

Joint Press Release

**EDISON AND DOLOMITI ENERGIA: GO-AHEAD FOR A  
JOINT VENTURE IN THE PROVINCE OF TRENTO**

Milan - Trento, May 29, 2008 – Having received the necessary approval from the relevant authorities, Edison closed today the sale of a 51% interest in Dolomiti Edison Energy S.r.l. to Dolomiti Energia.

At the beginning May, pursuant to an agreement announced to the market this past November, Edison conveyed to Dolomiti Edison Energy, a joint venture of Dolomiti Energia and Edison that will operate hydroelectric facilities in the province of Trento, the business operations consisting of three hydroelectric power plants (Taio-Santa Giustina, Mezzocorona/Mollaro and Pozzolago). These facilities, which operate by virtue of concessions expiring in 2008, 2017 and 2016, respectively, have a combined installed capacity of about 180 MW and an average annual potential output of more than 500 million KWh. Edison retained a 49% interest in Dolomiti Edison Energy.

Edison will continue to manage the dispatching and, until the existing concessions expire, will take delivery of all of the energy produced by the conveyed power plants. The preset price at which the produced energy will be supplied shall be sufficient to cover the costs incurred by the company and compensate invested capital. If the concessions are extended, during the period subsequent to the original expiration date the partners (or their subsidiaries) will receive a share of the electric power produced proportionate to their interest in the company's capital. Pursuant to the agreements, Dolomiti Energia will thus be entitled to receive its pro rata share of the energy produced by the Taio power plant starting on July 31, 2008.

The sales price for a 51% interest in the new company (30.86 million euros) was determined considering a total value of 105 million euros for all of the business operations. The price also takes into account, as agreed with the buyer, financial debts of about 40 million euros and the way Edison will take delivery of the energy produced as above indicated during the period of current concessions.

Should the term of the existing concessions not be extended, the parties may avail themselves of a call and a put option, respectively, for the 51% interest owned by Dolomiti Energia, exercisable between June 30, 2008 and December 31, 2018. The criteria for determining the exercise price of these options, which are set forth in the terms of the agreement, are based on the consideration paid for the 51% interest in the company, adjusted to reflect the results generated by the company up to the time the options are exercised.

*“In thanking all of the people who worked so hard on this project, I take this opportunity to express my great satisfaction for having completed a transaction that not only represents an achievement of undoubtedly “historic” significance from any standpoint, but also embodies the willingness of the communities of our “Trentino” to take on a new and important responsibility in an area of strategic importance for our development, such as the energy industry. Dolomiti Energia and its management are ready to take on these challenges and responsibilities and are determined to collaborate closely with Edison for the success of the Company,”* said Rudi Oss, Chairman of Dolomiti Energia.

*“With this agreement, Edison strengthens its bonds with the local communities in an area of historical presence for the Group and, by sharing ownership of its hydroelectric power plants with Dolomiti Energia, a company with deep roots in the Trentino region, lays the foundations for the Company’s growth in the future,”* added Umberto Quadrino, Edison’s Chief Executive Officer.

Dolomiti Energia has an indirect interest in Edison’s share capital because it owns a 10% interest in Delmi, which, in turn, owns 50% of Transalpina di Energia, a company that has a direct controlling interest in Edison.

*For additional information:*

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