



PRESS RELEASE

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ENEL BRASIL ANNOUNCES PRIORITIES FOR CELG DISTRIBUIÇÃO

- *Main initiatives include modernising network to improve quality of service, new connections, providing access to energy and the implementation of Enel's safety culture*
- *This year company will start to build 400 km of electricity network, in addition to six new substations*
- *400 new high- and medium-voltage network automation systems will be installed with the aim of improving quality indicators in the medium-term*

Goiás, March 30th 2017 – Enel's Brazilian subsidiary Enel Brasil S.A. ("Enel Brasil") has announced today its first initiatives for Celg Distribuição S.A. ("CELG") just over a month after taking control of the distribution company. Improvement of energy supply quality, new connections, granting universal access to energy in CELG's concession area in the state of Goiás and implementing Enel's safety culture are the main priorities for the next 18 months. Enel's Country Manager for Brasil Carlo Zorzoli revealed the new initiatives for CELG at a forum promoted by the Goiás Government in state capital Goiânia.

"We will contribute both to the development of the state of Goiás and improvement of service quality provided to our customers, by optimising CELG's operations and modernising the distribution grid," said Carlo Zorzoli. "The works will include construction and reinforcement of substations, as well as the installation of new equipment that will increase capacity and reliability of energy supply. We will also reinforce maintenance, in addition to accelerating connection of new customers."

By implementing these measures, in the next 18 months Enel Brasil expects to reduce equivalent interruption duration per consumer unit against the limits established by Brazilian electricity regulator ANEEL by 15% and increase network capacity by around 110 MVA, benefitting 96,000 customers.

Among the priority works planned for this year is the start of construction of six new substations (in Paraúna, Cocalzinho, Santa Helena, Alto Horizonte, Orizona and on the outskirts of Goiânia) and around 400 km of high- and medium-voltage lines to increase network capacity and improve quality of service in Goiás' rural and urban areas.

Enel Brasil's initiatives also includes the installation of 400 new remote controlled network automation systems, which together with a modern management system will allow CELG to quickly and remotely identify and isolate possible network failures, reducing the number of customers affected by outages. The technology introduced by Enel has been adopted by Group companies in other countries and more recently by the Group's Brazilian distribution companies, with significant impact on quality indicators.

Initiatives will also focus on the connection of new customers, including in rural areas previously not served. In the rural areas of Goiás around 3,500 new connections will be made, the majority thanks to resources provided through the federal government programme Luz para Todos. CELG will also connect around 6,800 premises in urban area via the federal government programme Minha Casa, Minha Vida.

Maintenance initiatives for 2017 include around 350,000 trees being pruned, a 25% increase on last year, with the aim of reducing the number of service interruptions caused by branches dropping on power lines, one of the main causes of energy supply failures. Other preventative maintenance measures include network inspection using helicopters.

To implement Enel's safety culture, CELG has been promoting meetings with its suppliers and electricians, in order to teach the key rules regarding the use of equipment and for the safe operation of the electrical grid.

Celg Distribuição

Founded in 1956 and headquartered in Goiânia, CELG (previously approximately 51% owned by the Federal Republic of Brazil via its controlled electricity company Eletrobras, and around 49% by the state of Goiás via its holding company Celg-Par) operates in a territory that covers more than 337,000 km² through a concession that is valid until 2045. CELG's market includes 237 municipalities with a combined population of about 6.2 million people, and its base of 2.9 million customers network is served by network that stretches out over more than 200,800 km.

Enel in Brasil

Enel operates in Brazil through its subsidiaries Enel Brasil and Enel Green Power Brasil ("EGPB"), both headquartered in Niterói in the state of Rio de Janeiro. Enel Brasil has operations in the states of Rio de Janeiro, Ceará, Goiás and Rio Grande do Sul, in the energy distribution, generation, transmission and solutions sectors.

Through Enel Brasil and EGPB, the Enel Group has total installed capacity of over 1.6 GW, with more than 1.3 GW of renewable energy – 400 MW from wind power, 12 MW from solar PV and 890 MW from hydro – making it the country's largest solar player and one of the largest in the wind sector. Enel also has another 442 MW of wind projects and 807 MW of solar projects under construction. Through Enel Green Power Cachoeira Dourada, Enel operates the 658 MW Cahoeira Dourada hydropower facility in Goiás.

Enel serves around 10 million customers in the country through Enel Distribuição Rio, Enel Distribuição Ceará and CELG. Enel Brasil also operates the 319 MW Enel Geração Fortaleza thermal power plant, and controls both transmission company Enel Cien and energy solutions company Enel Soluções.