transelec

Uniting Chile with Energy

ANNUAL REPORT 2009

01. BACKGROUND INFORMATION

IDENTITY

Name:	Transelec S.A.
Record Entry at the Securities Registry:	Number 974
Legal Domicile:	Santiago, while not restricting the potential establishment of agencies, branches and offices in other parts of the country and abroad.
Tax Nº:	76.555.400-4
Address:	Avenida Apoquindo Nº 3721, 6th floor, Las Condes
Telephone:	(56-2) 467 7000
Fax:	(56-2) 650 8517
E-mail:	transelec@transelec.cl
Web Site:	www.transelec.cl

OWNERSHIP

Transelec's capital is split up into one million ordinary nominative shares without any nominal value. Transelec Holding Rentas Limitada owns 999,900 shares whilst Rentas Eléctricas I Limitada holds 100 shares.

THE COMPANY

Transelec is the major specialist in the development of high tension systems of the country and the only company that operate lines and substations in 500 kV in all of Chile. Likewise, Transelec has given form to both main interconnected national systems, in the Far North -northern part- (SING) and in the area between Tal Tal and Chiloe Island (SIC).

Transelec's transmission system – which covers 3,168 kilometers between the regions of Arica and Parinacota, to Los Lagos region – includes an important participation of the lines and substations of the main electric transmission of the two major interconnected systems of Chile, the Central Interconnected System (SIC) and the Interconnected System of the Far North (SING).

The company counts with six zonal management offices (Zone of Far North, Zone of Near North, Central Zone, Southern Central Zone, Biobío Zone and Southern Zone) whose task is to project the adequate functioning of the lines and the 50 substations of transmission that belong to it throughout the country.

Today, the company owns all the high voltage lines of 500 kV and the major part of the lines in voltages up to 110kV. Transelec's transmission system has a total of 8,239 kilometers of simple and double circuit transmission lines. In the SIC, it possesses 98% of the total transmission lines belonging to the main system, while in the SING, it owns 100%.

LETTER FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

SHAREHOLDERS:

On behalf of the Transelec S.A. Board of Directors, it is with great pleasure that we present the company's Annual Report corresponding to the 2009 fiscal year for the consideration of Transelec shareholders.

Ever since the change of Transelec´s ownership, the new administration has promoted a commercial strategy designed to ensure growth by consolidating the company's leadership in the trunk system, selectively expanding its networks in the subtransmission segment, moving into the additional systems market with substantial impetus and bringing key services to several important clients. All of the above is executed in keeping with the company's hallmark operating excellence, mutually beneficial relationships with key stakeholders and respect for the environment, which typifies Transelec's actions with respect to its surroundings.

Transelec has continued to actively develop the trunk system. In 2009, this commitment was mainly evidenced by commissioning of the Nogales Substation as an expansion of the SIC Trunk System, with the sectioning of circuits 1 and 2 of the 220 kV Quillota-Los Vilos power line, thus creating circuits 1 and 2 of the respective Quillota-Nogales and Nogales-Los Vilos power lines. Another outstanding project was the purchase of Punta Colorada substation assets, a substation that will send out power generated by a 32 MW thermal power plant and wind power plant featuring 10 turbines and installed capacity amounting to 10 MW.

Contracts amounting to US$70 million in transmission solutions for mining, industrial and power company customers, including the so-called STATCOM project for Endesa, which features the installationof reactive compensation equipment for voltage control at the Cerro Navia and Polpaico substations in order to improve power transfer for the Ancoa- Alto Jahuel-Polpaico power line were also signed..

It is with great satisfaction that we announced ISO 14001 and OHSAS 18001 certification this year, accrediting the company's excellent practices regarding environmental issues and on-the-job risk prevention, evidence of the Integral Management System that has methodically arranged all processes for all activities related to the transmission business.

The company's commitment to the continuous improvement of system reliability is demonstrated by the fact that equivalent interruption time (EIT) was substantially low in the Central Interconnected System (SIC), down 77% compared to last year, which has led to improved system efficiency and safety. This was also an outstanding year for occupational health and safety, with accident and severity rates that compare very well to those evidenced by other essential activities for the country's development, such as the forestry, mining and construction industries.

As a financially stable company, our results were in line with the range expected by the company. Although this year's earnings were lower than in 2008, this is because 2008 was a special year, with non-recurring revenue stemming from trunk transmission system resettlements.

Once again, Transelec came to the forefront of the financial scenario in 2009 with our operations being backed by the country's leading financial entities who reconfirmed their trust in the company's solid performance

and outstanding reputation. We wish to highlight the issuing of E series bonds amounting to UF 3.3 million, F series bonds coming to CLP 33.6 billion and G series bonds for UF 3.0 million in August 2009. These proceeds were used for US$ 219.86 million advance payment for the company's Yankee Bonds debt. In December 2009, Transelec issued bonds in the local market once again, placing the I series amounting to UF 1.5 million and the K series for UF 1.6 million. Funds collected by means of these bonds will enable early redemption of the company's B series bonds in March 2010.

In order to establish closer ties with our stakeholders, programs such as the "Innovating with Energy: the Sustainable House of the 21st Century" contest brought Transelec and the Casa de la Paz Foundation together in order to encourage the country's population to propose creative and economic water- and energy-efficient solutions for households throughout Chile. The Growing Together initiative seeks to provide training for the company's small-scale contractors throughout the country by supporting local micro-entrepreneurs and small-scale entrepreneurs.

Also, opportunities such as the "Open Doors" program have been developed, pursuing company integration with inhabitants living near our facilities and the creation of TSN (the Transmission Study Network), which seeks to generate and channel Transelec's know-how toward universities and to generate collaborative relations with educational establishments in order to empower research, publication and know-how regarding issues pertaining to development of the transmission sector and thus to the nation's progress.

The Board of Directors wishes to thank Scott Lawrence and Bruno Guilmette, for their excellent support as directors up until April and October 2009, respectively. Also, the Board of Directors wishes to welcome Bruce Hogg and Patrick Charbonneau, who joined the board in April and October 2009.

Likewise, the members of the Board of Directors wish to especially thank all Transelec workers for their commitment to the company's development. Without them, Chile would not have its outstanding and highly reliable electricity transmission system, an essential aspect for the well being of all Chileans and development of the domestic economy.

JEFFREY BLIDNER

CHAIRMAN OF THE BOARD OF DIRECTORS

OUR HISTORY

TRANSELEC: UNITING CHILE WITH ENERGY

THE EARLY YEARS (1940-1955)

Transelec's history starts back in 1943, when Corfo created Empresa Nacional de Electricidad (Endesa) in order to execute a national electrification plan featuring construction of new power generation units and especially a network of regional power lines to connect these units. One highlight from this period is the 154 kV Abanico-Concepción-San Vicente system installed in these years. Due to equipment supply problems caused by World War II, completion of the same was delayed until 1948 and the system provided power to a widespread zone starting in Concepción and moving southbound. A major milestone was the commissioning of a 66 kV transmission system associated to the Los Molles power plant in 1952, which provided power for Chile's 4th Region. Four independent regional systems had been created by 1954: La Serena-Punitaqui, La Ligua-Talca, Chillán-Victoria and Valdivia-Puerto Montt. Throughout the rest of the country, only a few isolated cities had their own power plants.

INTERCONNECTION (1955-1968)

Despite unprecedented system development with the creation of regional networks, power supply scarcity was still a problem in the mid-50s. A series of important projects was started in order to put an end to losses caused by ongoing power rationing. The first of these was the Cipreses hydroelectric power plant (101.4 MW) located in La Hoya del Maule at an equidistant point between Santiago and Concepción. Individual 154 kV power lines (Cipreses-Santiago and Charrúa-Itahue) connected both consumption centers in 1955, giving birth to the Central Interconnected System (SIC) ranging from La Ligua to Victoria. In 1960 the SIC expanded northward to Illapel and the Charrúa-Temuco power line was laid two years later. In addition, the Pullinque power plant (49 MW) was connected by this power line to Puerto Montt, reaching the capital of Chile's Lakes Region. A submarine cable was laid across Canal de Chacao in 1965 (now an aerial cable), supplying power for Isla Grande de Chiloé. Another important milestone was construction of the first 220 kV power line, Rapel-Cerro Navia. This connected the Rapel power plant to growing electricity demand from the central zone in 1966.

CONSOLIDATION (1968-1985)

Industrial development in the 70s, such as the petrochemical industry in the Concepción zone and the steel industry in Huachipato, led to the commissioning of the 154 kV Coronel-Hualpén and San Vicente-Hualpén power lines. The 220 kV kV system ranged westward, supplying Concepción, and northward in order to transport power to Santiago. In keeping with the same, the SIC expanded northward with the construction of 110 kV systems and the Maitencillo-Cardones and Pan de Azúcar-Maitencillo power lines in 1974. Interconnection with Chile's Near North was intensified in 1978 with power lines connecting San Isidro (presently Quillota) and Cardones. In the early 80s, the SIC came to Diego de Almagro in order to connect the El Salvador mine, while 220 kV power lines were laid as far as Puerto Montt.

In order to provide transmission services from Arica to Chiloé, Transelec operates over **8,000** kilometers of power lines and fifty substations.

NEW TECHNOLOGY (1986-2000)

The extra high voltage era started on 1 January 1986 with the commissioning of the first 500 kV power lines (Ancoa-Alto Jahuel 1 and 2) required in order to inject power generated by the Colbún-Machicura complex into the SIC. In order to improve power supply to Chile's 3rd, 4th, 5th and Metropolitan regions, 500 kV power line transmission capacity was increased in 1991 and a 220 kV power line was laid between Puerto Montt and Charrúa, thus configuring the trunk system between Alto Jahuel and Polpaico.

In March 1993, Endesa transformed its power transmission division into the subsidiary Compañía Nacional de Transmisión Eléctrica S.A., followed by the creation of Transelec S.A., designed to plan, operate and maintain the system, providing services to several generation companies in the SIC. The aerial crossing of Canal de Chacao was commissioned this same year, consisting of two 179-meter-high towers and power lines spanning a length of 2,680 meters. Transelec laid its first 220 kV power line between Charrúa and Ancoa to connect the Pangue power plant (460 MW) in 1996, which was later expanded in order to connect the Ralco power plant. In keeping with the same, an emergency power line ranging between Quillota and Polpaico was laid in 1999. This line was dismantled after a drought decimating power generation in southern Chile came to an end.

21ST CENTURY POWER TRANSMISSION (2000-2009)

The SIC transmission system, which had been functionally separated from power generation and distribution activities in the Enersis holding, became fully independent in October 2000 when all Transelec shares were purchased by the Canadian company Hydro-Québec. Transelec entered the SING in 2003 after purchasing 924 kilometers of 220 kV power lines. The largest power transmission development in the company's history was commissioned in 2004: expansion of the 500 kV system between Charrúa and Alto Jahuel, enabling connection of the Ralco hydroelectric plant (690 MW). Attracted by challenges posed by Short Law I, the Canadian consortium led by Brookfield Asset Management purchased a 100% stake in Transelec in June 2006, contributing its solid financial strength to the service of Chile's development requirements.

