

SDG7 Energy Compact of Enel Chile, Government of the Santiago Metropolitan Region and Universidad del Desarrollo A next Decade Action Agenda to advance SDG7 on sustainable energy for all, in line with the goals of the Paris Agreement on Climate Change

SECTION 1: AMBITION

1.1. Ambitions to achieve SDG7 by 2030. [*Please select all that apply, and make sure to state the baseline of each target*] (Member States targets could be based on their NDCs, energy policies, national five-year plans etc. targets for companies/organizations could be based on their corporate strategy)

▶ 7.1. By 2030, ensure universal access to affordable, reliable and modern energy services.	 Target(s): To increase the final use of electricity in the Metropolitan Region, compared to other energy sources, through the implementation of new services to the inhabitants of the territory. Time frame: 2030 Context for the ambition(s): The Metropolitan Region of Chile is home to half of the country's inhabitants (8.2 million approximately) and is responsible for 19.2% of national Greenhouse Gas (GHG) emissions. The 21,867 kt CO2 emitted according to the latest available figures (2018) correspond mainly to land transport (41%) and fuel burning for electricity generation and heat sources in
	government, commercial and residential buildings (32%). Currently, each residential electricity customer in the Metropolitan Region consumes 197 kWh per month on average (according to CNE Open Energy figures) and the per capita consumption of liquefied gas is 23.48 kg/month, which highlights the space that exists to electrify the consumption of the second energy source, thus reducing both GHG emissions and intra-domiciliary pollution, which has beneficial effects on other aspects of people's lives (mainly the reduced occurrence of respiratory diseases).
	There is an opportunity to open electric energy to new uses in the city, to reduce emissions while offering services that directly benefit the quality of life of the inhabitants, through electromobility and the replacement of wood-burning stoves with electric air conditioning equipment. This involves increasing the share of electric buses in the regional public transport fleet (currently 26%); increasing the charging infrastructure for electric vehicles (currently 81

	 points and 55 charging centers, according to SEC figures) and advancing in the process of removing heaters (10 thousand replacements executed by Enel X to date). These lines of action help to strengthen the commitments stated in the update of the National Energy Policy, with the vision of enabling energetically sustainable cities, which implies an emphasis on energy efficiency, resilience and low emissions, with the promotion of the use of local energy resources. Regarding electromobility, by 2030 all large cities must have an urban mobility plan that defines criteria for emissions and energy efficiency, while by 2035 all vehicles sold in Chile must be zero-emission.
✓ 7.2. By 2030, increase substantially the share of renewable energy in the global energy mix.	Target(s): Increase the share of solar energy in the Region's electricity generation. Time frame: 2030 Context for the ambition(s): In 2021, the installed capacity of solar energy in the Region was equivalent to 404 MW (29.9% of the total mix), but it only contributed 15.6% of the energy generated in the period. Natural gas is the main source of generation for the region (almost 49%), which is not enough to cover its electricity needs autonomously: according to figures from the National Energy Commission, last year it generated 326 GWh, but had to supply another 1,437 GWh of demand with sources located in other areas of the country. On the other hand, the installation of photovoltaic projects in public buildings is still marginal: of the 52 municipalities that make up the RM, only seven have projects of the Public Roofs program in operation, corresponding to 22 establishments (schools, primary health centers, hospitals, cultural centers, and central government buildings). As an example of the space that exists to advance in electrification with renewable sources, there are 2,918 schools registered in the RM, but few of them have implemented this type of solution. In addition to advancing in photovoltaic projects, in a distributed manner, it is possible to promote the generation of clean energy even with storage systems.

