



Project UPME 04-2009 Sogamoso Delay

Project UPME 04 of 2009 – Sogamoso should enter operation on May 12, 2014. However, due to delays non imputable to the company in the process to obtain the different environmental permits and licenses, the company decided to postpone the project's commissioning for July of 2014, and to extend the corresponding guarantee in order to avoid incurring in default. To ISA, this situation means paying the market measure provided for in the corresponding regulations, consisting of a sum of money equivalent to twice the revenue recognized by CREG to the company since June of 2013, calculated in proportion to the days elapsed between May 12 and the actual commissioning date.

This payment is not a penalty because there has been neither a lack of compliance with regulation nor a penalty process. It is, as stated before, a market measure determined by the regulator and applicable by XM as Administrator of the Wholesale Energy Market in order to send economic signals to agents.