

Joint Press Release

**EDISON AND DOLOMITI ENERGIA: A JOINT VENTURE
IN THE PROVINCE OF TRENT**

Milan, November 14, 2007 – Late last evening in Milan, Edison and Dolomiti Energia signed an agreement to establish a joint venture that will operate hydroelectric facilities in the province of Trent.

Under the agreement, Edison will convey to a newly established limited liability company the business operations consisting of three hydroelectric power plants (Taio-Santa Giustina, Mezzocorona/Mollaro and Pozzolago). These facilities, which operate by virtue of concessions expiring in 2008, 2017 and 2016, respectively, have a combine installed capacity of about 180 MW and an average annual potential output of more than 500 million KWh. Subsequently, 51% of the new company's capital will be sold to Dolomiti Energia, with Edison retaining a 49% interest.

Pursuant to the terms of the agreement, the sales price for a 51% interest in the new company (53.75 million euros, which was arrived at based on a total value of 105 million euros for all of the conveyed business operations) is subject to change. However, any change will not be material and will be based in part on the date of conveyance. The valuation of the business operations was supported by a fairness opinion provided by Lazard. If an agreement is reached allowing the transfer of indebtedness, the sales price will be reduced proportionately.

The abovementioned consideration reflects the fact that **Edison will continue to manage the dispatching of and, until the existing concessions expire, will take delivery of all of the energy produced by the conveyed power plants.** The preset price at which the produced energy will be supplied must be sufficient to cover the costs incurred by the company and compensate invested capital. If the concessions are extended, during the period subsequent to the original expiration date the partners will receive a share of the electric power produced proportionate to their interest in the company's capital.

If the concessions are not extended, Edison will have the right to buy back (and Dolomiti Energia will have the right to sell) the 51% interest owned by Dolomiti Energia, during the period from June 30, 2008 to December 31, 2014. The criteria for determining the exercise price of these options, which are set forth in the terms of the agreement, are based on the consideration paid for a 51% interest in the company and take into account the benefits received in the intervening years by managing the company.

The purpose of the agreement is to strengthen the bonds between Edison and the local community, in an area where the Group has a historical presence, by sharing ownership of the power plants with Dolomiti Energia, a company with a strong local presence in the Trentino region.

This transaction, which is subject to approval by the relevant government agencies, is expected to close at the beginning of 2008. If the conditions precedent (approval by the Italian antitrust authorities and authorization to transfer the concessions to the new company) are not satisfied by June 30, 2008, the agreement will automatically become null and void.

The new company will be managed by a five-member Board of Directors, including three designated by Dolomiti Energia and two designated by Edison. During the initial period, Dolomiti Energia will select the Chairman and Edison the Chief Executive Officer. Both officers will serve for a term of three years. Key decisions by the Board of Directors that concern the company's operations will require a qualified majority of 4 Directors. Extraordinary transactions and amendments to the Bylaws, which must be submitted to the Partners' Meeting, will require a quorum of 75%. The agreement also calls for a lockup period of 36 months from the date the new company is established.

Dolomiti Energia has an indirect interest in Edison's share capital because it owns a 10% interest in Delmi, which, in turn, owns 50% of Transalpina di Energia, a company that has a direct controlling interest in Edison.

Edison received financial advice from CFA and legal counsel from Dewey & LeBoeuf. Simmons & Simmons provided legal counsel to Dolomiti Energia.

For additional information:

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Public disclosure required by Consob Resolution No. 11971 of May 14, 1999, as amended.