□ 7.3. By 2030, double the global rate of improvement in energy efficiency.	Target(s): Time frame: Context for the ambition(s):
7.a. By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.	Target(s): Time frame: Context for the ambition(s):
7.b. By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land- locked developing countries, in accordance with their respective programs of support.	Target(s): Time frame: Context for the ambition(s):

fuel subsidies etc.]
Target(s): Establish multi-stakeholder governance to advance the implementation of this Energy Compact. Time frame: 2030
Context for the ambition(s): Within the framework of the implementation of Law 21.074, which strengthens regional governments, the role played by the Governor's Office in the implementation of actions to universalize access to clean energy in the territory is vital, given the growing role that the territorial administration will have in establishing the standards for sustainable cities. To this end, it is proposed the establishment of a working group that brings together all the actors involved in the implementation process of the following action plan, so that it can launch periodic citizen participation initiatives and also be responsible for reviewing the progress in the implementation of the committed projects.
The metropolitan government is actively developing the diagnosis for the Regional Climate Change Action Plan, which conside a comprehensive approach and a portfolio of investments to be defined. The study, which has a twelve-month execution peri will recommend a Governance based on the institutions that currently participate at the regional level in decisions in this area
The Governor's Office also subscribed to the Declaration of Circular Cities of Latin America and the Caribbean, signed in Rome on October 25, 2021, in which the participating cities expressed their interest in generating a circular transition by promoting regulatory framework for commercial activity, asset management and urban planning.
The energy factor, in its dimensions of efficiency and use of clean generation, must be considered in all territorial planning instruments of large and medium-sized cities in Chile by 2030. Therefore, the commitment assumed here will allow progress i the design of such instruments, in order to start an active plan to reduce GHG emissions and the transition to an electrified cit with clean energy.

SECTION 2: ACTIONS TO ACHIEVE THE AMBITION

2.1. Please add at least one key action for each of the elaborated ambition(s) from section 1. [Please add rows as needed].

7.1a: Increase the share of electric buses in the total fleet of Santiago to 100%, which will be done through the replacement of buses for the Santiago Transport Network.	Start and end date 2022 – 2030
7.1b.: Expand the network of electric charging stations to support the adoption of electromobility, also at the private level.	2021 - 2030
7.1c.: To support the improvement of air quality in Santiago, through the replacement of wood-fired heating equipment with equipment that uses electric energy efficiently, providing heat in winter and cold in summer.	2018 -2030
7.2.: Enable distributed photovoltaic installations in consolidated areas of the city, integrating storage solutions, promoting the necessary regulatory changes to accelerate connection to the distribution grid and streamline project approval processes. All of the above with the objective of developing the local market, mainly in terms of energy storage.	2022 -2030
1.2a.: Planning, program development, multi-stakeholder convening to achieve the city's 2030 vision.	2022-2024
<i>1.2b Planning, development, citizen consultation and registration of contributions for the definition of the city's vision for 2030).</i>	2022-2024
Description of action (please specify for which ambition from Section 1)	Start and end date

SECTION 3: OUTCOMES

3.1. Please add at least one measurable and time-based outcome for **<u>each</u>** of the actions from section 2. [Please add rows as needed].

Outcome	Date
7.1a.: Number of buses in operation in the city of Santiago: 100% of the electric fleet by 2030,	2030
which will stop emitting 150 thousand tons of CO2e annually.	
7.1b.: Number of charging stations implemented throughout Chile, based on the assumption	
that one public charging point will be needed for every 50 new electric vehicles.	
7.1c.: Number of replacements carried out: by 2030 it is expected to have almost 63,000	
replacements implemented in the region, which implies 114 thousand tons of CO2e less	
emissions and 1,299 tons of PM2.5, the main cause of non-covid-19 respiratory diseases in the	
region.	
7.2.: Installed capacity for PV distributed energy generation: 44 MWp and around 100 MWh	
of accumulated energy in batteries. As of 2022, the local market for energy storage is still	
incipient; however, we will be developing it and we envision possibilities.	
1.2a and b.: Regional Action Plan for Climate Change	

SECTION 4: REQUIRED RESOURCES AND SUPPORT

4.1. Please specify required finance and investments for <u>each</u> of the actions in section 2.

- 7.1a.: Number of buses in operation in the city of Santiago: 100% of public transportation fleet
- 7.1b.: Number of charging stations implemented throughout Chile: 20,000 points by 2030
- 7.1c.: Number of heating replacement carried out by 2030: USD 78 million
- 7.2.: Installed power for distributed PV power generation: USD 44 million

4.2. [For countries only] In case support is required for the actions in section 2, please select from below and describe the required support and specify for which action.

