

PRESS RELEASE

ENEL HYDRO AND ACQUEDOTTO PUGLIESE TO MANAGE WATER INFRASTRUCTURES OF CALABRIA

Rome, August 3, 2001 - Enel Hydro and Acquedotto Pugliese (AQP) won the contest for the management of the water infrastructures of Calabria in southern Italy. Management will be in the hands of a new company, Società Risorse Idriche Calabresi (So.Ri.Cal), in which the region of Calabria, chaired by Giuseppe Chiaravallotti, will have a majority stake and the Enel-Acquedotto Pugliese consortium a minority stake.

The public/private company will manage the region's primary water gathering and large scale transportation system, as well as completing and integrating the massive complex of public works called for by Regional Law n.10 of 1997.

The assignation came after a tender procedure which began in 2000 and saw the participation of the most important players operating in the management and construction of water systems.

Enel-AQP's offer, which was considered the most attractive by a committee of independent experts created by the Calabria region, features the progressive connection and integration of Calabria's major water systems and of the great reservoirs at its heart. These include some of Enel's major hydro-electric reserves.

The proposal, which utilizes a particularly innovative management scheme, contains a substantial investment plan, for about 800 billion lire, which complements european, national and regional funding earmarked for water projects in State/Calabria general agreements.

So.Ri.Cal, after incorporation in September, will be fully operational from early 2002.