



SE Investment Strategy Our Response to Energy Security Strategy for Slovakia

Paolo Ruzzini
General Director
Slovenske elektrarne, a Member of Enel Group

Bratislava, October 27, 2008

Common Interest: Secure Energy Supply

Future Market Scenario

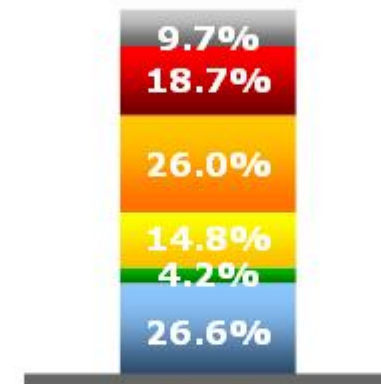
- Ø Higher energy demand: crucial role of developing economies
- Ø Oil, gas, coal: spiking commodity prices / need of lower dependence on fossil fuels
- Ø CO₂: new measures to tackle world climate change
- Ø Capacity shortage in CENTREL: considerable investments required to guarantee security of supply

Enel Strategy to Address the Growing Energy Demand

- Ø A balanced mix of energy sources, equally split between coal, nuclear and renewables

Group production mix

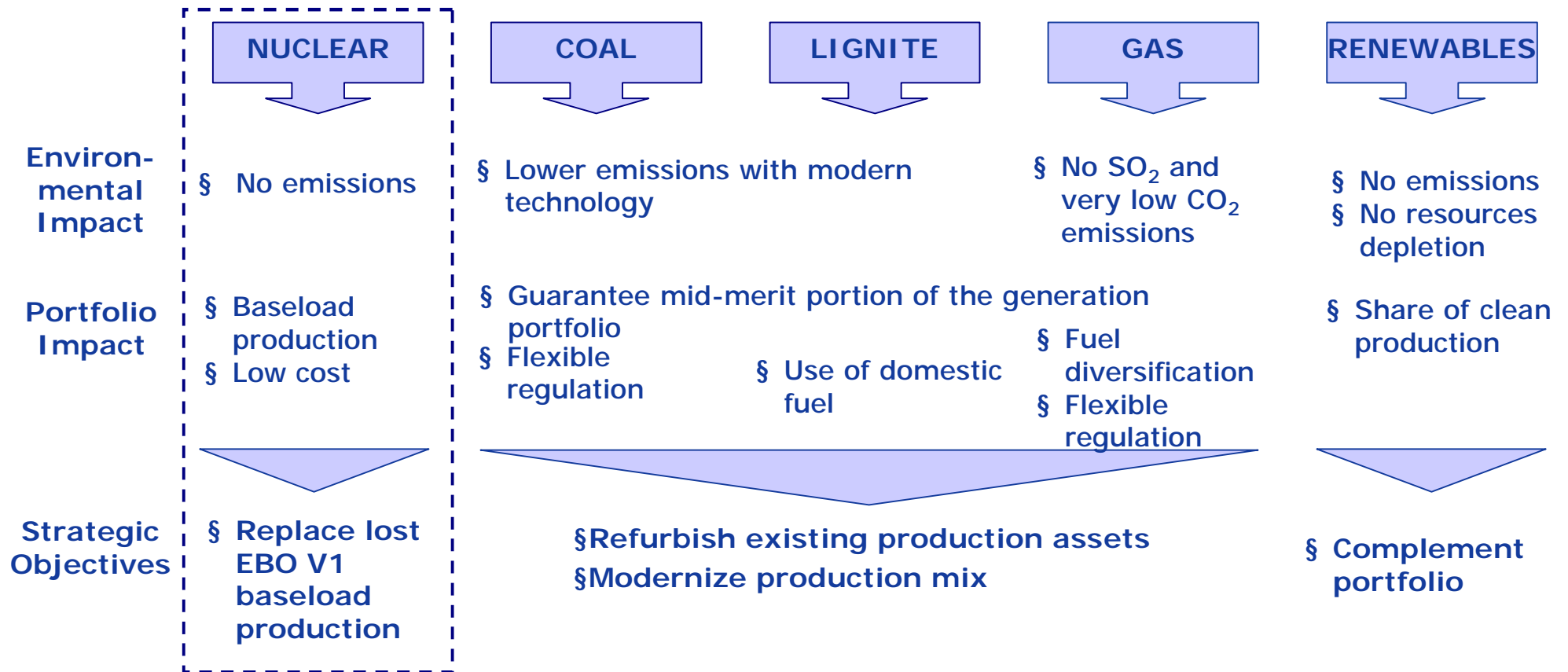
116.5 (TWh)



