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ENEL SIGNS 85 MW OF CAPACITY STORAGE AGREEMENTS IN US WITH PACIFIC GAS AND ELECTRIC

- *Under the awarded Capacity Storage Agreements, Enel will build in California three energy storage projects with an overall installed capacity of 85 MW/340 MWh to increase the reliability of Pacific Gas and Electric's grid*
- *These three projects will expand the Group's energy storage portfolio, which includes stand-alone battery storage systems, as well as projects combining storage with both thermal and renewable facilities*
- *The storage facilities are expected to be operational by 2023, pending local and regulatory approvals*

Rome, December 4th, 2017 – Enel S.p.A. ("Enel"), through its US renewables company Enel Green Power North America, Inc. ("EGPNA"), signed three Capacity Storage Agreements ("CSA") with California utility Pacific Gas and Electric ("PG&E") for a total capacity of 85 MW/340 MWh. Under the agreements, Enel will build the Kingston, Cascade, and Sierra stand-alone lithium-ion energy storage projects, which will all be located in California.

"*The signing of these agreements marks an important step forward in our Group's plan to strengthen its presence in the energy storage market and expand this business in the US, and California in particular, which are at the forefront in the development of this market,*" said **Enrico Viale**, Head of Enel Global Thermal Generation. *"Utility-scale storage applications are a key focus area for Enel in view of the great benefits they offer in terms of grid balancing and reliability. We are proud of the progress we have made in this field so far and look forward to growing our storage portfolio even further."*

The energy storage systems will connect directly to PG&E's grid and will charge the lithium-ion batteries when there is an abundance of renewable energy. The energy stored in the batteries will then be delivered back to the grid during times of peak demand, increasing grid reliability, while also easing congestion.

The three facilities, all located across Central and Northern California, are the 50 MW/200 MWh Kingston project, the 25 MW/100 MWh Cascade project and the 10 MW/40 MWh Sierra project. The projects are developed with Sovereign Energy Storage, an independent developer of large-scale utility battery energy storage projects, and are expected to be operational by 2023, pending review and approval by the California Public Utility Commission as well as local and regulatory agencies.

The three projects will contribute to the expansion of Enel's energy storage portfolio, which includes both stand-alone battery storage systems, as well as projects combining storage with both thermal and renewable facilities.

PG&E awarded CSAs to three other projects alongside the three contracts awarded to Enel, for a total

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capacity of 165 MW. These awards are the result of an open competitive solicitation process run by the utility to procure 580 MW of energy storage capacity by 2020, while contributing to the 2013 California Public Utility Commission state goal of adding 1.3 GW of energy storage by 2024.

The CSAs with PG&E will strengthen Enel's presence in California's energy storage market, following the signing of an Energy Storage PPA with the utility San Diego Gas and Electric for the 3 MW/12 MWh Pomerado project located in San Diego County. In the US, in early 2017 Enel also acquired Demand Energy Networks, a leading smart control software provider, project developer, and operator specialised in battery storage optimisation. Enel is exploring opportunities to leverage their DEN.OS™ software platform and capabilities for all future storage development projects. Moreover, this year, Enel started the construction of the 25 MW/12.5 MWh Tynemouth energy storage project in the United Kingdom, and of a 20 MW/11.7 MWh storage system at its Litoral plant in Spain.

Enel is a multinational power company and a leading integrated player in the global, power, gas and renewables markets. It is Europe's largest utility in terms of market capitalisation and figures among Europe's leading power companies in terms of installed capacity and reported EBITDA. The Group is present in over 30 countries worldwide, producing energy with more than 86 GW of managed capacity. Enel distributes electricity and gas through a network of over 2 million kilometres, and with over 65 million business and household customers globally, the Group has the largest customer base among European competitors. Enel's renewables arm Enel Green Power already manages more than 39 GW of wind, solar, geothermal, biomass and hydropower plants in Europe, the Americas, Africa, Asia and has recently arrived in Australia.

Enel, through EGPNA, is a leading owner and operator of renewables facilities with projects operating and under development in 23 US states and two Canadian provinces. EGPNA operates over 100 plants with a managed capacity exceeding 3.6 GW, powered by hydropower, wind, geothermal, and solar energy.