[Examples of support for Member States could include: Access to low-cost affordable debt through strategic de-risking instruments, capacity building in data collection; development of integrated energy plans and energy transition pathways; technical assistance, etc.]

□Financing	Description
☐ In-Kind contribution	Description
Technical	Description
Support	
□ Other/Please	Description
specify	

SECTION 5: IMPACT

5.1. Countries planned for implementation including number of people potentially impacted.

This Energy Compact is aimed for the Metropolitan Region of Chile, home to 7.04 million inhabitants, making it the largest region of the country. According to official estimations, the population will be around 8.8 million by 2035 as Chile is experiencing a sharp declination in the rate of birth. It is a mostly urban region, as 97.3% of its inhabitants live in Greater Santiago area, a rate is expected to remain unchanged in the coming decades.

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how <u>each</u> of the actions from section 2 impact advancing the SDGs by 2030.

[up to 500 words, please upload supporting strategy documents as needed]

This plan is in line with SDGs 7.3 (Energy Efficiency) and 11 (Clean Transport Systems), in terms of advancing electromobility as well as charging infrastructure. Meanwhile, the plan to replace heaters is in line with SDGs 7.1.1 (Electricity Access), 7.1.2 (Clean Cooking Access) and 7.3 (Energy Efficiency).

Increasing the share of photovoltaic energy in regional electricity generation is in line with SDG 7.2 (Renewable Capacity) and 7.3 (Energy Efficiency), as well as SDG 8 (Creation and Capacity Building).

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how <u>each</u> of the actions from section 2 align with the Paris Agreement and national NDCs (if applicable) and support the net-zero emissions by 2050. [up to 500 words, please upload supporting strategy documents as needed]

This plan also contributes to advancing the Nationally Defined Contributions (NDC) proposed by the Ministry of the Environment in 2021, which aim to achieve 20% electric fleet of public buses in the Metropolitan Region by 2030 and 100% by 2040. Likewise, it has proposed that 57% of houses and 60% of apartments throughout the country should have electric heating by 2050. By the same year, a goal has been set for electric heating to be present in 84% of supermarkets, 76% of department stores and 48% of clinics.

SECTION 6: MONITORING AND REPORTING

6.1. Please describe how you intend to track the progress of the proposed outcomes in section 3. Please also describe if you intend to use other existing reporting frameworks to track progress on the proposed outcomes.

We propose as a means of monitoring the Enel Sustainability Report, through its annual publication.

- The definition of the territorial planning instruments that will make up the territorial vision of Santiago 2024 will be built through a multi-stakeholder methodology that will consider the participation of citizens and the institutions proposing this commitment.

SECTION 7: GUIDING PRINCIPLES CHECKLIST

Please use the checklist below to validate that the proposed Energy Compact is aligned with the guiding principles.

I. Stepping up ambition and accelerating action - Increase contribution of and accelerate the implementation of the SDG7 targets in support of the 2030 Agenda for Sustainable Development for Paris Agreement

I. 1. Does the Energy Compact strengthen and/or add a target, commitment, policy, action related to SDG7 and its linkages to the other SDGs that results in a higher cumulative impact compared to existing frameworks?

\boxtimes Yes \Box No

- *I.2. Does the Energy Compact increase the geographical and/or sectoral coverage of SDG7 related efforts?* \square Yes \square No
- *I.3.* Does the Energy Compact consider inclusion of key priority issues towards achieving SDG7 by 2030 and the net-zero emission goal of the Paris Agreement by 2050 as defied by latest global analysis and data including the outcome of the Technical Working Groups? Issues Including the outcome of the Technical Working Groups?

