

Reuters: EDP.LS
Bloomberg: EDP PL

Investors & Analysts' Briefing

**INVESTOR RELATIONS
DEPARTMENT**
Miguel Viana, Head of IR
Sónia Pimpão
Elisabete Ferreira
Ricardo Farinha
Noélia Rocha

Phone +351 210012834
Fax: +351 210012899

Email: ir@edp.pt
Website: www.edp.pt

TOLLING AGREEMENT WITH IBERDROLA ON AGUIEIRA AND RAIVA HYDRO PLANTS IN PORTUGAL

In accordance with the decision 6/2008 taken by the Portuguese competition authority (AdC), and following a competitive bidding process, AdC communicated to EDP the approval of the awarding to Iberdrola of a tolling agreement to manage, in the liberalized electricity market, the Agueira and Raiva hydro plants for a period of 5 years, expected to start from April 1st 2009 onwards. These two hydro plants have a 360 MW total capacity with pumping and are currently managed by EDP under the CMECs (Cost for the Maintenance of Contractual Equilibrium) system which replaced its previous long term PPAs (Power Purchase Agreements) with the Portuguese public electricity system.

EDP will continue to be responsible for the operating and maintenance (O&M) of these plants and maintains the ownership of their electricity generation licences and hydro domain concessions.

The CMECs system and its mechanism of annual adjustment that compensates deviations between market performance and CMECs initial assumptions, assures the financial neutrality of this agreement for EDP.

EDP – Energias de Portugal, S.A.