1H08



SE Investment Plan



Environmentally friendly, low cost and diversified energy sources

SE Comparative Advantage

Nuclear Technology Is the SE Answer Because:

- Ø It satisfies the growing demand for sustainable & affordable energy – high uranium reserves
- Ø It is the environment-friendly solution – low CO₂ emissions
- Ø Slovakia has more than 50 years history in nuclear generation (110 reactor years) and Slovenske elektrarne has always been a reliable operator
- Ø Local Nuclear Regulatory Authority is a strong point of reference & oversight

Nuclear renaissance is the natural consequence of the major contribution this technology can give to required solution.

Slovenske elektrarne is supporting this strategy exploiting, at the best, its assets and carrying on brown field initiatives.

**Nuclear is not the Ultimate Solution,
BUT There Is No Solution without Nuclear!**



SE Quick Response to Energy Security Strategy of Slovakia

In line with its vision to be

Safe

Reliable

Competitive

SE has quickly responded to capacity shortage:

SAFETY & RELIABILITY - Modernisation Project of EBO V2

- Ø Higher level of nuclear safety and of operational reliability at V2 NPP in line with international standards and with IAEA recommendations and UJD SR Decrees
- Ø Comprised of 110 separate tasks, total CAPEX expenditure €331m.

COMPETITIVENESS - Increased Availability of Sources

(Zenith: Operational Excellence Program)

- Ø Increase of Unit Capability Factor
shorter and more effective outages and overhauls
- Ø Decrease of Unplanned Capability Loss Factor
fewer and shorter unplanned outages of nuclear sources
- Ø Decrease of nuclear modulation
higher utilization of nuclear plants

SE Quick Response to Energy Security Strategy of Slovakia

SE has quickly responded to capacity shortage (mainly caused by the decommissioning of EBO V1) by immediate power up-rates of existing nuclear facilities.

Unit	WHEN	POWER UPRATE		Increase to	
		Planned	Already spent		
EMO 1	Jun 2008	€6m	€5m	107%	Power Increase of 2 x 21,5 MW
EMO 2	Nov 2008 after General Overhaul			107%	
EBO 3	Oct 2008	€141m	€37m	104%	Power Increase of 122 MW
	2010			107%	
EBO 4	Aug 2009 after General Overhaul			105%	
	2010			107%	

