



HOW TO IMPLEMENT THE ENERGY TRANSITION? STUDY AIMING TO RENEW THE ELECTRICITY SECTOR

- *With advice from energiE and the participation of experts, Enel accompanied the development of a "Roadmap for the Energy Transition in Chile" with a medium (2030) and long-term (2050) vision. The initiative proposes concrete actions and public policies to promote this process and contribute to decarbonization and climate change dialogue.*
- *At a global level, thanks to the development of this type of initiative, the Enel Group maintains a commitment with different stakeholders and governments in the countries where it is present, sharing technical knowledge and points of view with an open approach.*

Santiago, January 18, 2023 -The challenge posed by climate urgency requires a rapid transformation in how we produce and consume energy. This process is called energy transition and involves transforming electricity generation matrices, electrifying end uses, therefore, replacing fossil fuels. In addition, the evolution of industries towards sustainable and circular modes of production and the digitization of electricity infrastructure, especially networks.

To contribute to these objectives, throughout 2022, Enel Chile and energiE developed a **"Roadmap for the Energy Transition in Chile,"** which contains energy transition scenarios, quantification of their costs and benefits, as well as a set of public policy recommendations. The latter include the creation of new institutions and regulations to manage the withdrawal and substitution of coal, the gradual increase of green taxes, and the provision of financial incentives for projects that support the reduction of emissions. The latter holds on the assumption that the electrifying consumption and industrial processes will play a fundamental role in the next two decades, as will the electrification of transportation.

"In Enel, we are interested in public policies on climate change promoting decarbonization, the fight against climate change, and the Paris Agreement's objectives, as they are fully consistent with our decarbonization strategy. We always involve all stakeholders, such as business associations, non-governmental organizations, or academia. The development of roadmaps for the energy transition allows us to move in precisely that direction, providing tools that contribute to accelerating urgent changes", comments **Fabrizio Barderi**, general manager of Enel Chile.

The development of this initiative was led by the electricity market consulting firm energiE, in collaboration with MRC. **Daniel Salazar**, a Managing Partner of energiE, explains that thanks to the study, "for the first time, the country has TIMES modeling for its energy system, which represents an important contribution to the energy planning and public policy formulation processes. The objectives are defined by evaluating different energy scenarios through a



multivariable analysis to identify the main aspects that configure public policy measures that will allow Chile to achieve Carbon Neutrality by 2050".

As part of its next steps, the study aims to serve as a model for other organizations to join in a fair and equitable energy transition. It included workshops and roundtables with the participation of different experts and stakeholders, intending to contribute to the dialogue between other actors to reduce GHG emissions, maintain the negative carbon rating, and address climate change in a particularly complex global context.

This is a practice that transcends the local level. At a global level, thanks to the development of energy transition roadmaps, the Enel Group maintains a commitment with different stakeholders and governments in the countries where it is present, sharing technical knowledge and points of view with an open approach. During 2022, it promoted the development of Energy Transition Roadmaps in 8 Latin American countries: Peru, Colombia, Chile, Argentina, Brazil, Costa Rica, Guatemala, and Panama, which have positive economic results in scenarios of increased climate ambition and carbon neutrality.

The Enel Group, committed to modernizing and driving the energy transition, aims to be a zero-emissions company by 2040. Therefore, it considers that an actual transformation process is one in which electrification is the most critical factor because it represents significant changes in terms of new technologies and new uses of energy. For this reason, it is necessary to develop a sustainable and circular urban vision for the future, where all users - industry, transportation, housing, and commerce - can access reliable and sustainable energy.

More information about the final results of this study can be found at https://linktr.ee/etr_latam.