

# THERMAL GENERATION AND TRADING

**26** GW

## NET EFFICIENT INSTALLED CAPACITY

-29.8% from coal-fired plants on 2022

**80.3** TWh

## NET ELECTRICITY GENERATION

-45.5% from coal-fired plants on 2022

**€3,594** million

## ORDINARY GROSS OPERATING PROFIT

€6,094 million in 2022

## Operations

### Net electricity generation

Millions of kWh

	2023	2022		Change
Coal-fired plants	10,755	19,722	(8,967)	-45.5%
Fuel-oil and turbo-gas plants	8,021	14,652	(6,631)	-45.3%
Combined-cycle plants	36,705	54,436	(17,731)	-32.6%
Nuclear plants	24,865	26,508	(1,643)	-6.2%
<b>Total net generation</b>	<b>80,346</b>	<b>115,318</b>	<b>(34,972)</b>	<b>-30.3%</b>
- of which Italy	20,503	30,149	(9,646)	-32.0%
- of which Iberia	46,052	52,674	(6,622)	-12.6%
- of which Rest of the World	13,791	32,495	(18,704)	-57.6%
- of which Latin America	13,791	22,439	(8,648)	-38.5%
- of which Europe	-	10,056	(10,056)	-

In 2023, thermal generation decreased by 34,972 million kWh compared with 2022, in a context of greater water availability and a reduction in electricity needs, particularly in Italy and Iberia.

The decrease in generation by fuel-oil and turbo-gas plants and by combined-cycle plants, of 6,631 million kWh and 17,731 million kWh respectively, is mainly attributable to the sale of the entire stake held in the share capital of the Russian company PJSC Enel Russia (10,056 million

kWh), as well as the sale of the Argentine companies Enel Generación Costanera (3,989 million kWh) and Central Dock Sud (2,553 million kWh).

The decrease in generation by coal-fired plants, down 8,967 million kWh, is mainly attributable to Italy, which had resorted to this technology in 2022 and until the 1st Quarter of 2023 for application of the preventive measures put in place by the Italian government to reduce gas consumption.

## Net efficient installed capacity

MW	2023	2022	Change	
Coal-fired plants	4,627	6,590	(1,963)	-29.8%
Fuel-oil and turbo-gas plants	5,942	7,204	(1,262)	-17.5%
Combined-cycle plants	11,983	13,895	(1,912)	-13.8%
Nuclear plants	3,328	3,328	-	-
<b>Total</b>	<b>25,880</b>	<b>31,017</b>	<b>(5,137)</b>	<b>-16.6%</b>
- of which Italy	11,145	11,569	(424)	-3.7%
- of which Iberia	11,347	12,751	(1,404)	-11.0%
- of which Rest of the World	3,388	6,697	(3,309)	-49.4%
- of which Latin America	3,388	6,697	(3,309)	-49.4%
- of which Europe	-	-	-	-

Net efficient generation capacity for thermal power plants at December 31, 2023 stood at 25,880 MW, a decrease of 5,137 MW compared with 2022, mainly following the sale of the Enel Generación Costanera and Central Dock Sud

plants in Argentina, the decommissioning of a coal plant in Iberia (As Pontes), and the decommissioning of two units of a coal plant in Italy (Fusina).

## Performance

Millions of euro	2023	2022	Change	
Revenue	40,190	76,335	(36,145)	-47.4%
Gross operating profit/(loss)	3,067	5,697	(2,630)	-46.2%
Ordinary gross operating profit/(loss)	3,594	6,094	(2,500)	-41.0%
Operating profit/(loss)	2,180	4,385	(2,205)	-50.3%
Ordinary operating profit/(loss)	2,812	5,253	(2,441)	-46.5%
Capital expenditure	761 <sup>(1)</sup>	990 <sup>(2)</sup>	(229)	-23.1%

(1) The figure does not include €14 million regarding units classified as held for sale or discontinued operations.

(2) The figure does not include €2 million regarding units classified as held for sale or discontinued operations.