II. Alignment with the 2030 agenda on Sustainable Development Goals – Ensure coherence and alignment with SDG implementation plans and strategies by 2030 as well as national development plans and priorities.

II.1. Has the Energy Compact considered enabling actions of SDG7 to reach the other sustainable development goals by 2030? \square Yes \square No

II.2. Does the Energy Compact align with national, sectoral, and/or sub-national sustainable development strategies/plans, including SDG implementation plans/roadmaps? \boxtimes Yes \square No

II.3. Has the Energy Compact considered a timeframe in line with the Decade of Action? \square Yes \square No

III. Alignment with Paris Agreement and net-zero by 2050 - Ensure coherence and alignment with the Nationally Determined Contributions, long term net zero emission strategies.

III.1. Has the Energy Compact considered a timeframe in line with the net-zero goal of the Paris Agreement by 2050? \boxtimes Yes \Box No

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs? \boxtimes Yes \square No

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050? \Box Yes \boxtimes No

IV. Leaving no one behind, strengthening inclusion, interlinkages, and synergies - Enabling the achievement of SDGs and just transition by reflecting interlinkages with other SDGs.

IV.1. Does the Energy Compact include socio-economic impacts of measures being considered? □Yes ⊠No

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition? \square Yes \square No

IV.3. Does the Energy Compact consider measures that address the needs of the most vulnerable groups (e.g. those impacted the most by energy transitions, lack of energy access)? \Box Yes \boxtimes No

V. Feasibility and Robustness - Commitments and measures are technically sound, feasible, and verifiable based a set of objectives with specific performance indicators, baselines, targets and data sources as needed.

V.1. Is the information included in the Energy Compact based on updated quality data and sectoral assessments, with clear and transparent methodologies related to the proposed measures? \boxtimes Yes \square No

V.2. Has the Energy Compact considered inclusion of a set of SMART (specific, measurable, achievable, resource-based and time based) objectives? \boxtimes Yes \square No

V.3. Has the Energy Compact considered issues related to means of implementation to ensure feasibility of measures proposed (e.g. cost and financing strategy, technical assistant needs and partnerships, policy and regulatory gaps, data and technology)? \boxtimes Yes \square No

SECTION 8: ENERGY COMPACT GENERAL INFORMATION						
8.1. Title/name of the Energy Compact						
Santiago Energy Compact	Santiago Energy Compact					
8.2. Lead entity name (for joint Energy Compacts p	lease list all parties and include, in parentl	hesis, its entity type, using entity type from below)				
Government of the Metropolitan Region (Go sector)	Government of the Metropolitan Region (Government), Universidad del Desarrollo (Academia/Scientific community, Enel Chile (Private sector)					
8.3. Lead entity type						
🖾 Government	□ Local/Regional Government	Multilateral body /Intergovernmental Organization				
\Box Non-Governmental Organization (NGO)	□ Civil Society organization/Youth	Academic Institution /Scientific				
☑ Private Sector	□ Philanthropic Organization	Community				
		\Box Other relevant actor				
8.4. Contact Information						
Mauricio Fabry, <u>mfabry@gobiernostgo.cl</u> ; Andres Palma, <u>andres.palma@enel.com</u>						
8.5. Please select the geographical coverage of the	Energy Compact					
□Africa □Asia and Pacific □Europe ⊠Latin America and Caribbean □North America □West Asia □Global						
8.6. Please select the Energy Compact thematic focus area(s)						

□ Energy Access ⊠ Energy Transition ⊠ Enabling SDGs through inclusive just Energy Transitions □ Innovation, Technology and Data □ Finance and Investment.

SECTION 9: ADDITIONAL INFORMATION (IF REQUIRED)

Please provide additional website link(s) on your Energy Compact, which may contain relevant key documents, photos, short video clips etc.