



PRESS RELEASE

One of the European Union's priority objectives

ENEL: LAYING OF ITALY-GREECE SUBMARINE CABLE GETS UNDERWAY

Project, dubbed "the network of the deep" by technicians, is the first of its kind

Rome, January 28, 2000 – The laying of the first stretch of the submarine cable to be used to carry electricity between Italy and Greece began in Otranto today.

The project, linking Otranto with Aetos, will have a total length of 164 km and is due for completion by the end of 2001.

The new cable, which is 75% owned by TERNA (Enel Group) and 25% owned by the Greek state-owned electricity company – PPC, will provide direct voltage transmission capacity of 500 MW at a cost of 339 million Euro.

A further 43.4 km landline is to be built on the Italian side linking Otranto with the station at Galatina, where a plant to convert from alternating to direct voltage is under construction.

TERNA has contracted Enelpower to carry out work at the Italian end at an overall maximum cost of ITL 500 billion.

Laying of the submarine cable is due to be completed in August 2000, whilst the new plant, on which work began in 1998, is scheduled to enter service in August 2001.

"This project," stressed TERNA's Managing Director, Sergio Mobili, "represents one of the priority objectives of the European Union, which has provided 40% of the total funding. The new cable will open the doors to Greece as an electricity supplier, and will cut the distance to countries such as Albania and Turkey, which possess significant energy potential. It will also facilitate future links with Middle Eastern countries and the Balkans, with substantial benefits for Italy and the *Mezzogiorno* (southern Italy)".

The cable will lie at depths of up to 1000 meters. The first of its kind, the project has been dubbed "the network of the deep" by technicians. Electricity has never before been transported at such depths.

Testing of the cables and other equipment alone required trials lasting 22 months, involving simulations and installation trials, and recovery and repairs at sea. All components, plant and equipment were given the go-ahead before work began.

Enel has projects underway throughout the area.