Energization of the Alto Jahuel-Polpaico 500 kV double circuit power line in December 2008 was the best evidence of this new initative. The project brought northbound network saturation to an end and was largely responsible for creation of a 500 kV ring surrounding Santiago, one of the key developments for the system's future. During 2009, Transelec worked on the implementation of technological improvements for a better efficiency of the system at national level. The installation of the Statcom system, for the increase of the maximum capacity of transmission and the extensions of the main system and sub transmission, among with the beginning of the S/E Nogales, that will allow the efficient expansion of the system from the V Region to the north of the country, are a faithful evidence of it. Supporting the diversification of the energetic national matrix, connected the centers of eolic generation Canela II and Totoral, turning them into the first ones to collaborate with power coming from a ERNC source to the SIC. Other important milestone of the period was the formation of the Net of Transmission Studies (RET), instance throughout which Transelec convokes universities, multidisciplinary experts and companies of the area to reflect and generate the needed knowledge for the sustainable development of the transmission sector in the country.

CORPORATE GOVERNMENT STRUCTURE

BOARD OF DIRECTORS

According to its articles of association, the Board of Directors is made up of nine members elected by the shareholders at the respective shareholders meeting, who hold these positions for two years and are eligible for reelection. There will be one acting director for each director elected. The Chairman of the Board of Directors is elected by directors chosen at the shareholders meeting.

In conformity with the law and its articles, the Board of Directors shall meet at least once a month. Throughout the 2009 fiscal year, Transelec S.A. corporation held twelve shareholders meetings and six special Board of Directors meetings.

The Board of Directors is currently made up by Mr. Jeffrey Blidner as director and Mr. Thomas Keller as his respective acting director; Mr. Bruce Hogg as director and Mr. Graeme Bevans as his respective acting director; Mr. Patrick Charbonneau as director and Mr. Paul Dufresne as his respective acting director; Mrs. Brenda Eaton as director and Mr. Richard Dinneny as her respective acting director; Mr. Felipe Lamarca Claro as director and Mr. Enrique Munita Luco as his respective acting director; Mr. Juan Andrés Fontaine Talavera as director and Mr. Juan José Eyzaguirre Lira as his respective acting director; Mr. Blas Tomic Errázuriz as director and Mr. Federico Grebe Lira as his respective acting director; Mr. José Ramón Valente Vias as director and Mr. Juan Paulo Bambach Salvatore as his respective acting director, and Mr. Alejandro Jadresic Marinovic as director and Mr. Juan Irarrázabal Covarrubias as his respective acting director.

BOARD OF DIRECTORS COMPENSATION

It was agreed at the second Transelec S.A. shareholders meeting held 30 April 2009 that directors would be compensated for their services, amounting to a gross annual sum of USD70,000 regardless of the number of sessions held or attended by these directors. These sums are to be paid on a quarterly basis.

Directors Jeffrey Blidner, Bruce Hogg, Patrick Charbonneau and Brenda Eaton waived payment corresponding to the 2009 fiscal year. Compensation paid to directors throughout the 2009 fiscal year is thus listed as follows:

Blas Tomic	CLP40,282,025
Juan Andrés Fontaine	CLP40,282,025
Felipe Lamarca	CLP40,282,025
José Ramón Valente	CLP40,282,025
Alejandro Jadresic	CLP40,282,025

As for the Transelec S.A. subsidiary Transelec Norte S.A., directors are not compensated for their services in accordance with the provisions of Article 8 of the subsidiary's articles of association.

BOARD OF DIRECTORS EXPENSES

No payment associated to board of directors expenses was made throughout the fiscal year.

AUDIT COMMITTEE

Creation of an Audit Committee different from that established in the Corporations Law was approved in April 2007. The Audit Committee's duties include reviewing the company's auditor reports, balance sheets, other financial statements and internal systems. The Transelec Audit Committee is made up of four directors elected by the Board of Directors. These directors serve a term of two years and are eligible for reelection. The Committee will appoint a Chairman from among its members and a Secretary, who may be one of its members or the Secretary of the Board of Directors. The Committee held five meetings in 2009.

As of 31 December 2009, the Audit Committee was made up of President José Ramón Valente Vías, Directors Patrick Charbonneau, Brenda Eaton and Juan Andrés Fontaine Talavera, as well as Secretary Fernando Abara Elías.

Committee members have the right to compensation for their services in conformity with agreements reached at the shareholders meeting.

It was agreed at the second Transelec S.A. shareholders meeting held on 30 April 2009 that each member of the Committee would be paid the gross annual sum of USD10,000 regardless of the number of sessions held or attended by these members.

Compensation for services rendered by members of the Audit Committee throughout the 2009 fiscal year is listed as follows:

Juan Andrés Fontaine	CLP5,071,000
José Ramón Valente	CLP5,071,000

CHAIRMAN

JEFFREY BLIDNER

Attorney
Canadian

DIRECTOR

BRUCE HOGG

Master's Degree in Commerce, University of Alberta
Master's Degree in Law, University of Toronto
Canadian

DIRECTOR

PATRICK CHARBONNEAU

Chartered Financial Analyst
Canadian

DIRECTOR

BRENDA EATON

Economist
Master's Degree in Economics, University of Victoria
Canadian

DIRECTOR

FELIPE LAMARCA CLARO

Commercial Engineer
Rut 4.779.125-1

DIRECTOR

JUAN ANDRES FONTAINE TALAVERA

Commercial Engineer
Master's Degree in Economics, University of Chicago
Rut 6.068.568-1

DIRECTOR

BLAS TOMIC ERRÁZURIZ

Civil Industrial Engineer
Ph.D. in Economic Development, Sussex University
Rut 5.390.891-8

DIRECTOR

JOSÉ RAMÓN VALENTE VÍAS

Commercial Engineer
MBA, University of Chicago
Rut 8.533.255-4

DIRECTOR

ALEJANDRO JADRESIC MARINOVIC

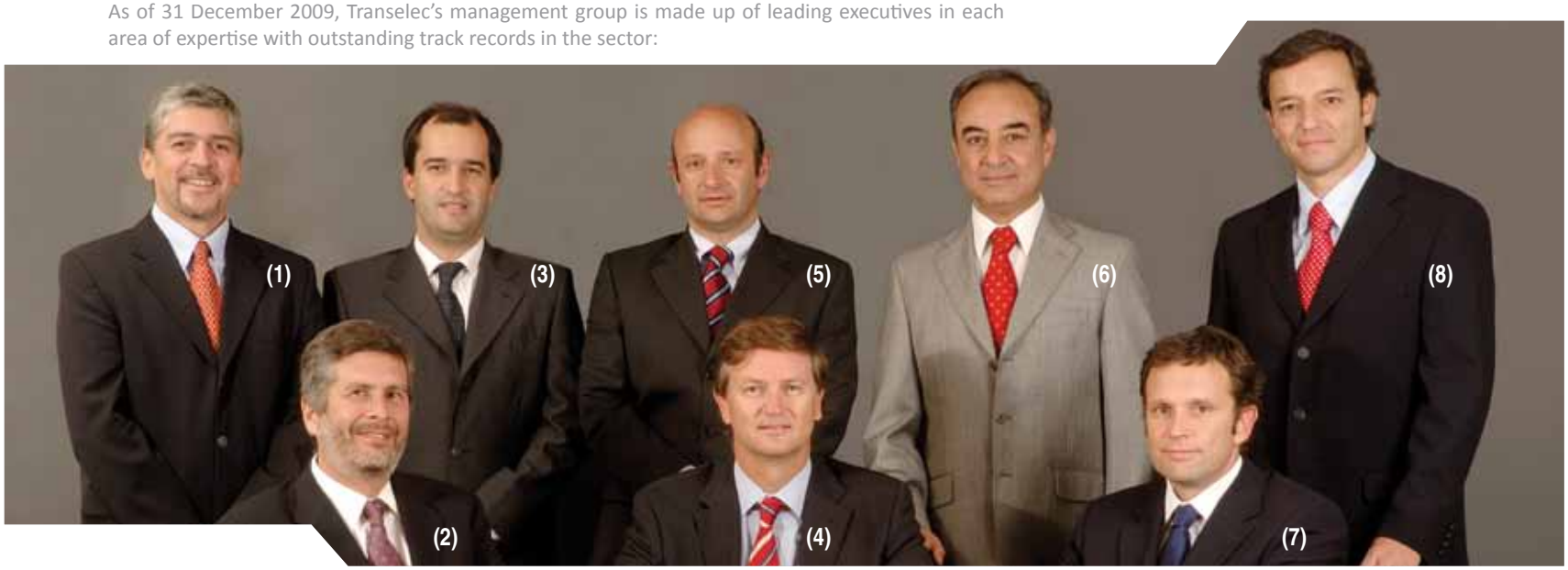
Civil Industrial Engineer
PH.D. in Economics, Harvard University
Rut 7.746.199-K

SECRETARY OF THE BOARD OF DIRECTORS

FERNANDO ABARA

MANAGEMENT TEAM

As of 31 December 2009, Transelec's management group is made up of leading executives in each area of expertise with outstanding track records in the sector:



(1) **CLAUDIO ARAVENA VALLEJO**

Vice President of Human Resources
Commercial Engineer
Universidad Católica de Chile
Post-graduate Diploma in Administration and Human Resources Management, Universidad Católica
Tax ID Number 9.580.875-1

(2) **EDUARDO ANDRADE HOURS**

Vice President of Operations
Civil Electrical Engineer
Universidad de Chile
MBA, Universidad Adolfo Ibáñez
Tax ID Number 7.015.734-9

(3) **FRANCISCO CASTRO CRICHTON**

Vice President of Finance
Civil Industrial Engineer
Universidad Católica de Chile
Tax ID Number 9.963.957-1

(4) **ANDRÉS KUHLMANN JAHN**

General Manager
Civil Industrial Engineer
Universidad Católica de Chile
Tax ID Number 6.554.568-3

(5) **ALEXANDROS SEMERTZAKIS PANDOLFI**

Vice President of Engineering and Construction
Civil Engineer
Universidad de Santiago
Post-graduate Diploma in Administration, Universidad Adolfo Ibáñez
Tax ID Number 7.053358-8

(6) **FERNANDO ABARA ELÍAS**

Vice President of Legal Affairs
Attorney
Universidad Católica de Valparaíso
MBA, Universidad Gabriela Mistral
Tax ID Number 8.003.772-4

(7) **RODRIGO ACKERMANN MARÍN**

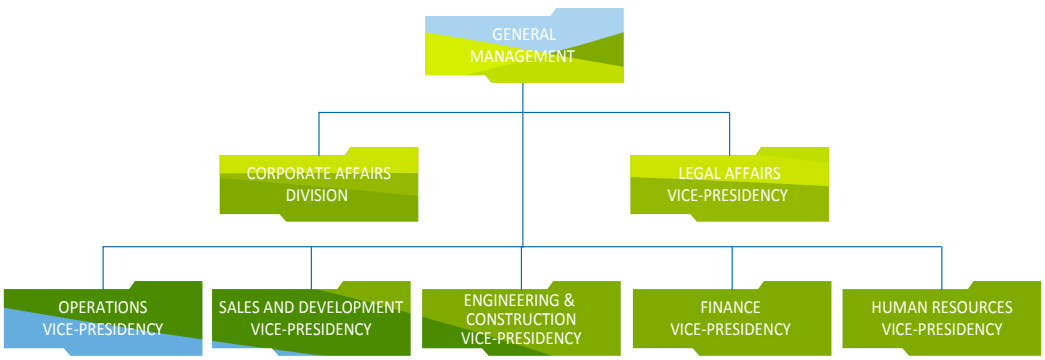
Vice President of Sales and Development
Commercial Engineer
Universidad Católica de Chile
Tax ID Number 6.378.560-1

(8) **CLAUDIO VERA ACUÑA**

Corporate Affairs Manager
Journalist
Universidad Católica de Chile
Rut 10.963.893-5

03. PEOPLE

TRANSELEC ORGANIZATIONAL CHART



HUMAN RESOURCES

One of the fundamental pillars that Transelec's strategic plan rests on is the company's workers. High quality standards and complexity in the industry, in addition to the company's future challenges, mean that Transelec seeks to recruit and hold on to the best professionals the market has to offer.

