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ENEL AND CHINA HUANENG RESEARCH TO COOPERATE CLEAN COAL, RENEWABLES AND DISTRIBUTED **GENERATION**

Rome, Beijing, March 19th, 2012 - Today in Beijing Enel signed a Memorandum of Understanding with the Chinese Huaneng Clean Energy Research Institute aimed at cooperating on clean coal technologies, renewable energy and distributed generation. This agreement was signed on the occasion of the celebration for the ten year cooperation between the Italian Ministry of Environment Land and Sea (IMELS) and the Ministry of Science and Technology of People's Republic of China (MOST).

The event was attended by H.E. Mr Corrado Clini, Minister of IMELS, and by H.E. Mr Wan Gang, Minister of MOST.

The Memorandum of Understanding between Enel, Europe's second largest utility in terms of installed capacity and the Huaneng Clean Energy Research Institute, the research subsidiary of the Huaneng Group, China's largest power company, sets a framework for implementing best practices for environmentally sustainable energy generation. The agreement was signed by Mr Simone Mori, Enel Regulatory Environment and Innovation Vice President and Dr. Xu Shisen President of the Clean Energy Research Institute of the Huaneng Group.

ENEL and the Huaneng Group have already been collaborating for 3 years within the framework of a pre-feasibility study for the full scale application of a CCS facility established in a Chinese coal-fired plant and the use of CO2 for Enhanced Oil Recovery (EOR).

Enel's contribution will mainly apply to the following areas of expertise: flue gas purification, carbon capture and carbon dioxide storage, pilot project analysis of urban integrated electricity generation with innovative environmental sustainable technologies, renewable energy generation and regulatory framework implementation in order to foster possible pilot Emission Cap and Emission Trading programs in China.

Moreover, the two parties will also evaluate the opportunity to establish a Sino- Italian joint research center to promote a common platform to assess specific initiatives to be further developed.

This Memorandum can effectively constitute a significant initiative in the frame of the commitments formally engaged by Chinese Government, in the 12th five-year economic plan, for the 40%-50% reduction of carbon emission intensity by 2020 compared to 2005 values.