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NATIONAL ELECTRIC COORDINATOR OPENS A PUBLIC CONSULTATION PROCESS TO SET CRITERIA FOR THE APPLICATION OF THE OPEN ACCESS REGIME

On June 9, 2021, the National Electric Coordinator ("CEN") opened a public consultation process on a draft Internal Procedure (the "IP") that will provide the criteria applicable to the Open Access Regime established in Articles 79° and 80° of the General Law of Electric Services ("LGSE"), as a result of the entry into force of the Regulation on Transmission Systems and Transmission Planning (the "Regulation"). Members of the public are entitled to comment the PI until June 23, 2021.

The purpose of the IP is the consolidation in a unique document of criteria to be applied during the review and management of the different connection requests, in accordance with the current legislation. Although many of the provisions contained in the draft PI reproduce matters already regulated in the LGSE and the Regulation, some of them details certain aspects that were regulated in a generic way. The following is a brief description of the latter:

• Facilities that are subject to connection requests: The LGSE and the Regulation provides that new connections must be verified in (i) existent substations, (ii) new or upgrade works that are part of the expansion of the system, or (iii) exceptionally in any other facility of the system as long as the new connection is considered urgent under Art. 102 of the LGSE and has been decreed as such by the National Energy Commission ("CNE"). In this context, the IP specifies that, for the purposes of a connection request, it will be considered as existing substations those that have been declared under construction by the National Energy Commission. Regarding new and expansion works, the IP provides that only works that have been awarded by the Ministry of Energy and that the corresponding award decree has been issued, will be considered. Finally, regarding urgent works, it will only be considered those that have been approved by the CNE.
• Open access requests in facilities associated with Generation and consumption of Free Customers: The IP establishes when the

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requests for connection to transportation facilities associated to Generation and consumption of Free Customers will be admissible for their processing. Regarding facilities associated to Generation, the IP provides that in order to be admissible, the new project must attempt to connect to the High Voltage bar of the elevating substation associated to the generation plant. Regarding facilities associated with consumption of Free Clients, the IP provides that the connection point of the new project must correspond to the consumption bar of the facilities of the respective Free Client.

• Priority and Selection of Available Positions: The IP states that before the submission of connection requests, it is necessary for the applicant company to be registered and validated in the Coordinator's Cadaster Platform or in the Unique Registry of Coordinated Entities (REUC). Concerning with the priority, the Coordinator will establish the priority of the connection requests for the use of the available positions in a substation based on the date and time of entry of the request.

• Reliable projects (“Proyectos fehacientes”): The LGSE establishes that the owners, lessees, usufructuaries or anyone who exploits facilities pertaining to the dedicated transmission system, must inform the Coordinator of their own projects in order to be reliably considered. For the submission of such projects, the Regulation states that their existence must be evidenced by the respective environmental qualification resolution; the admissibility of their environmental impact statement or study; or the resolution of the Environmental Evaluation Service indicating that the project is not required to be submitted to the environmental impact evaluation system. For its part, the Annex 7.1 of the IP entitled "Consideration and Management of Reliable Projects in the Open Access Regime" contains relevant provisions applicable to the procedure for acknowledging reliable projects. Among them:

• Projects that belong to the same owner whose dedicated facilities are intended to be used, may be evaluated and qualified as reliable projects; therefore, projects under the ownership of third parties must be processed through a regular connection request;

• In the event that the project fulfills the requirements to be considered as reliable, the Coordinator will issue a consignment statement;

• The Scope of the facilities on which the project will be considered as reliable corresponds exclusively to the ones owned by the sponsor of the reliable project. In the event that the project also requires the use

of third-party facilities, a regular connection request must also be submitted;

• For Available Technical Capacity Reports, developed in third-party connection procedures, the Coordinator will take for consideration all reliable projects that have complied with the condition of being reported to the Coordinator prior to the date of submission of the respective connection request; and

• The sponsors of reliable projects will be exempted from requesting the use of Available Technical Capacity of their own facilities as long as they do not interfere with a current request from a third party.

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