

PRESS RELEASE ENEL DISTRIBUCIÓN CHILE

ENEL DISTRIBUCIÓN APPEALS AGAIN TO THE CONSTITUTIONAL COURT AGAINST THE LAW THAT PREVENTS IT FROM INTERRUPTING SUPPLY TO CUSTOMERS WHO CAN PAY

- *The request has already been declared admissible by the Court.*

Santiago, December 7, 2021 – Enel Distribución filed before the Constitutional Court (TC) a new unconstitutionality appeal against the Basic Services Law's terms that prevent supply suspension to non-vulnerable customers with high consumption.

After an internal analysis of those customers who can pay and don't, the company submitted a detailed report to the Superintendence of Electricity and Fuels. After filing an appeal, Enel Distribución went to the Constitutional Court arguing that benefits in the Basic Services Law No. 21,249 intended to aid vulnerable households in the context of social and economic crisis derived from the Covid 19 pandemic, is being extended to customers with the capacity to pay.

The law's application without any distinction based on the customers' ability to pay violates the constitutional guarantee of equality before the law. Since "legal rules must be the same for all persons in the same circumstances and, modified for those in different situations," according to the appeal filed by Enel Distribución.

We argue arbitrary discrimination in exercising a fundamental contractual right of Enel Distribución, such as receiving timely payment from its customers in exchange for the supply of electricity that it is obliged to deliver according to the provisions of the same contract. The previous also violates the right to non-arbitrary discrimination that the State and its agencies must provide in economic matters.

"Since the beginning of the pandemic, we have focused our efforts on helping our most affected customers. However, there is no justification for giving a benefit to those who do not need it," said Ramón Castañeda, Enel Distribución's general manager.

The request was declared admissible by the TC. The appeal also argues that current measures violate the constitutional guarantee of equal distribution of public burdens. The latter, by requiring the company to assume the costs of a measure in favor of a large part of the community that the State should assume and, in exceptional cases, through very well-founded specific tolls.

All of the above results in the violation of Enel Distribución's property rights since it deprives the company of the most significant incentive available to encourage payment, such as suspension. The latter compromises its financial balance as current measures make it cover operating costs while supplying electricity to its highest-consuming customers who remain in default, despite their evident ability to pay.

It is worth mentioning that the first appeal filed before the Constitutional Court in August 2021, which was declared admissible, is ready to be incorporated into the Table to be heard by one of the two chambers that make up the Constitutional Court.