In keeping with the same, Transelec has employee benefit and worker compensation policies allowing the same to be competitive in terms of attracting and retaining talent.

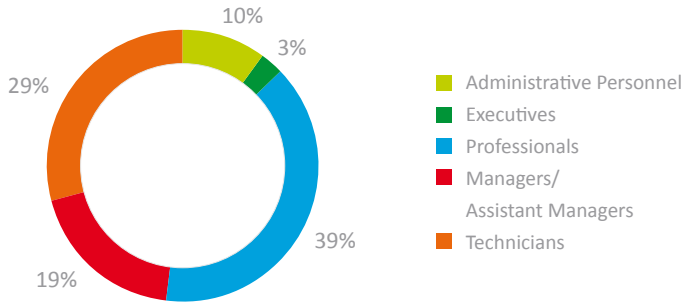
The company has also implemented and continued training programs in order to maintain its present high professional quality standards, developing the concept of Knowledge Management crucial for the meeting of high technical standards.

Special emphasis has been placed throughout 2009 on the creation of spaces to improve workers' quality of life. This includes educational, cultural and recreational programs designed to support worker's integral development, firmly convinced that this directly contributes to productivity.

OUR CURRENT EMPLOYEES AND IMPORTANT MILESTONES

Transelec employed 427 workers as of 31 December 2009. Over 96% of these workers are technically or professionally specialized in what they do. This means that workers are a fundamental component for the company being able to keep up its stringent technical standards and continue to provide quality service required by society.

PERSONNEL BREAKDOWN



82.21% of the company's workers are employed in the operations and engineering & construction divisions.

WORKING RELATIONS

Good working relations were maintained with the company's two trade unions by means of healthy communication channels, evidenced by the absence of trade union issue lawsuits.

KNOWLEDGE MANAGEMENT

Total 2009 training hours came to 16.351.29 hours, accounting for 1.65 % of the total hours worked throughout the year. In all, 76.58% of Transelec's workers attended on-the-job training sessions related to the operating divisions, management support, post-graduate degrees and post-graduate diplomas, languages and information technology, among others.

The company's Knowledge Management strategic initiative was further developed in 2009. Several talks related to the company's activities were transmitted as videoconferences to workers throughout Chile's different regions, substantially increasing productivity and cutting costs. In addition, the teacher training, forums and libraries program was continued in order to gain, develop and share knowledge within the organization. We wish to highlight that important collaboration agreements were signed with Pontificia Universidad Católica de Chile and Universidad de Santiago within the framework of the RET (Transmission Studies Network) initiative launched at the end of 2009, which makes up an integral part of the Knowledge Management program.

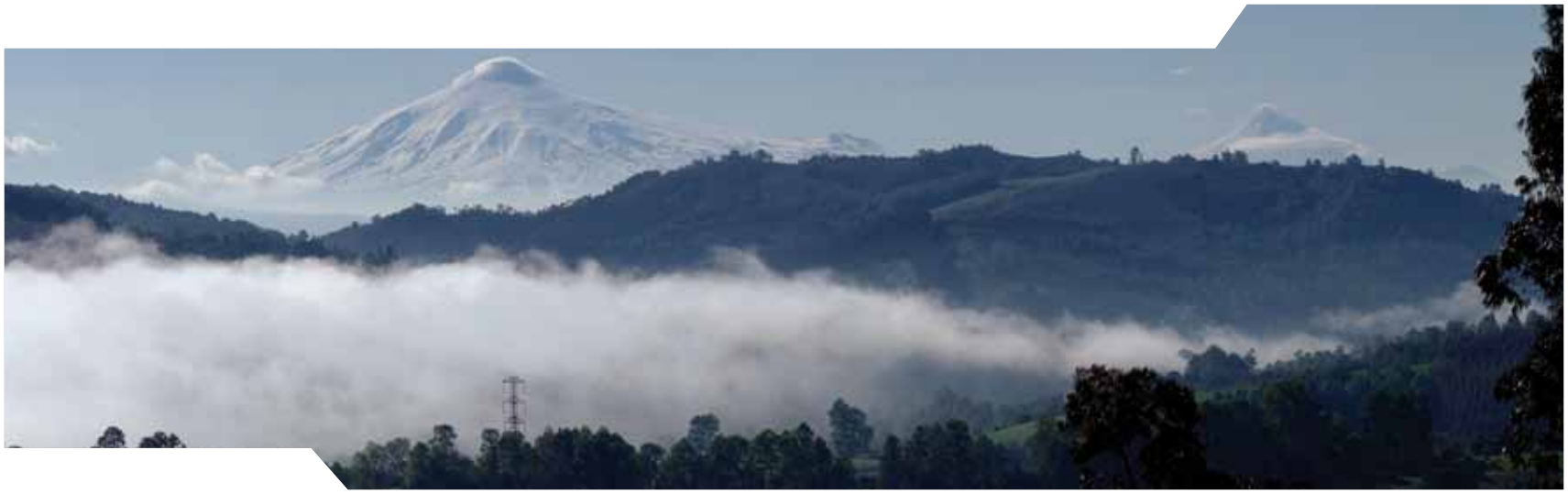
VICE-PRESIDENT AND MANAGER SALARIES

Transelec paid executive salaries amounting to CLP 2,005,134,199 throughout the 2009 fiscal year. This amount includes salaries paid to executives employed as of 31 December 2009 and executives who retired in 2009.

BONUS PLANS

Transelec has an annual bonus plan for its executives that is directly related to the meeting of goals and their personal contribution to the company's results.

04. THE BUSINESS



REGULATORY SCENARIO

The legal framework regulating the power transmission business in Chile defines power transmission systems, classifying power transmission facilities into three categories (Trunk Transmission Systems, Subtransmission Systems and Additional Systems) and establishing an open access layout for the first two systems and for additional power lines making use of rights of way and those that use national public use goods for their layout, specifying that these respective facilities can be used by third parties under non-discriminatory technical and economic conditions. In addition, this framework establishes criteria and procedures for determining compensation power transmission facilities owners are entitled to.

Trunk facilities are defined as the set of economically efficient power lines and substations required in order to supply all demand stemming from different power generation availability scenarios.

Subtransmission systems are made up of facilities interconnected to the electrical system available for the exclusive supply of groups of regulated or end consumers located in distribution companies' concession areas.

In turn, additional systems are made up of power lines and transmission equipment mainly designed for supplying electrical energy to non-regulated customers or for evacuating production of a power plant or a limited group of power plants.

TRUNK TRANSMISSION

Transelec revenue in this segment is made up by the "annual transmission value by segment" (VATT), which is calculated based on the "annual investment value" (AVI), plus "operating, maintenance and administration costs" (COMA) for each of the segments that make up the current trunk system. VATT is determined every four years by a consultant that performs a study known as the Trunk Transmission Study (ETT). During the four-year period between two consecutive ETTs, both the AVI and the COMA of each segment are indexed using formulas designed to maintain the real value of the AVI and the COMA during this period. Both indexing formulas and application frequency are determined in the ETT.

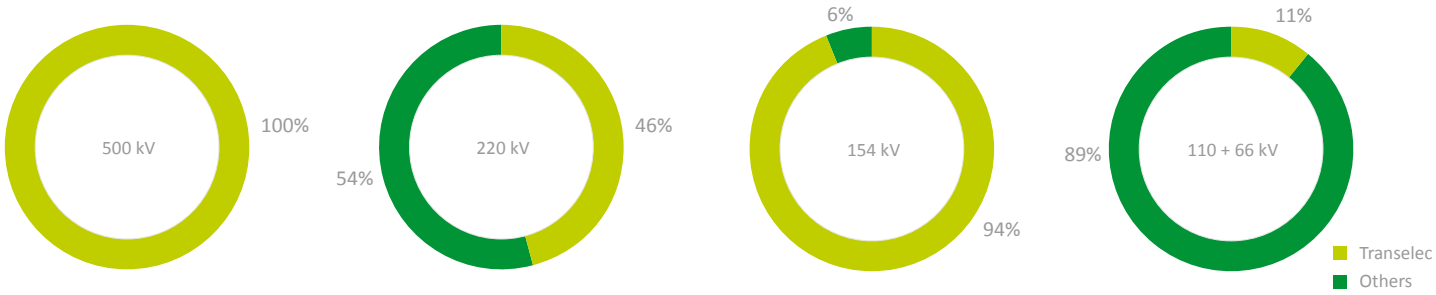
In addition, the consultant establishes expansion plans for the trunk system in said ETT, together with reference investment values. These expansion plans feature investment that must be classified as new projects or as expansions.

The facility owner, who shall be required to execute a project construction bid, shall execute current facility expansion. In the case of new projects, exploitation and execution rights are auctioned by the respective Economic Load Dispatch Center (CDEC) by means of an international auction process and awarded to the proposer presenting the lowest VATT for the project bid.

The CDEC analyzes consistency of the expansion plan and trunk system facilities contained in the ETT on an annual basis, together with the effective system developments in terms of power generation, transmission

MARKET SHARE

(participation per kilometer of line)



and demand performance. The National Energy Commission subsequently determines the expansion plan for the following 12 months.

The National Energy Commission published the final technical and administrative guidelines on 1 December 2009 in order to conduct a Trunk Transmission Study to set trunk tariffs for the 2011-2014 period. The study is currently in the contract award phase for the consultant that will perform the study. Study results should be published by the end of 2010.

MARKET SHARE

Transelec owns 100% of the 500 kV power lines and has a 46% stake in the ownership of 220 kV power lines. The company therefore has a 94% market share of the 154 kV power lines and an 11% market share in the 110 kV and 66 kV power line segment.

TRUNK SYSTEM PROJECTS

Transelec finished construction of a trunk system expansion project in 2009, the Nogales 220 kV Sectioning Substation. Total investment for the project amounted to US$ 8.7 million.

This project located in the Nogales district, Quillota Province, Valparaiso Region was commissioned on 22 October and features system expansion for power generation supply from Chile's 5th Region and northern regions. The project considers an outdoor high voltage yard with space for eight bays, using a half-duplex switch layout. Overall investment for this project started in March 2008 amounted to US$ 10.7 million.

Likewise, Transelec started construction of another six expansion projects in 2009: the Transfer Bar project at the Cardones substation, the 220 kV second circuit power line layout project for the El Rodeo-Chena project and Chena substation bay, the sectioning project for the 1x500 kV Ancoa-Polpaico power line at the Alto Jahuel substation and the 2x500 kV power line for the El Rodeo-Alto Jahuel segment, the Flow Control Equipment Installation project at the 220 kV Cerro Navia substation, the High-Capacity Conducer replacement project at the 2x220 kV Chena - Cerro Navia power line and the Condensor Bank Installation project at the Cerro Navia substation and Alto Jahuel substation.

In addition, work continued for trunk system expansion projects: the New Segment Expansion project for the 220 kV El Rodeo-Chena power line and the New Segment project for the 2x220 kV Nogales-Polpaico power line; as well as expansion projects: a project for the installation of a second 500/220 kV-750 MVA self-transformer at the Polpaico substation and the High-Capacity Conducer Replacement project for the 2x220 kV Alto Jahuel – Chena power line. Overall investment for these projects came to US$ 37.8 million in 2009.

In addition, a bid was opened for another three expansion projects, with investment amounting to approximately US$ 20.3 million. On the other hand, 41 hectares of land were purchased in 2009 as part of a strategic plan for the execution of future projects. In keeping with the same, overall 2009 investment came to US$ 62.9 million in this segment.