SE Long Term Response to Energy Security Strategy of Slovakia

EMO 3&4 units to be put in operation in 2012-13

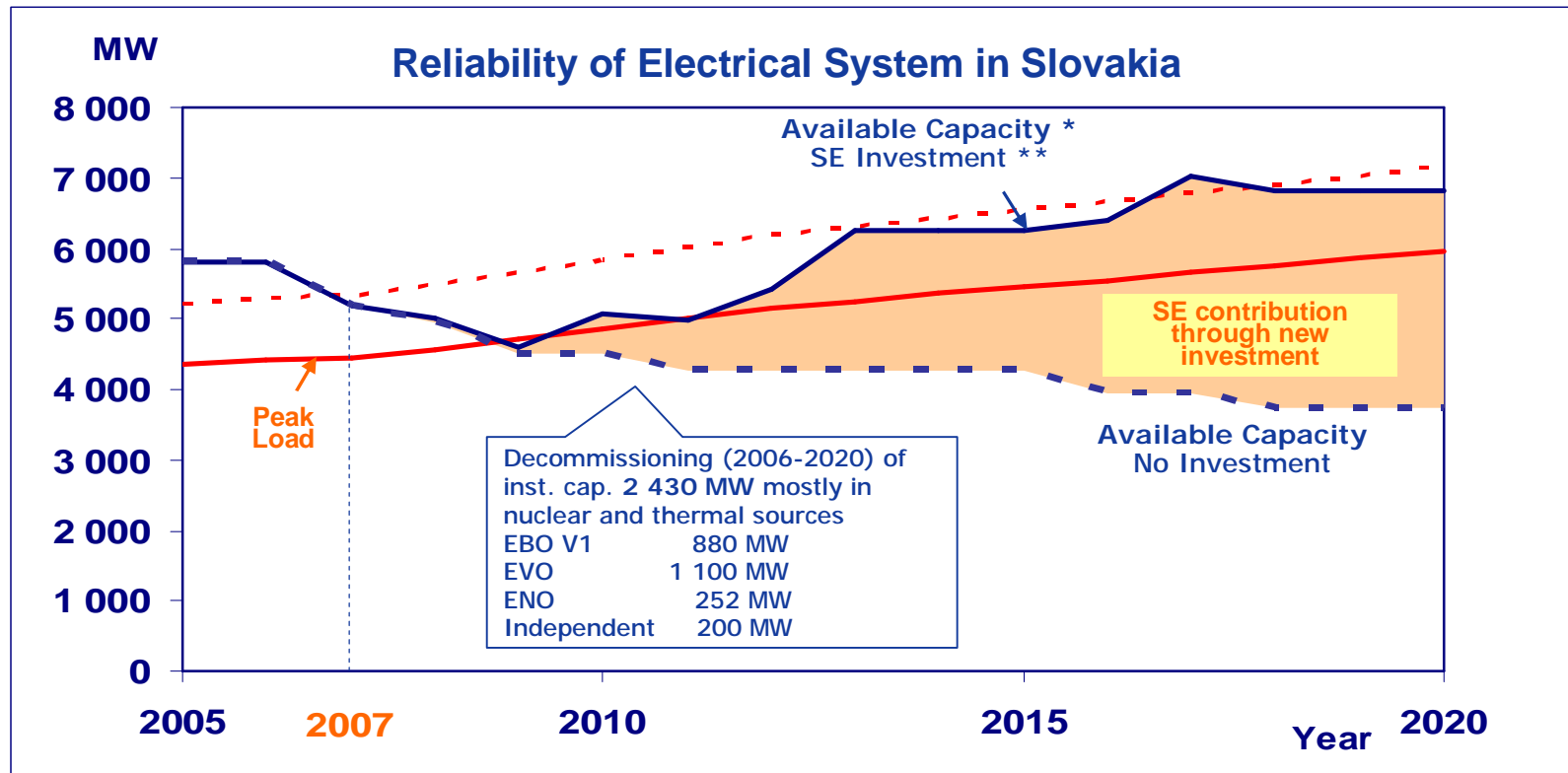
- 50 mil EUR spent recently for project re-start
- Largest single current investment Project of Enel
- At the forefront of new NPP constructions in Europe (second after Olkiluoto)
- Consolidated design with evolutionary safety measures
- A concrete opportunity to develop a new Nuclear Project in 5-6 years from investment decision
- Competitive economics joined with high operational flexibility due to the small Units size of reactor and steam turbines



- Consolidate position as leading Nuclear generation company in Central Europe
- Grow competences, organizational structure, supplier, outsourcing environments and reputation that can be a firm basis for future development of Nuclear Projects in the region.



SE's Investment Strategy Will Have a Profound Positive Impact on Slovakia's System Stability



* Wind Parks not considered for the available capacity calculation

** Based on updated Investment Plan

Key Assumption For Securing Future Energy Supply

Favourable Market and Stable Regulatory Environment

- Stable energy legislation (including back cycle) to strengthen the framework of free market
- Country's transparent strategy towards energy producers
- Common interest of government to solve key issues
- Equal conditions for all energy investors in Slovakia