

INVESTMENT PROJECTS

CHILE 2011

ELECTRIC TRANSMISSION SECTOR



Foreign Investment Committee

PUBLIC PORTFOLIO

New electricity transmission infrastructure for national Expansion Plan

Description: The 2011 Trunk Transmission System Expansion Plan for the Central Interconnected Grid (SIC) – Chile’s main electricity grid – envisages the implementation and exploitation of 8 new projects. The plan was drawn up in accordance with the requirements of the General Electricity Services Law and the Energy Ministry’s Decree N° 115. The term sheets will be available as from 13 June 2011 on the CDEC’s website and can be consulted until 26 September 2011. Bids must be presented by 21 October 2011 and their award will be decided on 2 December. The projects to be developed are the following:

- *Cardones – Maitencillo Line (2x500 kV)*
- *Maitencillo – Pan de Azúcar Line (2x500 kV)*
- *Pan de Azúcar – Polpaico Line (2x500 kV)*
- *Charrúa – Ancoa Line (2x500 kV, first circuit)*
- *Ciruelos – Pichirropulli Line (2x220 kV, first circuit)*
- *Lo Aguirre Sectioning Substation (Stage I)*
- *Cardones – Diego de Almagro Line (2x220 kV, first circuit)*
- *Installation of a Static Reactive Compensator in Cardones Substation.*

Proponent: Public.

Coordinator(s) of the project: Load Dispatch Center (CDEC) and National Energy Commission (CNE).

Location: From Diego de Almagro in the Atacama Region to Pichirropulli in the Los Ríos Region.

Area: Not applicable.

Estimated investment: Approximately US\$802 million.

Starting date: Estimated start of operations: Static Reactive Compensator in September 2013, Lo Aguirre Substation in March 2015 and transmission lines in March 2017.

Duration: 60-month construction period (18 months for Static Reactive Compensator and 36 months for Lo Aguirre Substation).

Type of concession: Award of implementation and exploitation rights of each project through an international public tender. Annual payments will begin as from the start of operations, guaranteeing for 20 years the Annual Value of Transmission by Segment (VATT) offered for the project.

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PRIVATE PORTFOLIO



Transmission Lines between Aysén and Santiago for HidroAysén project

Description: Project for the construction and installation of 1,912 kilometers of power lines for the transmission of direct current from the future dams of the Aysén hydroelectric project to the Central Interconnected System (SIC). The system must have more than five high-tension towers and will cross eight regions of the country.

Proponent: Private.

Project owner(s): Endesa Chile and Colbún.

Location: From the Aysén Region to the Santiago Region.

Area: 1,912 kilometers.

Estimated investment: US\$3,800 million.

Starting date: 2012-2015.

Stage of development: Project under consideration.

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Energía Austral Transmission Project

Description: Project for the construction and maintenance of the transmission system that will connect the three plants of the Energía Austral project and transport power to the Central Interconnected System (SIC) in accordance with high environmental and social responsibility standards.

Proponent: Private.

Project owner(s): Xstrata plc.

Location: Multi-region.

Area: Under evaluation. Part of the system is expected to pass through Argentina under a treaty; this would reduce the cost and area of the project by 50%.

Estimated investment: US\$1,200 million.

Starting date: 2011-2015.

Stage of development: Project under consideration.

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