MAIN TRANSELEC PROJECTS UNDERWAY, TRUNK TRANSMISSION SYSTEM

Prices in US$ Thousands (*)

Project Type	Project	Real investment in 2009, US$ thousands	Status	Commissioning Date
Studies	Project Studies	809	Underway	---
New Projects	2x220 kV El Rodeo-Chena Power Line	4,111	Underway	5/Mar/10
	2x220 kV Nogales-Polpaico Power Line	33,398	Underway	30/Sep/10
	Sub Total New Projects	38,318		
Expansion Projects	Polpaico 220 kV, installation of a second transformer	129	Underway	28/Feb/11
	220 kV Nogales sectioning Sub Station	8,738	In service	22/Oct/09
	2x220 kV Alto Jahuel-Chena Power Line	147	Underway	1/Mar/11
	2x220 kV Chena-Cerro Navia Power Line	277	Underway	13/Jul/10
	Cardones Substation, 220 kV transfer busbar construction	634	Underway	13/Jul/10
	1x500 kV Ancoa-Polpaico Power Line, sectioning construction at Alto Jahuel Substation and 2x500 kV section for the El Rodeo-Alto Jahuel Power Line	2,145	Underway	12/Jan/12
	2x220 kV Alto Jahuel-El Rodeo-Chena Power Line, laying of a second circuit for the El Rodeo-Chena segment and a busbar at the Chena Substation	2,011	Underway	12/Jul/10
	Cerro Navoa Substation, installation of flow control equipment for the 2x220 kV Polpaico-Cerro Navia Power Line	3,379	Underway	14/Apr/12
	Alto Jahuel and Cerro Navia Substations, installation of 50 MVAr-220 kV condenser banks	606	Underway	9/Oct/10
	Sub Total Expansion Projects	18,067		
Expansion Projects for the 2009-2010 Period	Miscellaneous	4,068	Tender stage	---
Strategic Land Acquisition	Alto Jahuel Substation, for Extension Project to 500 kV and others	1,457		
	Ancoa Substation, for Extension Project to 500 kV and others	966		
	Sub Total Strategic Land Acquisition	6,491		
Backlog	Miscellaneous	11	In service	---
	Total Trunk Transmission System Projects	62,887		

(*) Exchange rate: 500.87 CLP/US$.

SUBTRANSMISSION

Power lines and substations for each subtransmission system are determined following delivery of a CNE technical report by supreme decree from the Ministry of Economic Affairs, Development and Reconstruction. Subtransmission systems are understood to be those facilities interconnected to the electrical system and available for the exclusive supply of groups of regulated or end consumers located in concession areas of distribution companies.

The annual subtransmission system value (VASTX) is calculated every four years. This is based on facilities economically adapted to demand and made up of standard investment, maintenance, operation and administration costs, plus average energy and power losses at said adapted facilities. In

order to calculate VASTX, the group of companies owning subtransmission facilities hires a study and sends the results of the same to the CNE. The CNE formulates a technical report containing observations and corrections made to company reports, together with tariff formulas.

The National Energy Commission published the final technical guidelines on 9 November 2009 in order to determine the annual subtransmission system value for the four-year period between 2011 and 2014. Study results should be published by mid-2010.

SUBTRANSMISSION PROJECTS

In this business area, Transelec commissioned a 220/69 kV-75 MVA backup transformer at the Temuco substation and a 154/69 kV-75 MVA backup transformer at the Charrúa substation.

Transelec also continued work on the San Ambrosio project located in the Maule Region in 2009. This project will cover electricity transmission demand for the Linares area up until 2016. Likewise, a considerable amount of work was completed for the environmental, engineering and supply stages for the Diego de Almagro-Chañaral project, which features replacement of the current 23 kV power line between the Diego de Almagro-Tap Off El Salado-Chañaral substation for a new 110 kV power line, as well as the design and construction of a new Nueva El Salado substation in Chile's 3rd Region. This project will cover electricity transmission demand for the Chañaral and El Salado areas, while substantially improving power supply safety in the zone.

Construction was started for the Charrúa-Lagunillas project, with total 2009 investment amounting to US$ 9.7 million. This project will cover power transmission demand for the Concepción, Coronel and San Vicente area up until 2016 and will avoid restrictions expected to start in 2010 if these investments were to be delayed. This project will also substantially improve power supply safety in the Concepción zone.

MAIN TRANSELEC PROJECTS UNDERWAY, SUBTRANSMISSION SYSTEM

Prices in US$ Thousands (*)

Project Type	Project	Real investment in 2009, US$ thousands	Status	Commissioning Date
Studies	Miscellaneous	14	Study	---
Sufficiency	San Ambrosio Project	678	Underway	28/Feb/12
	2x220 kV Charrúa-Lagunillas Power Line	9,730	Underway	28/Feb/11
	220/110 kV Transformer at Maitencillo Substation	208	Underway	30/Jun/10
	220/110 kV Transformer at Cardones Substation	260	Underway	---
	110/23 kV Diego de Almagro-Chañaral Substation Project	422	Underway	30/Sep/10
	66 kV Laja Substation normalization	165	Underway	15/Mar/10
	Sub Total Sufficiency Works	11,478		
Support	Temuco Substation back-up transformation facility	1,525	In service	24/Aug/09
	Charrúa Substation back-up transformation facility	2,767	In service	14/Sep/09
	220/110 kV transformer at Diego de Almagro Substation	1,042	Underway	30/Mar/10
	Sub Total Support Works	5,334		
Replacement at the end of service life	110/23 kV Diego de Almagro-Chañaral Project	549	Underway	30/Sep/10
	Cerro Navia Substation, installation of a 220/110 kV-400 MVA self-transformer bank	2,120	Underway	28/Feb/11
	Sub Total Replacement Works	2,669		
	Total Subtransmission System Projects	19,496		

(*) Exchange rate: 500.87 CLP/US$.

ADDITIONAL SYSTEMS

Additional power transmission systems are made up of power transmission facilities essentially and mainly designed to supply electrical energy to users that are not subject to price regulation and regulations designed to allow power companies to inject production into the electrical system. Power transmission by means of these systems is regulated by private contracts between parties.

Throughout a year battered by the global financial crisis, Transelec proved to be prepared to redouble its efforts to develop the national electricity system, efficiently expanding its power transmission system and improving the availability of electrical energy in Chile. A key step for this purpose is the concept of Transelec as a strategic partner for the execution of energy development required by the market, adjusting its efforts in order to provide continuity to its customers' projects by providing prior support in the engineering and design phases.

In 2009, the additional systems area saw contracts signed amounting to US$70 million in power transmission solutions for mining, industrial and power company customers, including the so-called STATCOM project for Endesa, which consisted of the installation of equipment at the Cerro Navia and Polpaico substations in order to increase the maximum energy transfer capacity to the Ancoa-Alto Jahuel-Polpaico power line. This project was designed to reduce operating restrictions that can influence power plants from the Ancoa substation southward. Another project we wish to highlight is the purchase of assets at the Punta Colorada substation. This substation will evacuate energy generated by a 32 MW thermal power plant and a 10 MW wind power plant featuring 10 turbines. These assets are part of the Pascua Lama mining project currently under construction, located at an altitude of 3,800 to 5,200 meters above sea level on the border between Argentina and Chile. This world-class mining project features proven reserves amounting to 17.8 million ounces of gold, 717.6 million ounces of silver and 649.5 million pounds of copper contained in its gold reserves. The mineral deposit has an estimated useful life of 20 years.

PROJECTS COMMISSIONED OR CURRENTLY UNDERWAY

Transelec commissioned a 220 kV bay at the Nogales substation in order to connect the AES Gener Ventanas power plant and the Newén Power Plant injection project for CGE. Transelec also energized the first phase of a 220 kV Pan de Azúcar-Andacollo transmission system for Carmen de Andacollo mining company and connected Endesa's Canela II wind park and Norvind's Totoral wind park to the SIC by means of the 220 kV Las Palmas sectioning substation.

On the other hand, throughout 2009, Transelec continued to make important advances in the development of the environmental, engineering and supplies stages for Endesa's Lagunillas project, featuring the design, construction and operation of a 220 kV power line running from the new Lagunillas substation to the Hualpén substation in Concepción, as well as an additional 220 kV Bocamina-Lagunillas power line. These were designed in order to inject power from the new Bocamina power plant into the SIC.

In keeping with the same, Transelec started developing another important project for Endesa: "Increasing Transmission Capacity for the Power Transmission System between the Ancoa Substation and the Alto Jahuel and Polpaico Substations", for a total estimated investment amounting to US$ 57 million. This project will enable the company to increase power transmission by means of 500 kV power lines throughout the Ancoa-Alto Jahuel and Ancoa-Polpaico segments by installing reactive energy compensation equipment at the Cerro Navia and Polpaico substations.

Another project started in 2009 is the 220 kV Santa Filomena bay at the Polpaico substation in order to connect a 1x220 kV Santa Filomena–Polpaico power line being developed by the company Angloamerican to the SIC.

Overall investment made throughout the year for additional systems projects thus comes to US$ 65.5 million.

ADDITIONAL SYSTEMS PROJECTS

Figures in ThU$ (*)

Project Type	Project	Real 2009 Investment in thousands of US dollars	Status	Commissioning Date
Studies	Project Studies	701		
Investment Agreement with Endesa	Lagunillas Project	38,575	Underway	30/Apr/10
	Canela II Power Plant Connection	4,131	Underway	17/Jul/10
	3 km Extension for the 1x220 kV Charrúa-Chillán Power Line	55	Underway	31/Jan/10
	Power Transmission Capacity Increase for 500 kV System between the Ancoa Substation and the Alto Jahuel and Polpaico Substations	7,601	Underway	1/Jan/11
	Endesa Agreement Projects Subtotal	50,362		
Other Customers	Andacollo Project	8,949	Underway	30/Aug/10
	Nueva Ventanas Power Plant Connection	4,202	Underway	22/Oct/09
	Santa Lidia Power Plant Connection	436	Underway	30/Apr/10
	Newen Power Plant Connection	559	Underway	23/Apr/09
	Totoral Power Plant Connection	4	Underway	17/Jul/10
	Santa Filomena Power Plant Connection	254	Underway	14/May/10
	Other Customers Projects Subtotal	14,404		
	Additional Systems Projects Total	65,467		

(*) Exchange rate: 500.87 CLP/US$.

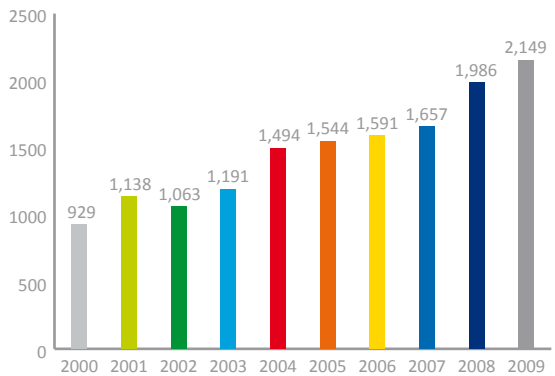
IV

The current regulations framework establishes mechanisms for the calculation and publication of investment valuation for power transmission companies at market prices, information that is used for setting service tariffs.

Transelec transmission facility valuation amounts to USD US$ 2.149 millions as of 31 December 2009. USD US$ 146 millions of this total corresponds to Transelec Norte facility valuation.

