

ENEL VIESGO AND THE REGION OF CANTABRIA LAUNCH ENEL'S AUTOMATED METER MANAGEMENT SYSTEM IN SPAIN

With the approval of the regional government of Cantabria, Enel Viesgo will begin a pilot project with Enel's Automated Meter Management system (AMM) in the city of Torrelavega and is authorized to offer the AMM system throughout Spain.

Santander, 24 June 2004 - The Governor of Cantabria, Miguel Angel Revilla, met today with Enel's Infrastructures and Networks Division and Market Division Chief Operating Officer, Vincenzo Cannatelli, who demonstrated Enel's Automated Meter Management system and the Pilot Project to the governor. With the regional government's approval, Enel Viesgo will begin installing in Torrelavega (Cantabria) immediately.

The Project is part of the "Digital Cities" programme and, following an agreement signed by regional government and Viesgo, will benefit from the human, material and financial contribution of both parties. The AMM Project will involve 1,050 customers and will be installed free of charge.

Under Spanish law, once the AMM is approved by one region, in this case Cantabria, it automatically obtains national approval, opening the way to a potential national market of 21 million customers.

For the government of Cantabria, applying the latest technological advances in the management and distribution of electricity is very important as it is a basic service that reaches all households and therefore stands to benefit a potentially great number of people.

The AMM System

Enel's AMM system integrates metering, billing and contract management, thereby improving efficiency for utilities while enhancing customer service. It allows utilities to better manage customers by performing remote readings and management that reduce metering errors and cut down maintenance time, and by offering varied tariff structures with lower energy costs for off-peak consumption. The system also enables internet access for customers via power lines.

Enel is the only utility in the world to have applied and tested this technology on a large scale. To date, Enel has installed 15 million new meters in Italy and the majority of them are already linked to its computer network. By 2005, all of Enel's 30 million customers in Italy will be equipped with the new meters.

Torrelavega will be the first city in Spain to incorporate the new, remote management technology which puts Cantabria, through Enel Viesgo, at the technological forefront of the country. Enel Viesgo will also carry out a pilot project with Power Line Carrier (PLC) technology that enables internet access via power lines. This will involve 300 customers in Torrelavega. The AMM system also uses PLC technology, enabling internet access.

On 18 March, 2004, Enel signed an agreement with IBM for the worldwide marketing of Enel's AMM system. The potential market for this new technology has an estimated value of 120 billion euro.