



Renewables Growth

Moscow, October 13th, 2016



Enel Today

Global diversified operator



North and Central America

- Capacity: 3.5 GW

Latin America

- Capacity: 18.6 GW
- Networks: 0.32 mn km
- End users: 15.3 mn

■ = Enel presence²

Enel Group

- Capacity: 87 GW
- Networks: 1.9 mn km
- End users: 61.2 mn
- Free customers: 23.1 mn

Italy

- Capacity: 27.8 GW
- Networks: 1.14 mn km
- End users: 31.6 mn
- Free customers: 10.5 mn

Iberia

- Capacity: 22.8 GW
- Networks: 0.32 mn km
- End users: 11.9 mn
- Free customers: 12.5 mn

Europe and North Africa

- Capacity: 14 GW
- Networks: 0.09 mn km
- End users: 2.7 mn
- Free customers: 0.1 mn

Sub-Saharan Africa - Asia

- Capacity: 0.3 GW

1. As of 30th June 2016

2. Presence with operating assets

Enel Group

Leadership along the various segments of the value chain: focus on renewables



Renewables generation

Approximately 37.0 GW of installed capacity



Wind Onshore



Solar Photovoltaic



Geothermal Energy



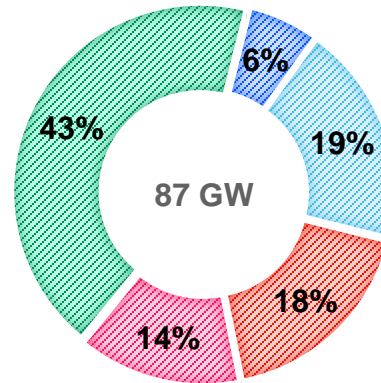
Hydroelectric



Biomass

Performance improvement regarding all available technologies, integration of storage and research in new technologies

INSTALLED CAPACITY



- Nuclear
- Coal
- CCGT
- Oil+Gas
- RES³



Infrastructure & Networks

61.2 mn end users
38.5 mn smart meters
1.9 mn km grids



Retail

56 mn power customers
5 mn gas customers



Thermal generation

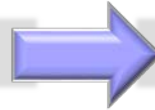
52.7 GW of installed capacity

Renewables Market Evolution

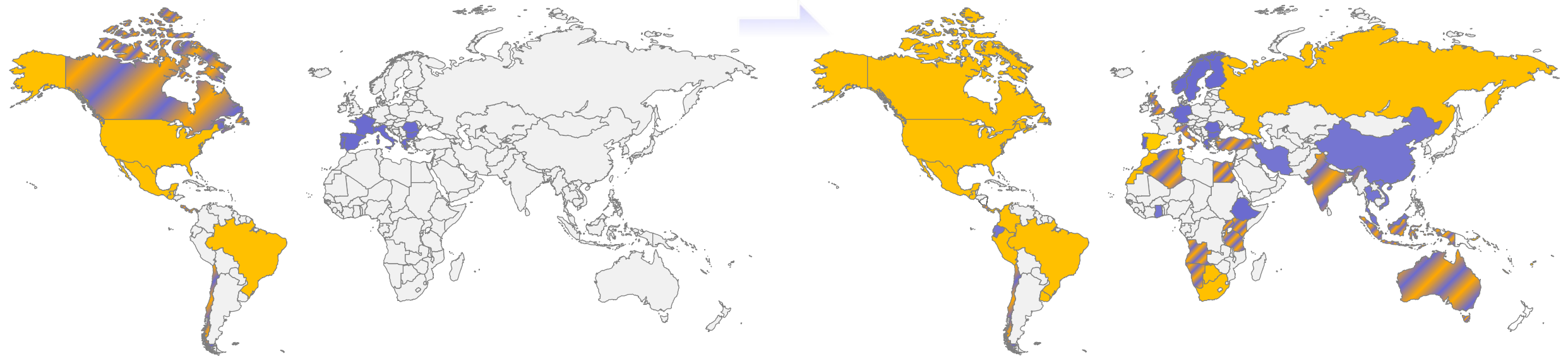
The change in regulatory schemes



FROM 2010 – 16 COUNTRIES OF INTEREST OF ENEL GREEN POWER



TO 2016 – 48 COUNTRIES OF INTEREST OF ENEL GREEN POWER



 Fixed incentives schemes

 Competitive Schemes

Renewables Russia: Regulatory Evolution

An improved regulatory framework for wind



Current regulatory framework

- ✔ Government target for new wind capacity **extended to 2024** to recover MW not assigned
- ✔ **Higher ceiling price:** cap price increased by ~ 70% further upward adjustment of the ceiling price
- ✔ **WACC** for Y2015 tender participants **increased to 14%** in local currency
- ✔ Upward adjustment of non-localized part of CAPEX by FX factor
- ✔ **Local content requirements** (LCR) revised downwards for 2016-2018 (25-55% vs. 65%)

In 2015 Government made several improvements to provide an extra stimulus tender but apparently, even if positive for generators, LCR smoothing seems not be enough for suppliers

Russian Regulatory Framework

Points of discussion and Enel proposals



Points of discussion

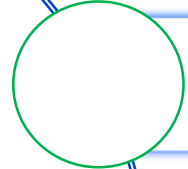


Local content requirements (LCR) do not match the early stage of local wind industry

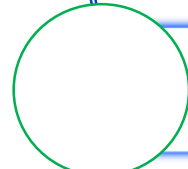


Automatic termination of awarded DPM contract after 12 months Commercial Operation Date (COD) delay

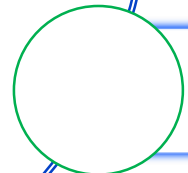
Enel's proposals



Downward revision of LCR for wind for a transition period (2-4Y) to allow for the development of required wind production: not exceeding 40% of LCR



Factor in the support to local communities / economy (spreading welfare)



Prolongation of max possible time period for COD delay without DPM contract termination from 12 to 24 months

With the proposed regulatory changes and stable economic environment, Enel is ready to become a player in Russia also in the renewables sector