IV

Values in USD million at 31 December of every year



OUR CUSTOMERS

Transelec has executed a series of process adjustments this year in order to adapt to its customers' needs by drawing up a strategic plan to refocus its service policies. The current stage of the global financial crisis also entailed the implementation of changes in order to provide continuity for our customers' projects. In addition, the company measures customer satisfaction levels for its different lines of business on a yearly basis. These results also enable the identification of gaps and the focusing of continuous improvement efforts.

The wide range of solutions provided by Transelec for the industry and mining companies is developed in keeping with intensive and timely customer relations management, in addition to the development of projects for the connection of small and large-scale power plants.

TRANSELEC'S CUSTOMER POLICY

Our fundamental pillars are Customer Service and Confidence in our knowledge as system specialists.

Our policy is to interpret and understand our customers' needs, executing their projects in conformity with the best quality, safety and environmental parameters and understanding that each customer needs individual treatment. We thus ensure total satisfaction for our allies. This is a total commitment that continues over the years, establishing a satisfactory long-term relationship for everyone involved.

All Transelec collaborators have become individually responsible for the importance of their daily activities and the repercussions of the same on the company's overall customer service policy.

Our commitment is to be closer to our customers (ongoing customer service and consulting) and to especially provide all of our extensive and specialized knowledge regarding power transmission, keeping in mind the final goal of always meeting their expectations.

Total commitment for project execution and support throughout the contract period clearly evidences the quality of our services and our proposal for differential market value, all of which have been validated by our customers over the years. Our specialized supply enables us to develop the best power transmission solutions in the market. Our experts study market trends and projections on an ongoing basis, enabling us to always apply the results of our experience in order to ensure an open and modern company in conformity with changes providing efficacy and efficiency.

Transelec strives to provide service excellence and the best experience for our customers on an ongoing and day-to-day basis.

05. THE OPERATION

Transelec is the largest company transporting electrical energy in Chile, uniting power generation and distribution centers supplying Chilean households and large consumers such as industries. The company operates in Chile's two main interconnected systems, the Far North Interconnected System (SING) and the Central Interconnected System (SIC). These two systems supply approximately 98% of the country's overall population. The commitment entailed as an important collaborator for the country's growth and development means that the company's main objective is service quality and safety. In keeping with the same, Transelec operates its Interconnected Transmission System on a permanent basis in coordination with different industry players, providing immediate and precise answers to contingencies that come up. The company thus ensures continuous service in the long run, supplying electrical energy in line with service quality and safety standards.

In keeping with this objective, Transelec employs specialized personnel who are trained on an ongoing basis. These people prepare and execute maintenance programs and procedures for the operation of transmission systems meeting high standards, many of which have been adopted by current Chilean legislation. In addition, the company has state-of-the-art telecommunications, control and protection equipment to ensure smooth network operations and high safety standards. This has enabled Transelec to provide quality and safety indices comparable to further developed countries.

Operation and maintenance of Transelec's facilities in 2009 was adjusted to annual programs, adapted to the provisions of the Service Quality and Safety Technical Standards (NTS&CS) in force since 21 March 2005. More specifically, we wish to highlight headway made in terms of fence and power switch replacement, as well as improvements made to the company's remote electrical system supervision program by incorporating new signals into the real time information system (RTIS). The most important of these projects include replacement of all power switches for the San Vicente substation and the replacement of perimeter fences and bar differentials for the system's different bays and substations in keeping with the year's program.

As for telecommunications, the microwave system running between the Ancoa substation and the Alto Jahuel substation was replaced, bringing capacity from 8 megabits per second (Mbps) to 36 Mbps, improving communications between the company's different facilities for the purpose of network management (increased bandwidth for LAN networks), and operations, since this enables the installation of teleprotection systems with independent multiplexors, thus improving availability of the same (for example, the Jahuel substation-Rancagua substation-Itahue substation three-point system).

Headway was also made for substation telecontrol projects, meaning that in 2009, remote supervision and operations started for Transelec facilities at substations featuring operating contracts with other companies such as: Sauzal, El Toro, Antuco, Rapel, Bocamina and Abanico. In turn, telecontrol projects were completed in January 2010 for the Itahue and Maitencillo substations, meaning that operating personnel stopped working overtime shifts at these substations.

As for power measures, the company kicked off the "Integral Power Measure Management" program in 2009. This program features the progressive renewal of invoicing meters and associated communication systems, as well as the implementation of processing and automatic meter validation software applying to meter equipment owned by the company and by our customers.

As for maintenance, the preventive maintenance activity execution compliance index (which compares project advancement status with the timeline calculated at the beginning of each year) came to 98.7% in 2009. This indicator has remained consistently high since 2001.

In 2009, Transelec started to apply a plan to reduce the effects of corrosive sulphur on power transformers, based on risk analysis executed in 2008. This plan included assessment of the problem and the adoption of corrective measures. Measures adopted included the replacement of insulating oil, with an approximate volume amounting to 500,000 liters for the most critical cases, while the passivization technique was applied for other equipment. The plan will continue throughout 2010 with the servicing of 19 sets of equipment and tests determining normal conditions for the remaining equipment, in addition to safety and effectiveness control measures for the hazard reduction actions implemented.

On the other hand, the scheduled modifications were made to the internal design of four series compensation platforms located at the Ancoa substation that service the 500 kV Charrúa-Ancoa and Ancoa-Alto Jahuel power lines. These were made in order to solve power failures which took place in 2008 and to increase these power lines' availability index. Modifications were made by Transelec specialists in conjunction

with technical assistance provided by the equipment supplier. This meant that the four platforms were successfully repaired by 22 January 2009 and periodical checkups were subsequently made in order to ensure proper functioning of the new design.

The aforementioned investments, improvements and modernization, together with the application of stringent operating procedures, have allowed TRANSELEC to maintain its Equivalent Interruption Time (EIT), an indicator measuring service safety, substantially low. EIT represents total power not supplied to free and regulated customers over a twelve-month period and stems from unavailability at TRANSELEC power transmission system retirement points and is expressed as "equivalent interruption minutes" at the system's peak demand time.

Sixteen TRANSELEC facility disconnections in the SIC leading to power outs for which the company was directly responsible were reported in 2009, meaning an EIT amounting to 1.8 minutes per system. The most important failures include the breaking of a structural support for the 110 kV Compañías–Maitencillo power line in the Maitencillo–Algarrobo sector, contributing 28.5% to the annual EIT. This was repaired by replacing hardware in the sector of the power line that caused this problem.

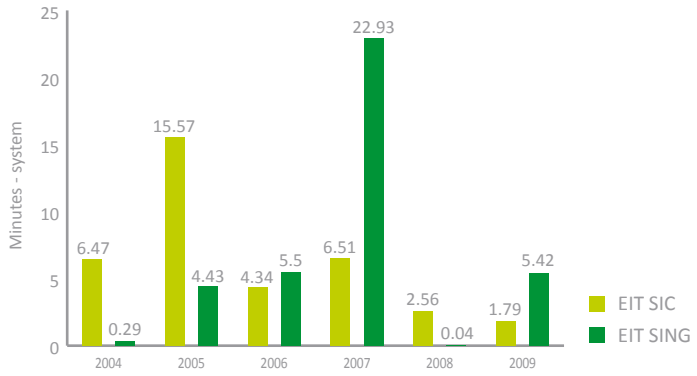
Disconnections for which the company was not directly responsible include those produced by the theft of conducers affecting TRANSELEC's copper conducer power lines. Chile has a long history of conducer theft substantially affecting the electricity, telecommunications and railroad industries. The number of theft events this year went up to 44 events, higher than in 2007 and 2008. However, only 34 metric tons were extracted this year, down from 43 metric tons extracted in 2007. Copper conducer theft remains a problem despite actions executed by the company, in conjunction with police authorities and other companies in order to prevent theft. This indicates that conducer theft is a structural factor based on current copper prices and the inherent nature of the junk business, which creates a market for selling stolen material.

As for service quality for Transelec Norte facilities in the SING, the EIT came to 5.4 minutes per system, which was practically caused by a single and important failure consisting of a polymeric insulator breakdown along the 220 kV Tarapacá–Condores power line. This was solved by replacing the polymeric insulation with a glass insulation, while making headway regarding the company's current insulation replacement plan for our SING facilities in highly contaminated areas. In addition, new tests will be performed for decommissioned material in order to determine whether the plan currently underway should consider additional factors.

Results such as those described above and a track record of consistency mean that other companies have decided to make Transelec responsible for their facilities in different aspects such as project design or the operation and maintenance of power lines, as well as control and fence systems and equipment. This means that over 60% of the facilities owned by customers connecting to Transelec's system in 2009 were subsequently assigned to our company for operation and maintenance.

As for participation at the Economic Dispatch Load Center, a Transelec Norte executive was appointed as Chairman of the Board of Directors for CDEC-SING in November. Meanwhile at the CDEC-SIC, following the Santiago Court of Appeals denying a remedy of protection that continued to suspend application of Decree 391 (New CDEC Regulations), two TRANSELEC candidates were appointed as directors in representation of the trunk facility owner segment.

EIT SIC - SING



06. FINANCE

DEBT AS OF 31 DECEMBER 2009

Throughout 2009, Transelec conducted several operations in the financial sector. We wish to highlight the following: i) The company purchased USD219,862,000 of its Yankee Bonds debt in August 2009 bringing the Yankee Bonds debt down to only USD245,138,000 as of 31 December 2009. ii) In order to finance the purchase of the Yankee Bonds mentioned in the point above, in August 2009 Transelec issued E, F and H series bonds in the local market, in accordance with the amounts and conditions specified in the following table. iii) The Yankee Bonds debt purchased in August 2009 featured associated swap contracts with aggregate nominal values amounting to USD220,000,000. These swap contracts associated to part of the Yankee Bonds purchased were simultaneously liquidated by the Yankee Bonds purchase. iv) Transelec issued I and K series bonds in the local market in December 2009, in conformity with the amounts and conditions specified in the following table; funds collected from these bonds issued will be used to finance early redemption of the B series bonds on 01 March 2010.

BONDS ISSUED IN CHILE

SERIES	DATE OF ISSUE	INTEREST DATE	MATURITY	CURRENT AMOUNT	CURRENCY
B Series	12-Apr-2001	6.200%	01-Mar-2022	3,104,000	UF
D Series D	14-Dec-2006	4.250%	15-Dec-2027	13,500,000	UF
C Series C	21-Mar-2007	3.500%	01-Sep-2016	6,000,000	UF
E Series	13-Aug-2009	3.900%	01-Aug-2014	3,300,000	UF
F Series	13-Aug-2009	5.700%	01-Aug-2014	33.600.000.000	CLP
H Series	13-Aug-2009	4.800%	01-Aug-2031	3,000,000	UF
I Series	03-Dec-2009	3.500%	01-Sep-2014	1,500,000	UF
K Series	04-Dec-2009	4.600%	01-Sep-2031	1,600,000	UF

UF: Unidad de Fomento (a readjustable unit set by the Central Bank of Chile, Law 18,840)

BONDS ISSUED IN THE UNITED STATES

SERIES	DATE OF ISSUE	INTEREST DATE	MATURITY	CURRENT AMOUNT	CURRENCY
Global Note	17-Apr-2001	7.875%	15-Apr-2011	245,138,000	USD

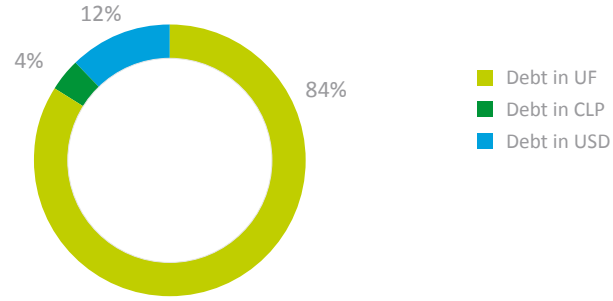
USD: US Dollars

DEBT SERVICE RESERVE

Transelec has a debt service reserve required by bond issuing contracts for the C, D, E, F, H, I and K series. This reserve is equivalent to the amount of interest and amortization for the principal (with the exception of final payment) corresponding to a six-month period for local bond series B, C, D, E, F, H, I and K, and the Yankee Bonds at values as of 31 December 2009.

