

## ENEL IN COLOMBIA COUPLES GROWTH STRATEGY WITH BRAND EVOLUTION

- *After 20 years of operation in Colombia, Codensa and Emgesa are incorporating the Enel brand into their logo, becoming Enel-Codensa and Enel-Emgesa*
- *Enel in Colombia will invest 4.4 trillion Colombian pesos (1,466 million US dollars) in 2018-2020, to modernise power infrastructure, improve service quality, and expanding its offer to also include advanced energy solutions from selling electricity alone*

**Bogotá, September 24<sup>th</sup>, 2018** – Today, Enel’s Colombian subsidiaries, Codensa and Emgesa, presented the evolution of their brands, which now incorporate the Enel Group’s global corporate logo, becoming Enel-Codensa and Enel-Emgesa. The brand evolution process is a reflection of Enel’s business advancements, with local companies fully benefitting from global best practices and technical expertise. Enel in Colombia also confirmed its growth strategy in the country, playing an active role in the energy transition and responding to global urbanisation, decarbonisation and electrification trends. Enel Group operates in 34 countries on the five continents with more than 72 million customers around the world.

*“Our 20 year history in the country is a source of pride, and it allows us to evolve towards a future with great opportunities. With the brand evolution of our companies, we are confirming our commitment to the country. By bringing the Enel global brand and announcing our growth strategy we will be able to transform our relationship with customers, offering them more advanced energy solutions, with a strong focus on digitisation, increased efficiency, an expansion of the distribution markets and a diversified energy mix,”* said **Lucio Rubio**, Country Manager of Enel in Colombia.

Enel-Codensa and Enel-Emgesa’s brand evolution is in line with the Group’s Open Power strategy, which is aimed at opening energy access to more people, opening the world of energy to new technologies, opening new ways for people to manage energy, opening new uses of energy, and opening more partnerships.

### EFFICIENCY AND DIGITALISATION

Enel-Codensa will allocate over 2.6 trillion Colombian pesos (800 million US dollars) to modernise its networks in the country, including 360,000 million Colombian pesos (120 million US dollars) to improve service quality through the implementation of remote control technologies, expected to reduce SAIDI (System Average Interruption Duration Index) to 519 minutes in 2020, compared to 820 minutes in 2017. The remote control is a new technology that allows the accurate location of failures in the electrical circuits to deal with them from remote.

With the aim to boost electrification, the company has allocated 900 billion Colombian pesos (300 million US dollars) in the construction and expansion of substations, such as San Jose, Compartir, Terminal, Portugal, Barzalosa, Mosquera, Cáqueza, Noroeste, Chia, among others, which are part of its city and regional expansion plan. The company expects to reach close to 4 million customers by 2020 from the current 3.4 million.

Enel in Colombia will also continue to innovate in network operation also through the adoption of manned and unmanned technologies. Helicopters are used for the delivery of materials and inspections in hard-to-access electrical circuits. Likewise, the company also utilises drones such as the “dragon” drone, which removes external items that can interfere with the network, the “owl” drone, which identifies failures in public lighting and the “weaver” drone, which sets up networks in hard-to-access areas in Cundinamarca.

Enel-Codensa has already started installing smart meters, a pioneering technology in the country. Between 2016 and 2017, more than 42,000 electronic meters were installed, with a target of up to 80,000 by 2018. Smart meters will provide customers with up-to-date detailed information about their energy consumption, while the company will be able to optimise its commercial operation and offer a product portfolio tailored to the customer's needs and profile.

At the same time, the company is also developing digital systems, within the framework of five customer journeys, which are key moments of the interaction between the company and the clients that are being mapped and measured with the aim to further improve the customer experience. Customer journeys include digital channels to communicate failures and scheduled maintenance, enable access to more detailed bill information, including energy consumption data, through the "smart invoice", boost electronic payment channels, making them more user-friendly, and developing an e-commerce platform for the sale of products and services, such as advanced lighting solutions.

Enel-Codensa is working to issue 490,000 digital invoices by 2020, up 600% from the current 70,000. At the same time, the company will improve its mobile app, with the aim to provide clients with another customer service channel.

The company's efficiency projects also include the modernisation of public lighting. Enel-Codensa plans to replace 300,000 lights in Bogotá and Cundinamarca. To date, more than 200,000 lights have been replaced with more efficient technologies. Through this initiative, streets, parks and other public areas will enjoy better lighting conditions at night.

Enel-Emgesa is also working on important projects to improve the environmental performance of thermal power plants, thereby contributing to the domestic target of achieving a 20% reduction in Colombia's CO<sub>2</sub> emissions by 2030.

## **GROWTH OPPORTUNITIES**

Enel-Emgesa plans to invest more than 1 trillion Colombian pesos (333 million US dollars) to improve the efficiency of its power plants. The company sees the transformation of the country's energy mix as an opportunity for growth, therefore making power generation more in line with the country's needs, while also being more resilient to major meteorological factors such as El Niño.

