

CEO's message



Strategic lines

With its presence in 23 countries, from Russia to Chile, Enel intends to play a role of leading global player in policies of environmental sustainability and fight against climate change. This is key to ensuring eco-friendly, reasonably-priced, continuous and secure energy supplies to our customers. For this purpose, we resort to the best available technologies and we are committed to continuously improving them. In 2009, together with 59 other CEOs of power companies from 27 of Eurelectric's countries, I signed a declaration, where we pledged to become carbon-neutral by 2050, by relying on renewables, nuclear energy and carbon capture & storage for fossil fuels, which we cannot do without in the near future.

Our commitment is also testified by our contribution to the achievement of European and national targets by 2020 under the EU's Climate and Energy Package. In this regard, in 2009, we entered into a voluntary agreement with the Italian Environment Ministry, with a view to: increasing generating capacity from renewables; replacing oil-fired power plants with new, high-efficiency, low-emission, coal-fired ones; making greater reliance on biomass and refuse-derived fuel; and implementing end-use energy efficiency projects. In 2009, we officially presented Enel Green Power to the international financial community. The company was set up to manage and develop the Group's renewable portfolio in the world. The company, which was born as a leader in the sector, increased its generating capacity in 2009, thanks to new wind farms in Europe and Canada, geothermal fields in the US and Italy and many new initiatives in the solar sector.

As regards nuclear energy, another zero-emission source, we created Sviluppo Nucleare Italia in joint venture with EDF in 2009. The company has the task of exploring the feasibility of building advanced third-generation, nuclear power plants in Italy. The Italian program will add to the power plants already acquired or being built in other European countries and further improve our source mix for electricity generation, making it more balanced, more competitive, more eco-friendly and more stable with respect to changes in commodity prices.

In 2009, renewable and nuclear sources accounted for more than 40% of our generation and displaced roughly 100 million tonnes of CO₂ emissions into the atmosphere, equal to the emissions from about 60 million cars.

Enel actively contributes to the struggle against global climate change, which was discussed, among others, in the recent Copenhagen Conference. In 2009, we slashed CO₂ emissions per kWh generated by over 5% on 2008 and we confirmed our leadership in the Clean Development Mechanism, introduced by the Kyoto Protocol.

Thanks to our portfolio of projects in emerging and developing countries, we succeeded in avoiding 26 million tonnes of CO₂ emissions into the atmosphere in 2009.

Our commitment to technological innovation is expressed by almost € 1 billion of planned investments in the 2009-2013 period. We believe that we will further improve our environmental performance thanks to leading-edge research activities being conducted by Enel and Endesa, e.g. carbon capture & storage demonstration facilities in the sites of Porto Tolle (Italy) and Compostilla (Spain) and projects of electricity generation from hydrogen. Furthermore, we are working on innovative renewable-energy technologies, such as low-enthalpy geothermal energy, concentrating solar photovoltaic power generation, the Archimedes solar thermodynamic plant and multi-generation systems. In the area of energy efficiency, Enel is project leader of a European smart-grid project, which will tap the large potential of smart meters: we were the first in the world to roll out this technology on a large-scale basis, making it available to all of our Italian customers. Making grids increasingly responsive and smart is a key driver for the deployment of distributed renewable-power generation. We are also working to disseminate power-driven mobility and the LED technology for public lighting.

Excellence in environmental management

We are relentlessly working to identify the best skills, the most innovative experiences and the most advanced technologies among our international operations. Our capability of extending the most evolved practices to the overall Group is a fundamental lever for growth and improvement.

We are phasing in environmental management systems certified under international standards, in line with the Group's environmental policy. In 2009, our generating capacity certified under the ISO 14001 international standard was up by over 4%.

We achieved outstanding results in 2009, which confirmed the upward trend of our environmental performance. In particular, with respect to 2005, we curbed specific emissions of SO₂ and particulates from thermal power generation by 71% and 46%, respectively.

Participation in the global debate over environmental policies

Although the outcome of the Copenhagen Conference has been below expectations, the debate over climate policies remains keen.

Enel feels that large industrial groups can play a crucial role in this area, since no significant results in terms of environmental sustainability and struggle against climate change may be reached without the involvement of companies. This is why it is imperative to put in place mechanisms and rules enabling the creation of a global CO₂ market and favoring technology-transfer processes.

In this context, we are continuing to actively participate in the political debate at global, European and national level, capitalizing on our international scale, know-how and broad portfolio of technologies.

As we are sector leaders in numerous countries, we can provide support to international organizations and governments, in order to facilitate political and regulatory choices which are effective and consistent with economic and industrial realities.

I believe that the global vision that Enel has acquired can nourish a responsible and constructive dialogue with institutions and with all of our stakeholders. We are committed to continuing on this path.

The Chief Executive Officer
and General Manager

Fulvio Conti

