicinity produces and distributes reliable, clean steam, hot water, and chilled water to over 230 million square feet of building space nationwide. The company is committed to achieving net zero carbon across its portfolio by 2050. It continues to invest in its infrastructure and the latest technologies to accelerate the decarbonization of commercial and institutional buildings in city centers. To learn more, visit www.vicinityenergy.us or follow us on LinkedIn, Twitter, Instagram, or Facebook.

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