

ENEL, GRUPPO MARCEGAGLIA RENEWABLE ENERGY ALLIANCE

Rome, February 5, 2002 – Elettroambiente, the Enel group company specialized in the treatment and recovery of energy from waste, has signed an accord to take a stake in the capital of ETA Srl for the realization of an electrical energy plant fuelled by biomass, now being finished in Cutro (Crotone).

Elettroambiente's entry into ETA, a special purpose company constituted by the Euroenergy Group (Gruppo Marcegaglia), will take place through a subscription to a capital increase of 4.65 million euro.

The plant, the realization of which is included on the Area Contract of the Province of Crotone, will go into operation at the end of 2002 and will have an installed capacity of 16.5 Mw, producing about 105,000 Mwh/year of green energy which will be dispatched into the national grid.

The project, which calls for a total investment of 50 million euro, will employ 30 personnel directly and about 150 ancillary positions.

The plant will be built by Enelpower, the Enel Group's engineering company, together with Fortum Engineering, and calls for a fluid bed combustion system which will ensure a high level of energy efficiency and guarantees optimal results from an environmental point of view.

The Elettroambiente – Euroenergy Group accord will also allow the development of similar initiatives in southern Italy.

The operation is subject to the approval of the relevant authorities.