

ENDESA RECEIVES 32 BUSINESS PROJECT PROPOSALS FOR ITS COMPOSTILLA SITE IN LEÓN

- *A total of 18 companies and organisations have shown their interest in using the site of the Compostilla thermal power plant (León), with 32 concrete proposals for business initiatives in the first phase of the international competition, which is part of the Futur-e Plan to generate wealth and employment in the El Bierzo region, that ended on 31 January*
- *The initiatives will be analysed and evaluated and the most attractive projects from a technical and economic point of view will proceed to the second phase to present a detailed proposal, including a business plan, before 30 April*

Ponferrada, 4 February 2020 - Endesa has received a total of 32 proposals in the international competition to find business projects that will generate employment and wealth in El Bierzo, which forms part of the Futur-e Plan for the Compostilla plant in León. This competition is an initiative in Endesa's Futur-e Plan for a Fair Transition that is part of the decarbonisation process being undertaken by the company to replace thermal generation with renewable power, thus minimising the impact on the environment.

The facilities and site of the Compostilla plant, for which Endesa requested ministerial permission to close operations in December 2018 and for which it is still pending authorisation, offer suitable characteristics for other business projects and this has led the company to undertake a search for alternative projects which are sustainable from a social, economic and environmental perspective. In addition to this competition, the Futur-e Plan for Compostilla covers investments in renewables including the construction of an additional 390 MW in the vicinity as well as training to improve the employability of workers from the plant and surrounding areas.

The proposed projects cover different industrial sectors and will be developed in detail in the second phase, which will end on 30 April, in order to come up with binding proposals. The proposals received, which were presented by 18 national and international companies, range from the agri-food sector (agricultural and food processing), to construction, research and technological development linked to the energy sector and sustainable mobility and the services sector.

The initiative arises from Endesa's commitment to mitigating the consequences of the energy transition process that Europe is carrying out, with the aim of achieving decarbonisation of the economy following criteria of social, economic and environmental sustainability. It is about creating value that is shared with all the local agents, as an example of the circular economy and in order to achieve a Fair Transition towards new business models for the surrounding areas.

Endesa will, thus, facilitate the implementation of these projects in El Bierzo on the site currently occupied by the thermal power plant within the municipalities of Cubillos del Sil and Ponferrada. There are 330 hectares of land, of which 80 hectares are classified as industrial land making them ideal for an industrial



enterprise, as they have an electricity supply and access to gas and water. It will also be possible to take advantage of warehouses, industrial equipment and other elements of the infrastructure that is currently available. In addition, the promoters will have access to a wide range of public aid.

The search for business initiatives for the Compostilla industrial complex follows a model already successfully applied by Enel in Italy, although adapted to the reality of El Bierzo by a team of specialists that the University of León has made available to Endesa. In this process, the University of León has been responsible for defining the social, economic and environmental needs of El Bierzo, in such a way that the degree of sustainability of the proposals can be understood so they can address the real needs of the region, allowing rigorous verification of each project's viability and capacity to generate employment. To achieve this, the University of León has identified the main areas of economic development that align with the interests of the region. In addition, the team of experts highlights the long standing industrial, mining and metallurgical tradition of the area and the high receptivity towards industrial and circular economy projects. This culture translates into a high availability of skilled labour in the industrial sector, as well as the presence of specialised training centres.

The team of experts from the University of León advising Endesa is led by professors Victoriano Marcelo Gabella, from the Department of Engineering and Agricultural Sciences, and Nuria González Rabanal, from the Department of Economics and Statistics. The group also includes Enoc Sanz Ablanedo, José Cortizo Álvarez and Constantino García Ramos. All of them participated in July last year in a knowledge exchange meeting with professors from the Polytechnic University of Milan, who took part in successful experiences in Italy similar to the one being carried out in El Bierzo. In addition to the participation by the University of León, Endesa also has the support of the regional government and other bodies.

Futur-e Plans for a Fair Transition

Futur-e projects are the response developed by Endesa for each of the thermal power plant environments that are in the phase of ceasing activity and moving towards a renewable production model within a Fair Transition context. Ultimately, it is about mitigating the change in the generation model from a social, environmental and economic perspective.

Currently, Endesa has requested closure of four of its coal production facilities, which are located in Andorra, Teruel; Compostilla, León; As Pontes, A Coruña and Carboneras, in Almería and each of these has received a customised Futur-e plan tailored to each environment.