

## Press Release

### **EDISON AND DEPA: A MAJOR STEP FORWARD IN THE IGI PROJECT TO BUILD AN ITALY-GREECE NATURAL GAS PIPELINE**

*Mr. Bersani, Italy's Minister of Economic Development, and Mr. Sioufas,  
Greece's Minister of Development, sign a Protocol of Intents*

*Edison and Depa gain access to 8 billion cubic meters of natural gas  
a year for 25 years*

*The project was awarded top priority status within Europe and was named  
"Project of European Interest" by the EU*

Athens, January 31, 2007 – Meeting today in Athens, **Pierluigi Bersani, Italy's Minister of Economic Development, and Dimitris Sioufa, Greece's Minister of Development, signed a Protocol of Intents** whereby their respective governments, acting in unison with each country's national energy authorities, granted Edison and Depa the right to use 8 billion cubic meters a year for 25 years in transmission capacity provided by the IGI natural gas pipeline that will link Italy and Greece.

This official action, by which **the two governments validated the strategic significance of the Edison-Depa project**, will make it possible to shorten the time needed to build this infrastructure.

The **IGI** pipeline will be connected to Turkey's pipeline network. As a result, the new pipeline will enable Italy and the rest of the European Union to import **8 billion cubic meters of natural gas a year from the Caspian Sea basin and the Middle East, which between them have more than 20% of the world's reserves (30,000 billion cubic meters of natural gas).**

The **IGI** pipeline, by providing a new source of supply for the Italian and European energy systems, will help make these systems more reliable and will increase competition in the EU's natural gas market.

Under an agreement executed by the two companies, **80% of the transmission capacity will be reserved for Edison, with Depa taking up the remaining 20%.**

In addition, under the Protocol signed today, Edison and Depa agreed to make available to third parties some incremental pipeline capacity and to increase swaps of natural gas at the Virtual Italian Swap Point, contributing to the establishment of a Gas Exchange.

In order to ensure a supply of natural gas for the IGI pipeline, Edison and Depa have already started negotiations with some producing countries in the Caspian Sea basin and with those that will be crossed by the pipeline.

*“We are extremely pleased that the Protocol of Intents has been signed because it represents a key step in the development of the IGI pipeline,”* said Roberto Potì, Edison’s Executive Vice President for Corporate Development and Chairman of Edison Hellas. *“In order to increase the reliability of the European supply base, we must diversify the sources of supply and open new avenues for the delivery of natural gas from countries and regions that do not yet export to Europe. Edison is the only Italian operator that is developing projects that, like the IGI pipeline and the Rovigo regasification terminal for gas imported from Qatar, will make a difference for all of Europe.”*

*“Today’s joint decision is a key step for the further development of the project,”* added Assimakis Papageorgiou, DEPA’s Chairman and Chief Executive Officer. *“This infrastructure, that will interconnect Turkish, Greek and Italian gas networks, represents a very important corridor for gas being exported from Eastern countries to Western ones and it will also allow for supplies diversification. Thanks to the Interconnections Greece-Italy and Turkey-Greece, as well as to the upgrade of the LNG terminal in Revithousa, DEPA will allow Greece for playing a key role as an hub for South-Eastern Europe and for Europe as a whole”.*

The IGI pipeline **will have a length of about 800 kilometers**, 600 kilometers of which will be built by Depa in Greece. The remaining 200 kilometers will run under the sea between Greece and Apulia. **Construction** of the Italy-Greece pipeline is expected to get under way in 2008, once the necessary permits are secured, and should be completed in **2011**.

Combined with the ITG pipeline, which links Turkey and Greece, the IGI pipeline will complete the **third priority development axis of the transeuropean energy system**, which was awarded official EU recognition

and support through Directive No. 1229 of 2003. The European Union reaffirmed the strategic importance of this project in January of this year, when it named this **infrastructure a Project of European Interest**.

Application for permits to build and operate the pipeline were filed with the Italian government in November 2006.

In Italy, local and regional administrations have expressed significant interest in this project and Edison has been working actively with them to define the best conditions for its development. The pipeline is expected to make landfall near the city of Otranto, where the morphology of the coast is best suited for achieving zero visual impact.

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*Public disclosure required by Consob Resolution No. 11971 of May 14, 1999, as amended.*