The following table provides a breakdown of revenue for Thermal Generation and Trading from conventional thermal and nuclear generation.

### Revenue from thermal and nuclear generation<sup>(1)</sup>

Millions of euro	2023	2022
<b>Revenue</b>		
Revenue from thermal generation	14,054	24,155
- of which coal-fired generation	2,885	6,500
Revenue from nuclear generation	1,463	1,570
Revenue from thermal generation as a percentage of total revenue	14.7%	17.2%
- of which revenue from coal-fired generation as a percentage of total revenue	3.0%	4.6%
Revenue from nuclear generation as a percentage of total revenue	1.5%	1.1%

(1) The revenue analyzed refers to that for the segment and include transactions with third parties and the intersegment transactions of each segment with the others.

The following tables show a breakdown of performance by geographical area in 2023.

### Revenue

Millions of euro				
	2023	2022	Change	
<b>Italy</b>	<b>26,178</b>	<b>55,389</b>	<b>(29,211)</b>	<b>-52.7%</b>
<b>Iberia</b>	<b>11,348</b>	<b>17,488</b>	<b>(6,140)</b>	<b>-35.1%</b>
<b>Rest of the World</b>	<b>2,809</b>	<b>4,090</b>	<b>(1,281)</b>	<b>-31.3%</b>
Latin America	2,548	3,858	(1,310)	-34.0%
- of which Argentina	7	145	(138)	-95.2%
- of which Brazil	656	959	(303)	-31.6%
- of which Chile	1,335	2,268	(933)	-41.1%
- of which Colombia	317	218	99	45.4%
- of which Peru	233	268	(35)	-13.1%
- of which other countries	-	-	-	-
North America	261	218	43	19.7%
Europe	-	14	(14)	-
<b>Other</b>	<b>82</b>	<b>106</b>	<b>(24)</b>	<b>-22.6%</b>
<b>Eliminations and adjustments</b>	<b>(227)</b>	<b>(738)</b>	<b>511</b>	<b>69.2%</b>
<b>Total</b>	<b>40,190</b>	<b>76,335</b>	<b>(36,145)</b>	<b>-47.4%</b>

**Revenue** for 2023 amount to €40,190 million, a decrease of €36,145 million from 2022. This decrease is mainly attributable to the decline in thermal generation, due in part to the increase in renewable generation, above all from hy-

droelectric sources, and to the decreasing average prices applied, above all, on wholesale sales compared with the previous year.

### Ordinary gross operating profit/(loss)

Millions of euro				
	2023	2022	Change	
<b>Italy</b>	<b>2,718</b>	<b>2,735</b>	<b>(17)</b>	<b>-0.6%</b>
<b>Iberia</b>	<b>739</b>	<b>2,583</b>	<b>(1,844)</b>	<b>-71.4%</b>
<b>Rest of the World</b>	<b>113</b>	<b>762</b>	<b>(649)</b>	<b>-85.2%</b>
Latin America	168	737	(569)	-77.2%
- of which Argentina	5	76	(71)	-93.4%
- of which Brazil	(16)	81	(97)	-
- of which Chile	50	399	(349)	-87.5%
- of which Colombia	(23)	29	(52)	-
- of which Peru	153	154	(1)	-0.6%
- of which other countries	(1)	(2)	1	50.0%
North America	(57)	(20)	(37)	-
Europe	4	45	(41)	-91.1%
<b>Other</b>	<b>24</b>	<b>14</b>	<b>10</b>	<b>71.4%</b>
<b>Total</b>	<b>3,594</b>	<b>6,094</b>	<b>(2,500)</b>	<b>-41.0%</b>

The decrease in the **ordinary gross operating profit**, in the amount of €2,500 million, is mainly attributable to the lower thermal generation, combined with the lower average prices applied in 2023 compared with 2022, as well as the recognition of a charge in the amount of €515 million following the arbitration award for the revision of the price of

a long-term gas-supply contract at Endesa. The reduction also reflects the change in the consolidation scope linked to the sales of CGT Fortaleza in Brazil in 2022 and of Enel Generación Costanera and Central Dock Sud in Argentina in 2023.

