

*(LOGO OF CENACE CORPORATION – NATIONAL ELECTRIC POWER CONTROL)*

CENACE 3175

Quito, July 19, 2007

*(STAMP AND RUBRIC  
ACKNOWLEDGEMENT OF RECEIPT  
JULY 23, 2007)*

**Economist**

**HERNÁN FLORES E.**

**General Manager**

**HIDROABANICO**

**Av. Amazonas N 41-56 e Isla Floreana, Edificio Amazonas, Cuarto Piso**

**Quito**

Dear Sir,

CENACE Corporation verified the fulfillment of the requirements provided in Clause 8 of CONELEC Regulation 006/00, in order to determine if the equipment and facilities of the second stage of Abanico hydroelectric power station do not affect the security and continuous power supply, and if there are not objections for the incorporation of Abanico to the Interconnected National System, with the restriction of not exceeding a total power generation of 30 MW from Abanico power station during the top hours of electric power demand (18h00 – 21h00).

The National Electric Power Council – CONELEC, through the Official Letter DE-07-1372, dated July 17, 2007, informed to CENACE that the Company HIDROABANICO is authorized to increase its power supply participation in the Electric Power Market, from 15MW to 37,5 MW.

In the recording system and files of CENACE Control Center, of July 18, 2007, the following statement was registered: "... 18:21 Available units: 3, 4, and 5. Engineer Diego Peñaloza, of HIDROABANICO, reports that those units are available, as well as

the start-up of the commercial operations. Unit 3 does not enter to operate in parallel, due to the fact that during the time period from 18:00 – 21:00, a maximum power generation of 30 MW was authorized for restriction in the EERCSUR system”.

With the above mentioned antecedents, and in response to the request of the Company HIDROABANICO, through the Official Letter HA-07-00034, dated July 17, 2007, CENACE Corporation authorizes an additional capacity increase to 22.5 MW of generation for the commercial operation of HIDROABANICO power station, from 18:21 of July 18, 2007.

Regards,

(AUTHORIZED SIGNATURE)

ING. GABRIEL ARGÜELLO RÍOS  
Executive Director

**Copy to: Chairman of the Board of *CENACE***  
**Executive Director of *CONELEC***  
**Executive President of *TRANSELECTRIC***  
**Executive President of *E.E. Centro Sur***

*(ADDRESS AND CONTACT INFORMATION OF CENACE)*

*TRANSLATION EXPERT*

*(LETTER FROM CENACE 3175 – JULY 19, 2007 – 2 PREVIOUS PAGES):*



*María Fernanda Merino Noboa*  
*ID/Passport 1707284871*

*I HEREBY CERTIFY THAT I AM FLUENT IN BOTH ENGLISH AND SPANISH LANGUAGES AND THAT I HAVE PREPARED THE ATTACHED TRANSLATION FROM THE ORIGINAL IN THE SPANISH LANGUAGE TO THE BEST OF MY KNOWLEDGE AND BELIEF.*

*I ALSO CERTIFY THAT I AM INCLUDED IN THE LIST OF TRANSLATORS OF THE EMBASSY OF THE UNITED STATES OF AMERICA.*

*QUITO, AUGUST 22, 2008*



*MARÍA FERNANDA MERINO NOBOA*  
*ID/PASSPORT 1707284871*