

ENEL LATIN AMERICA TO BUILD NEW GEOTHERMAL POWER PLANT IN EL SALVADOR

Rome, June 18, 2004 – Enel Latin America will build a 44 MW geothermal power plant in the southern part of El Salvador as part of its strategic alliance with state-controlled geothermal group LaGeo. Signed in 2002, the alliance required Enel to develop additional geothermal power capacity in the area of Berlin and Cuyanausul.

Enel has already completed drilling activities in exchange for which it obtained a 12.5% stake in LaGeo. Power plant construction and future capacity development will allow Enel to increase its share in LaGeo.

The “Berlin” project will produce approximately 320 GWh per year beginning from 2006 and will represent about 26% of LaGeo’s production. Like LaGeo’s other two geothermal facilities (115 MW total), it will be a merchant plant that will sell energy through a combination of rolling contracts and spot market sales. The current power market trend shows an expected demand growth of about 4% per year.

The project will also generate 175,000 tons of carbon reduction per year that will be traded on the emissions market and, in accordance with LaGeo’s Social Responsibility program.

Enel Latin America, formerly known as Energia Global International, is the wholly-owned Enel subsidiary dedicated to the development and operation of renewable energy power plants in Central and South America.

Enel acquired its Latin and South American renewables activities in May, 2001. As well as El Salvador, they include 2 hydroelectric plants and one wind farm in Costa Rica with a total capacity of 60 MW, 2 hydropower plants in Chile with a total capacity of 90 MW and 3 hydroelectric plants in Guatemala with a total capacity of 60 MW. Including projects under development, Enel Latin America counts a total of 260 MW of installed capacity.

The Enel group has over 700 hydroelectric, wind, geothermal, photovoltaic and biomass plants in Europe and the Americas with a totalled installed capacity of 17,000 MW. It produces enough green power to cover the energy needs of 13,000,000 Italian families, saving the consumption of about 8,000,000 tons of oil per year and avoiding the dispersion of 24,000,000 tons of carbon emissions into the atmosphere.