**Gross operating profit** came to €3,067 million, a decrease of €2,630 million from the €5,697 million posted in 2022.

In addition to the reduced generation at lower average prices and the recognition of the arbitration award of €515 million in Spain, as mentioned above, the change from the previous year also reflects the change in the consolidation scope, for the sales mentioned above in Argentina and Brazil (a decrease of €158 million).

Finally, it should be noted that, in the two financial years compared, non-recurring items essentially led to the recognition of greater overall charges of €172 million. More specifically, these effects refer to the charges related to

the 2023 sales of the thermal generation companies in Argentina (€349 million) and the charges for the energy transition and digitalization (€178 million), mainly relating to the adjustment of the value of inventories of fuel and other materials used by coal-fired plants in Italy.

In 2022, the main non-recurring items included the charges related to the sale of CGT Fortaleza in Brazil (€137 million), the closure of the Bocamina II power plant in Chile (€56 million), and the provision recognized for Enel Produzione (€142 million) for the costs associated with the conversion of certain plants.

### Ordinary operating profit/(loss)

Millions of euro				
	2023	2022	Change	
<b>Italy</b>	<b>2,562</b>	<b>2,591</b>	<b>(29)</b>	<b>-1.1%</b>
<b>Iberia</b>	<b>217</b>	<b>2,068</b>	<b>(1,851)</b>	<b>-89.5%</b>
<b>Rest of the World</b>	<b>10</b>	<b>582</b>	<b>(572)</b>	<b>-98.3%</b>
Latin America	76	571	(495)	-86.7%
- of which Argentina	3	4	(1)	-25.0%
- of which Brazil	(16)	75	(91)	-
- of which Chile	16	361	(345)	-95.6%
- of which Colombia	(40)	12	(52)	-
- of which Peru	122	122	-	-
- of which other countries	(9)	(3)	(6)	-
North America	(70)	(20)	(50)	-
Europe	4	31	(27)	-87.1%
<b>Other</b>	<b>23</b>	<b>12</b>	<b>11</b>	<b>91.7%</b>
<b>Total</b>	<b>2,812</b>	<b>5,253</b>	<b>(2,441)</b>	<b>-46.5%</b>

The decrease in the **ordinary operating profit** essentially reflects the factors described in relation to ordinary gross operating profit, taking account of the decrease in depreciation, amortization and impairment losses of €59 million compared with the previous year.

**Operating profit** for 2023 came to €2,180 million (€4,385 million in 2022), a decrease of €2,205 million taking into

account the factors described above in relation to gross operating profit and the decrease in depreciation, amortization and impairment losses compared with previous year. More specifically, 2022 included impairment losses in Latin America and Spain totaling €474 million, while in 2023 they concerned certain projects in Spain in the amount of €91 million.

## Capital expenditure

Millions of euro

	2023	2022	Change	
<b>Italy</b>	<b>394</b>	<b>408</b>	<b>(14)</b>	<b>-3.4%</b>
<b>Iberia</b>	<b>306</b>	<b>272</b>	<b>34</b>	<b>12.5%</b>
<b>Rest of the World</b>	<b>61</b>	<b>310</b>	<b>(249)</b>	<b>-80.3%</b>
Latin America	57	289	(232)	-80.3%
North America	4	7	(3)	-42.9%
Europe	-	14	(14)	-
<b>Total</b>	<b>761<sup>(1)</sup></b>	<b>990<sup>(2)</sup></b>	<b>(229)</b>	<b>-23.1%</b>

(1) The figure does not include €14 million regarding units classified as held for sale or discontinued operations.

(2) The figure does not include €2 million regarding units classified as held for sale or discontinued operations.

The decrease of €229 million in **capital expenditure** is due to the change in the consolidation scope as a result of the sale of the aforementioned assets in Argentina.