FINANCIAL DEBT STRUCTURE BY CURRENCY

(includes swaps and excludes interest)

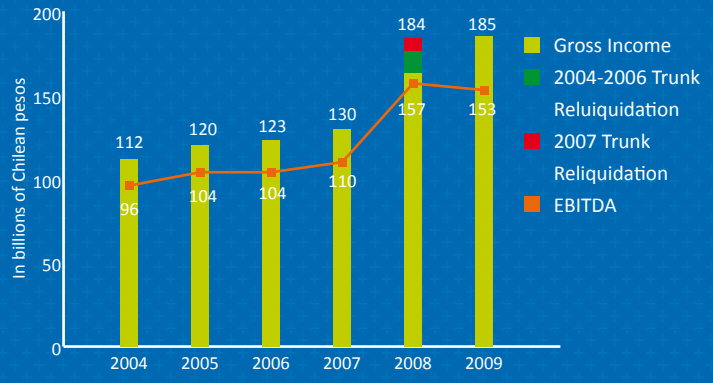


LIQUIDITY

2009 cash stock includes UF3,040,000 in order to prepay for the B series in March 2010

Note: Historical values as of 31 December each year.

REVENUE AND EBITDA PERFORMANCE



Note 1: Information used for 2004 and 2005 comes from the HQI Transelec Chile S.A. Consolidated Financial Statements as of 31 December each year

Note 2: Information regarding 2006 EBITDA, revenue, operating, administration and sales costs is pro forma and corresponds to the line upon line sum of the HQI Transelec Chile S.A. results for 1 January 2006 to 30 June 2006, duly updated in conformity with the December 2006 CPI, plus Transelec S.A. FECU results between 1 July 2006 and 31 December 2006. Although Transelec started operations as of 6 June 2006, the company only reports operating movements starting 1 July 2006.

Note 3: EBITDA = Gross Income + Depreciation + Intangible Amortization.

AVAILABLE LINES OF CREDIT

In order to ensure availability of funds to cover working capital requirements, the financing of fixed asset investment projects (currently underway and potential projects), the purchasing of transmission lines and possible debt refinancing, the company has the following lines of credit committed, which by the end of the 2008 fiscal year had not been used and were fully available according to the conditions detailed hereinafter:

Bank	Amount (maximum)	Maturity	Type of Credit
Scotiabank	US$ 15,000,000	11-06-2010	Working Capital
BCI	US$ 30,000,000	02-28-2010	Working Capital
Santander	US$ 15,000,000	03-31-2010	Working Capital
Scotiabank – Corpbanca	UF 3,206,453	09-15-2010	Project financing and refinancing of debt

PERFORMANCE INDICATORS

LIQUIDITY

Given positive 2009 results and the issuing of I and K Series bonds in December 2009, Transelec features high liquidity at the end of the fiscal year. In conjunction with the availability of lines of credit and partial reinvestment of its own cash flow generation, this enables the company to finance its future investment plans in new transmission assets, supported by the firm's commitment of its shareholders for this purpose.

2009 GROSS INCOME

The company has two main sources of revenue generation: regulated revenue stemming from services supplied by assets belonging to the Trunk Transmission Systems and to the Subtransmission Systems, and contractual revenue established in bilateral contracts. Among others, these consider additional transmission assets according to the definition of these terms in Short Law I.

The company's properly safeguarded revenue structure, market conditions, the law, current regulatory legislation and its customers' solvency have allowed Transelec to generate stable results throughout its history, despite the turbulent global financial scenario in 2009, which was triggered in the second half of 2008.

We wish to highlight that gross income reported in 2008 includes non-recurring income basically stemming from the reliquidation of Trunk Transmission System toll for the March 2004-December 2007 period for a total CLP 20.97 billion according to the provisions of Decree 207 dated 15 January 2008.

RISK FACTORS

In keeping with the characteristics of the Chilean electricity market and standards regulating this sector, Transelec S.A. is not exposed to substantial risk in the course of operating its main line of business. However, the following risk factors should be mentioned and taken into consideration:

THE REGULATORY FRAMEWORK

Legal standards regulating Chile's electricity transmission business were amended by the passing of Law 19,940, known as Short Law I, published on 13 March 2004. The electricity law was amended in May 2005 by updating standards for the power generation sector.

Among other issues, Decree 207 published on 15 January 2008 established the Annual Transmission Value by Segment (VATT) and its indexing formulas for the four-year period between 2007 and 2010, as well as application conditions for establishing payment of transport services in trunk transmission systems. The provisions contained in this Decree establish a series of pending issues that allow trunk facility owners to collect VATT from their facilities. A second Trunk Transmission Study will be conducted in 2010 in order to set tariffs and indexing formulas corresponding to the four-year period between 2011 and 2014.

As for subtransmission, Decree N° 320 by the Ministry of Economic Affairs, Development and Reconstruction published in the Official Gazette dated 9 January 2009 set subtransmission tariffs and their indexing formulas first applied starting on 14 January 2009. This decree includes a new tariff setting and transmission company payment methodology that may affect Transelec revenue. Subtransmission studies will be conducted in 2010 in order to set tariffs and establish indexing formulas corresponding to the four-year period between 2011 and 2014.

SINGLE CUSTOMER REVENUE CONCENTRATION

70.3% of Transelec's revenue comes from one single customer, Empresa Nacional de Electricidad S.A., Endesa (BBB according to S&P, Baa3 according to Moody´s) and its power generation subsidiaries. Transmission tolls to be paid by Endesa and its subsidiaries Pangue and Pehuenche will generate most of Transelec's future cash flow and a substantial change made to Endesa's business model, financial status or operating income could negatively affect Transelec.

OPERATING RISKS

Without prejudice of the fact that its Administration believes Transelec to have proper risk coverage in conformity with industry practices, we cannot guarantee that current insurance policy coverage will be enough to cover certain operating risks, including the forces of nature, damage to transmission facilities, on-the-job accidents and equipment failure.

LABOR CONFLICTS

Delays, suspensions or other labor conflicts affecting Transelec could have an adverse material effect on the corporation's business, financial conditions, operating income and expectations. Approximately 49% of Transelec's workforce belongs to one of its two trade unions. Likewise, 25.5% of the company's personnel is covered by group agreements with these workers' unions. These agreements expire in 2010 y 2012. Although Transelec's Administration believes that current labor relations evidence mutual collaboration between the company and its workers, and there have been no strikes, delays or suspensions since the company was founded, this is no guarantee that these events will not take place prior to or at the time the current group contracts expire. The Administration is not able to estimate the effect of these events on Transelec operations.

FINES STEMMING FROM TRANSMISSION SERVICE SUSPENSION

Transelec currently has legal procedures pending with the Superintendence of Electricity and Fuel (SEC) due to charges pressed by the Authority stemming from forced electricity transmission service disconnection. Some procedures have not yet been settled by the SEC, while Transelec has requested reconsideration of the resolution in other cases, while charges are currently being pressed for others.

APPLICATION OF ENVIRONMENTAL STANDARDS AND/OR POLICIES

Transelec is also subject to environmental standards that, among several considerations, require environmental impact assessments for future projects and the approval of corresponding regulatory authorizations. Despite the fact that Transelec thoroughly complies with all legal and regulatory procedures established for approval of the corresponding permits and authorizations, we cannot guarantee that these environmental impact assessments will be approved by government authorities, nor that the observations made by agencies or organizations affected will not lead to delays in permit approval or the introduction of amendments to projects proposed, nor that laws and regulations will not change or be interpreted in a manner that may imply changes as to how these studies are presented by the company.

CONSTRUCTION DELAYS FOR NEW TRANSMISSION FACILITIES

Success of the Expansion and New Works program for the electricity transmission network will depend on several factors, including the cost and availability of financing. Although Transelec has experience with large-scale projects, the construction of new facilities may be hampered by factors commonly associated to projects, including delays for the approval of regulatory authorizations; lack of equipment, materials or labor, or price variation; adverse weather conditions; natural disasters and unforeseen circumstances or difficulties when it comes to taking out loans under favorable conditions and at reasonable rates. Any of the aforementioned factors could lead to delays in the partial or total completion of the capital investment program, while increasing the cost of the projects considered in the same.

EXCHANGE RATE RISK

Depending on market fundamentals, specific financial characteristics of its business or other considerations, when necessary Transelec has conducted hedging operations such as cross currency swaps or currency forwards in order to cover the risk of UF-US dollar ratio variation for its bonds expressed in US dollars. In addition, these operations allow the company to set the underlying portion in Chilean pesos contained in its revenue that will be invoiced in US dollars.

However, we cannot guarantee that Transelec will be protected by the fact that it holds exchange rate hedging contracts. In addition, currency swaps and forwards contain credit risk for the counterpart, cash requirements at maturity dates and other associated risks.

TECHNOLOGICAL CHANGES

Compensation from Transelec electricity transmission facility investment is made by an annual existing facility assessment (EFA) fee at market prices, which is regularly recalculated according to the process established in current standards. If important technological advances are made for equipment making up Transelec facilities, this assessment could be lower and thus prevent overall recovery of investments made.

RISK CLASSIFICATION

In their latest reports made available to the market, the following Risk Rating Agencies have reaffirmed the Investment Grade rating assigned to Transelec for the different lines of bonds issued and placed by the company.

LOCAL

Risk Rating Agency	Current Rating
Humphrey's	A+
Feller- Rate	A+
Fitch Ratings Chile	A

INTERNATIONAL

Risk Rating Agency	Current Rating
Moody's	Baa3
Standard & Poor's	BBB-
Fitch Ratings International	BBB-