Enel is currently building the country's largest solar park in El Paso (Cesar). The 86.2 MW plant, which will involve an investment of around 211 billion Colombian pesos (70 million US dollars), will be Colombia's first centralised generation renewable plant, beyond hydro. The Enel Group in Colombia, through its subsidiary, Enel Green Power Colombia, is planning to grow further in renewables.

Enel in Colombia is also continuing to provide its clients with innovative energy solutions, such as the distributed PV generation systems that have been installed at the premises of various companies in Bogotá. These corporate premises include those of Italo, Autogermana, Colegio Vermont, Enel's headquarters in Bogotá and, soon, the Empresa de Licores de Cundinamarca. Over the next three years, Enel is planning to install 15 distributed generation facilities with over 25,000 solar panels at the premises of commercial, institutional, corporate and industrial customers, in Bogotá, Cundinamarca, and in the rest of the country. These solar facilities will generate around 11 GWh per year, meeting the energy needs of approximately 66,000 households in a month.

Electric mobility is another important milestone in Enel's electrification strategy and the company will continue to promote this segment in cities like Bogotá. With 30 vehicles, the company currently runs the largest EV fleet in the country, has implemented the first corporate employee bicycle plan in Colombia, has installed the first public fast-charging stations and has launched pilot electric bus and e-taxis projects in Bogotá.

## **PEOPLE AND INCLUSION**

Human resources are another pillar of the organisation. Attracting the best talents, promoting gender equality, as well as a work-life balance among employees are key to introducing changes to corporate culture and behaviour.

Enel-Codensa and Enel-Emgesa have been working on the implementation of initiatives to close the gender gap and promote equal working spaces. The Enel Group companies in Colombia are the first ones in the country's power sector to obtain the Equipares Gold Labor Equality Seal, in recognition of the work carried out in policies and practices that promote gender equality. Today, in all of the companies' selection processes, 50% of the candidates are women and, in addition, they occupy 25% of the managerial positions. Also, the companies were certified by the Más Familia Foundation as Family Responsible Companies (EFR, for the Spanish original), in recognition of the implementation of a new social and corporate culture based on flexibility, security and respect to employees.

In addition, Enel in Colombia is working to improve the lives of citizens through flagship projects, such as "Credito Fácil Codensa". This product gives first-time access to a credit card to a sector of the population that did not have this possibility. In the same way, with "Cundinamarca al 100%" project, the company has brought energy to more than 1,450 families in the region that did not have this service as they reside in hard-to-access areas with low population density. By 2021, more than 8,500 homes are expected to be electrified.

The company is also meeting the needs of populations through distributed generation solutions, such as the minigrd built in the Buenavista district of the municipality of Paratebueno (Cundinamarca), which brought energy for the first time to 20 families in the Alto Redondo sector.

*"We are giving our best to implement our strategy, focused on continued growth, be alert to new business opportunities, be increasingly efficient, advance on the digitalisation path, but most important, be closer to people and our clients",* said **Lucio Rubio**, Country manager of Enel in Colombia.

## **ABOUT THE ENEL GROUP: ENEL-CODENSA AND ENEL-EMGESA**

*Enel-Codensa and Enel-Emgesa are part of the Enel Group, a multinational energy company and one of the main global integrated operators in the electricity and gas sector. The Group is operating in 34 countries across 5 continents, generating energy through a managed capacity of approximately 88 GW. Enel distributes electricity and gas through a network of more than 2 million kilometres, and with approximately 72 million residential and corporate customers around the world.*

*Enel-Codensa is a leading electricity distribution and sales company on the market, with more than 3,400,000 customers in Bogotá, Cundinamarca, 8 municipalities in Boyacá, 1 in Tolima, 1 in Caldas and 1 in Meta. It has an installed capacity of 21,500 MVA (megavolt amperes) along 102,838 kilometres of high, medium and low voltage networks. The Company generates around 15,500 jobs both directly and indirectly in Colombia. The electric energy sale and distribution service provider is still Codensa S.A. ESP, an entity overseen by the Superintendence of Residential Public Services.*

*Enel-Emgesa is a company involved in the business of generating and selling electricity in Colombia, with nearly 465 customers on the free market and a total installed generation capacity of 3,504 MW. It has 15 hydroelectric power plants and two thermal power plants operating in the departments of Cundinamarca, Bolívar and Huila. Since 2013, it has played a role as a natural gas vendor in*

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*negotiation processes with producers, traders and customers from the Free Market. The energy sale and distribution service provider is still Codensa S.A. ESP, an entity overseen by the Superintendence of Residential Public Services.*

**For more information:**

Angélica Morales

E-mail: [angelica.morales@enel.com](mailto:angelica.morales@enel.com)

Telephone: +57 (315) 442-7785

Andrea Delgado

E-mail: [andrea.delgado@enel.com](mailto:andrea.delgado@enel.com)

Telephone: +57 316 7409418