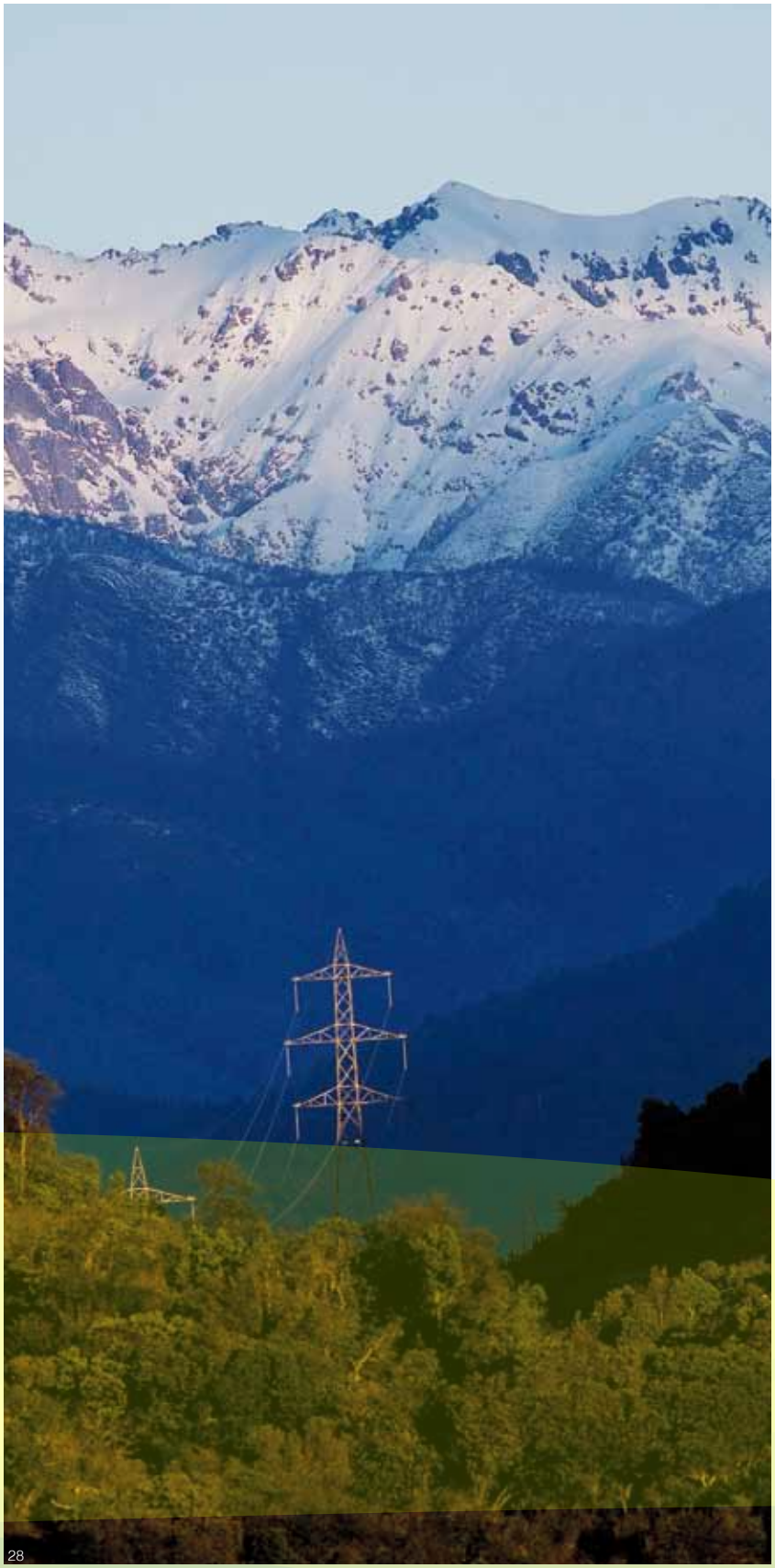
INSURANCE

Transelec has continued its policy of holding insurance policies to protect fixed asset goods and to cover other operating risks. Coverage is provided by means of an industrial multi-risk policy that includes physical damage, machinery breakdown, earthquakes and the forces of nature, including indemnity for suspension damages associated to said risks. Coverage of physical risks for power lines was considered unnecessary in that good international practices and Chilean standards are observed for construction of the same and these standards are deemed to be stringent enough.

In addition, the company continues to hold civil responsibility, terrorism and sabotage insurance, with vehicles, material transport, equipment and imports all covered as well. The company continues to hold insurance contracts for its workers.

IFRS IMPLEMENTATION PROJECT

The Superintendency of Securities and Insurance (SVS) established a plan to adopt International Financial Reporting Standards (IFRS) for corporations regulated by this institution. Transelec will be required to adopt IFRS starting in 2010, since it is a corporation that issues public debt, although its shares are not openly traded in the market. In order to fully comply with this standard, the company designed a working plan (which consults activities started as of 2007) featuring different stages, including personnel training activities; the recommendation of accounting policies to be approved by Transelec's Board of Directors; analysis of impacts affecting the corporation in the event of choosing one alternative or another when time comes to adopt these standards and during operations, as well as the implementation of changes made to administrative and accounting procedures and information systems based on the SAP platform. As of 31 December 2009, the company had already sent its answers to the questions asked by the SVS in Official Dispatch 556 dated 03 December 2009. The working plan considers that the company will make the necessary changes during the first quarter of 2010, in order to send the SVS the corporation's financial statements using IFRS starting in May 2010.



THE COMPANY'S PROFIT SHARING POLICY FOR 2009

The company's profit sharing policy establishes that its Board of Directors recommends sharing the highest possible amount for 2009, considering Transelec's financial status, investment program and commitments signed. Dividends to be paid correspond to the distributable surplus or the consolidated total liquid financial earnings for the respective fiscal year, after tax and extraordinary items, in addition to non-distributed accumulated liquid earnings, minus losses from previous periods. The above is subject to the relative limits for dividends, which establish that no dividend shall be declared during a specific fiscal year if this means that the company will not be able to comply with its financial agreements.

If the Board of Directors were to see fit, the same would be entitled to declare temporary dividends for a given fiscal year to be distributed depending on conditions at that time. Overall payment of temporary dividends shall not exceed 75% of the company's consolidated liquid earnings estimated for the year in course in Transelec's Annual Business Plan.

PROFITS SHARED IN 2009

At the Transelec S.A. shareholders meeting held on 30 April 2009, the corporation agreed not to proceed to share the distributable surplus corresponding to the 2008 fiscal year amounting to CLP 44,239,425,255.

At a Transelec S.A. Board of Directors meeting held on 28 May 2009, the corporation agreed to pay a first temporary dividend deducted from 2009's fiscal year earnings amounting to CLP 15,108,000,000. In keeping with the same, at a Transelec S.A. Board of Directors meeting held on 26 November 2009, the corporation agreed to share a second temporary dividend deducted from '2009 fiscal year earnings amounting to CLP 13,106,000,000.

DIVIDENDS PAID

Year	Historic Value CLP bn (*)
2006	2,339
2007	34,955
2008	20,934
2009	28,118

(*): Figures calculated as of December of each year

PROFIT SHARING

(taken from each fiscal year)

Year	CLP mn (*)	Fiscal year earnings %
2006	14,849	100%
2007	31,774	100%
2008	12,510	22%
2009(**)	28,118	60%

(*): Figures calculated as of December of each year.
(**): This only corresponds to temporary dividends paid throughout 2009. The final dividends to be deducted from the 2009 fiscal year had not yet been announced as of 31 December 2009. These will be determined at a special shareholders meeting to be held in 2010.

MATERIAL FACTS

1) By means of a letter dated on 26 March 2009, it was reported at a session held on the same date that the Board of Directors agreed to hold a shareholders meeting on 30 April 2009.

2) By means of a letter dated on 4 May 2009, the agreements reached at the shareholders meeting held on 30 April 2009 were reported.

3) By means of a letter dated 1 June 2009, it was reported at a session held on 28 May 2009 that the Board of Directors agreed to distribute temporary dividends deducted from the respective fiscal year amounting to CLP15,108,000,000.

4) By means of a letter dated 4 June 2009, the agreements reached at the special shareholders meeting held on 3 June, 2009 were reported.

5) By means of a letter dated 4 May 2009, it was reported that the Board of Directors agreed to elect Mr. Jeffrey Blidner as Chairman at a special session held on 30 April 2009.

6) By means of a letter dated 13 August 2009, it was reported that Transelec S.A. issued bonds in the local market on that same date as the E, F and G series. The main characteristics of these bonds were also detailed in this report.

7) By means of a letter dated 29 October 2009, it was reported that all members of the Board of Directors were dismissed, both directors and acting directors, at a special shareholders meeting held on 28 October 2009. The following directors were elected in replacement of the same: Jeffrey Blidner, Bruce Hogg, Patrick Charbonneau, Brenda Eaton, Felipe Lamarca Claro, Juan Andrés Fontaine Talavera, Blas Tomic Errázuriz, José Ramón Valente Vías and Alejandro Jadresic Marinovic. The following acting directors were elected: Thomas Keller, Graeme Bevans, Paul Dufresne, Richard Dinneny, Enrique Munita Luco, Juan José Eyzaguirre Lira, Federico Grebe Lira, Juan Paulo Bambach Salvatore and Juan Irarrázabal Covarrubias.

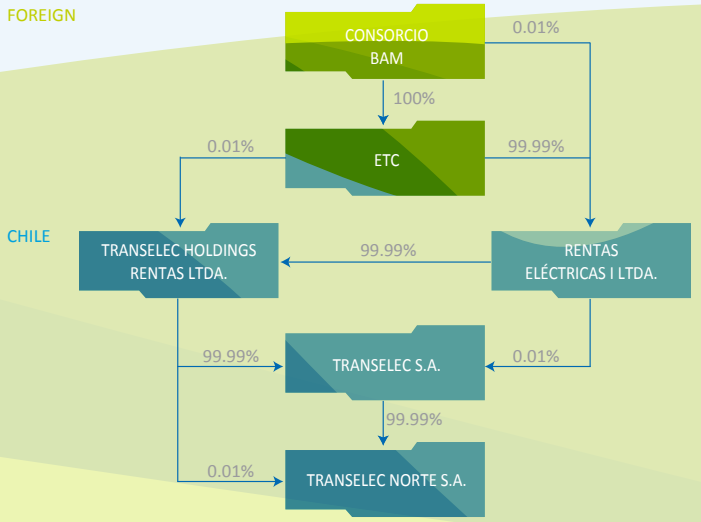
8) By means of a letter dated 29 October 2009, it was reported that the Board of Directors elected Mr. Jeffrey Blidner as Chairman at a session held on 28 October 2009.

9) By means of a letter dated 23 November 2009, it was reported that Transelec S.A. intends to proceed with early redemption of the B series bonds.

10) By means of a letter dated 30 November 2009, it was reported that the Board of Directors agreed to distribute a second temporary dividend deducted from the respective fiscal year amounting to CLP13,106,000,000 at a session held on 26 November 2009.

11) By means of a letter dated 4 December 2009, it was reported that Transelec S.A. issued K series bonds amounting to UF 1,600,000 in the local market on that same date, deducted from the 30-year term line of bonds.

SOCIETY STRUCTURE



07. LEGAL INCORPORATION AND AMENDMENTS

Transelec S.A. is an open-ended open stock corporation originally founded as a joint stock company with the firm name "Rentas Eléctricas III Limitada", by public deed dated 6 June 2006 granted before the Santiago notary owned by Ms. María Gloria Acharán Toledo. The extract corresponding to its incorporation is registered in the Business Registry of the Real Estate Official Property Registry of Santiago, sheet 22,031, Nº 15,264 corresponding to the year 2006, and was published in the Official Gazette Nº 38,485 dated 9 June 2006.

The assignment of rights and actions for the corporation was executed by means of public deed dated 15 June 2006 granted before the Santiago notary owned by Ms. María Gloria Acharán Toledo, with the corporations Rentas Eléctricas I Limitada and Rentas Eléctricas II Limitada established as partners. In addition, the corporation's share capital was increased and its administration was changed. The extract corresponding to this corporate modification is registered in the Business Registry of the Real Estate Official Property Registry of Santiago, sheet 25,168, Nº 17,510 corresponding to the year 2006, and was published in the Official Gazette Nº 38,501 dated 30 June 2006. The aforementioned amendment extract was corrected and registered in the Business Registry of the Real Estate Official Property Registry of Santiago, sheet 28,355, Nº 19.800 corresponding to the year 2006, and was published in the Official Gazette Nº 38,518 dated 20 July 2006.

By means of public deed dated 26 March 2007 granted before the Santiago notary owned by Ms. María Gloria Acharán Toledo, the corporation became an open stock corporation with the firm name "Rentas Eléctricas III S.A.". The extract corresponding to this corporate transformation is registered in the Business Registry of the Real Estate Official Property Registry of Santiago, sheet 12,696, Nº 9,344 corresponding to the year 2007, and was published in the Official Gazette Nº 38,727 dated 30 March 2007.

It was agreed at the company's first special shareholders meeting held on 24 April 2007 that the company would be founded as an open stock corporation by means of the voluntary registration of its shares in the Securities Registry of the Superintendency of Securities and Insurance. The minutes of this first special shareholders meeting were executed as public deed dated 25 April 2007.

The corporation's articles of incorporation were amended at the second special shareholders meeting held on 30 June 2007. The firm name was changed to "Transelec S.A." and a new Board of Directors was elected. The minutes of this second special shareholders meeting was executed as public deed dated 30 June 2007 at the Santiago notary owned by Ms. María Gloria Acharán Toledo. An extract of this reform was registered in the Business Registry of the Real Estate Official Property Registry of Santiago, sheet 27,530, Nº 19,941 corresponding to the year 2007, and were published in the Official Gazette Nº 38,812 dated 13 July 2007.

In June 2007, Transelec S.A., tax list number N° 76.555.400-4, absorbed Transelec S.A., tax list number N° 76.555.430-6, as stated in public deed dated 30 June 2007, granted at the Santiago notary owned by Ms. María Gloria Acharán Toledo, an extract of which was published in sheet 27,509, N° 19,936 corresponding to the year 2007, and was published in the Official Gazette N° 38,812 dated 13 July 2007.

It was agreed at the company's third special shareholders meeting held 4 April 2008 that according to the bargain and sale contract dated on 30 June 2006 between HQ Puno Ltd. and Hydro-Québec International Transmisión Sudamérica S.A. and Rentas Eléctricas IV Limitada, and in the bargain and sale contract dated on 27 June 2006 between IFC and Rentas Eléctricas IV Limitada, that the agreement regarding VI adjustment between Transelec and the Vendors should be corrected, authorizing Transelec management to proceed to pay VI adjustment, among other matters.

It was agreed at the company's fourth special shareholders meeting held on 21 July 2008, that all members of the Board of Directors should be dismissed, both directors and acting directors. The following persons were elected for the positions of directors: Jeffrey Blidner, Bruno Guilmette, Scott Lawrence, Brenda Eaton, Felipe Lamarca Claro, Juan Andrés Fontaine Talavera, Blas Tomic Errázuriz, José Ramón Valente Vías and Alejandro Jadresic Marinovic. The following acting directors were elected: Derek Pannell, Patrick Charbonneau, Graeme Bevans, Richard Dinneny, Enrique Munita Luco, Juan José Eyzaguirre Lira, Federico Grebe Lira, Juan Paulo Bambach Salvatore and Juan Irarrázabal Covarrubias.

It was agreed at the company's fifth special shareholders meeting held on 16 October 2008, that all actions by Transelec representatives when negotiating and issuing the Committed Financing Opening Contract -Contrato de Apertura de Financiamiento Comprometido- with the Corpbanca and Scotiabank Sudamericano banks amounting to up to UF3,206,453 should be expressly corrected.

It was agreed at the company's fifth special shareholders meeting held on 16 October 2008, that all actions by Transelec representatives when negotiating and issuing the Committed Financing Opening Contract -with

the Corpbanca and Scotiabank Sudamericano banks amounting to up to UF3,206,453 should be expressly corrected.

It was agreed at the company's seventh special shareholders meeting held on 28 October 2009, that all members of Board of Directors should be dismissed, both directors and acting directors. The following persons were elected for the positions of directors: Jeffrey Blidner, Bruce Hogg, Patrick Charbonneau, Brenda Eaton, Felipe Lamarca Claro, Juan Andrés Fontaine Talavera, Blas Tomic Errázuriz, José Ramón Valente Vías and Alejandro Jadresic Marinovic. The following acting directors were elected: Thomas Keller, Graeme Bevans, Paul Dufresne, Richard Dinneny, Enrique Munita Luco, Juan José Eyzaguirre Lira, Federico Grebe Lira, Juan Paulo Bambach Salvatore and Juan Irarrázabal Covarrubias.

THE CORPORATION'S HISTORICAL BACKGROUND

Transelec S.A., formerly known as Rentas Eléctricas III S.A., is the successor of the following companies whose incorporation, mergers or transformation are summarized as follows:

DISSOLUTION BY ABSORPTION OF COMPAÑÍA NACIONAL DE TRANSMISIÓN ELÉCTRICA S.A. INTO HQI TRANSELEC CHILE S.A.

Compañía Nacional de Transmisión Eléctrica S.A. was dissolved in virtue of article 103 N° 2 of Corporation Law 18,046, since all of its shares were concentrated in the possession of HQI Transelec Chile S.A., the company succeeding the same. This dissolution was reported at Board of Directors session N° 113 on 30 January 2001, executed as public deed at that same date at Santiago notary owned by Mr. Fernando Opazo Larraín. FIRM NAME CHANGED FROM HQI Transelec CHILE S.A. TO Transelec S.A. The firm name was changed from HQI Transelec CHILE S.A., tax list number 77.498.870-K to Transelec S.A., with the same tax list number at the 8th special shareholders meeting for the HQI Transelec CHILE S.A. corporation held on 16 August 2006 and executed as public deed as of 23 August that same year at Santiago notary owned by Mr. Iván Tamargo Barros, when the corporation's name was changed to Transelec S.A.

DISSOLUTION BY ABSORPTION OF TRANSELEC S.A. INTO NUEVA TRANSELEC S.A.

Subsequently, at Transelec S.A. Board of Directors session number 101 held on 30 November 2006, the aforementioned corporation was declared to be dissolved by absorption, since the shares were in possession of Nueva Transelec S.A., tax list number 76.555.430-6, which was executed as public deed at the same date at the notary owned by Mr. Tamargo Barros. An extract of the same was published in the Business Registry of the Real Estate Official Property Registry of Santiago sheet 49,292, N° 35,195 corresponding to the year 2006. This confirmed corporation dissolution and a note was made regarding the same in the margin of the company incorporation records. This was published in the Official Gazette dated 6 December 2006.

FIRM NAME CHANGED FROM NUEVA TRANSELEC S.A. TO TRANSELEC S.A.

It was agreed at the corporation's 3rd special shareholders meeting held on 30 November 2006 that the firm name Nueva Transelec S.A. would be changed to Transelec S.A. This was executed as public deed that same day at a notary owned by Ms. María Gloria Acharán Toledo. An extract of the same was published in the Business Registry of the Real Estate Official Property Registry of Santiago in sheet 49,963, N° 35,710 corresponding to the year 2006. This confirmed the firm name change and a note was made regarding the same in the margin of the company incorporation records. This was published in the Official Gazette dated 9 December 2006.

DISSOLUTION BY ABSORPTION OF TRANSELEC S.A. INTO RENTAS ELÉCTRICAS III S.A.

The minutes of the 16th Transelec S.A. special shareholders meeting held on 6 June 2007 were executed as public deed dated 30 June 2007 granted at the Santiago notary owned by Ms. María Gloria Acharán T., reporting dissolution by the absorption of Transelec S.A., tax list number 76.555.430-6 by Rentas Eléctricas III S.A., tax list number 76.555.400-4, since the latter had purchased all of the corporation's shares. The 16th Transelec S.A. special Board of Directors meeting was executed as public deed and registered in the Business Registry of the Real Estate Official Property Registry of Santiago in sheet 27,509, N° 19,936 corresponding to the year 2007 and was published in the Official Gazette dated 13 July 2007. The minutes of the 5th Rentas Eléctricas III S.A. special Board of Directors meeting held that same date announcing dissolution due to the absorption of Transelec S.A. tax list number 76.555.430-6, by Rentas Eléctricas III S.A., tax list number 76.555.400-4, since the same had purchased all of the corporation's shares were executed as public deed dated 30 June 2007. Rentas Eléctricas III S.A. declares that it is the legal successor of Transelec S.A., assuming its rights and obligations and declaring to be jointly responsible for taxes owed or which may be owed.

08. TRANSELEC NORTE S.A.

IDENTIFICATION

Name:	Transelec Norte S.A.
Corporate Registration:	Business Registry of the Real Estate Official Property Registry of Santiago, Sheet 14,386, Nº 11018, 2003.
Tax List Number:	99.521.950-6
Domicile:	Avenida Apoquindo Nº 3721, Piso 6, Las Condes, Santiago
Legal Nature:	Open Stock Corporation
Subscribed Capital:	USD30,005,000
Paid-in Capital:	USD30,005,000

CORPORATE PURPOSE

The company's exclusive purpose is to exploit and develop electrical systems designed for the transport or transmission of electrical energy and owned by Transelec Norte or by third parties. For this purpose, the company shall be entitled to obtain, purchase and operate respective concessions and permits and to exercise all rights and authorities granted to power companies by current legislation. The corporate purpose includes commercialization of power line transport capacity, substation transformation and associated equipment in order for both domestic and foreign power plants to transmit electrical energy produced by the same and reach their power consumption centers.

In keeping with the same, Transelec Norte provides consulting services to engineering and management divisions of companies related to its exclusive purpose. The company also performs other commercial and industrial activities related to the harnessing of electricity transmission infrastructure. In keeping with its corporate purpose, the corporation is entitled to act directly or by means of its subsidiary or associated corporations in Chile and abroad. Transelec Norte performs electricity transmission activities, especially in the Far North Interconnected System, SING.

CAPITAL

Transelec Norte capital is divided into 750,125 shares. 750,050 of these were subscribed and paid in by Transelec S.A., amounting to 99.99% of the corporation's share capital, while 75 shares were subscribed and paid in by Transelec Holdings Rentas Limitada, amounting to 0.01% of the corporation's share capital.
Therefore, as of 31 December 2009, the corporation's overall paid share capital came to 30,005,000 dollars of the United States of America (USD).

BOARD OF DIRECTORS

The Transelec Norte Board of Directors is made up of nine Chilean and Canadian titular members and their respective acting members, who shall remain in these positions for a period of two years and shall be eligible for reelection.

CHAIRMAN

JEFFREY BLIDNER

DIRECTORS

BRUCE HOGG
BRENDA EATON
JOSÉ RAMÓN VALENTE VÍAS
BLAS TOMIC ERRÁZURIZ
PATRICK CHARBONNEAU
JUAN ANDRES FONTAINE TALAVERA
FELIPE LAMARCA CLARO
ALEJANDRO JADRESIC MARINOVIC

SECRETARY OF THE BOARD OF DIRECTORS

FERNANDO ABARA

MANAGEMENT TEAM

As of 31 December, the Transelec management group is made up of leading executives in each of their areas of expertise featuring outstanding track records in the power sector:

MAIN EXECUTIVES

ANDRÉS KUHLMANN JAHN

General Manager
Civil Industrial Engineer
Pontificia Universidad Católica de Chile
Tax ID number 6.554.568-3

EDUARDO ANDRADE HOURS

Vice President of Operations
Civil Electrical Engineer
Universidad de Chile
MBA, Universidad Adolfo Ibáñez
Tax ID number 7.015.734-9

ALEXANDROS SEMERTZAKIS PANDOLFI

Vice President of Engineering and Construction
Civil Engineer
Universidad de Santiago
Post-graduate degree in Administration, Universidad Adolfo Ibáñez
Tax ID number 7.053358-8

FERNANDO ABARA ELÍAS

Vice President of Legal Affairs
Attorney
Universidad Católica de Valparaíso

COMMERCIAL RELATIONS WITH TRANSELEC S.A.

Transelec Norte signed a general services provision contract with Transelec S.A. for the operation and maintenance of Transelec Norte facilities. In addition, this contract features a series of administrative services including treasury, accounting, information technology, legal, tax and commercial consulting duties, among others.