General Aspects of Coal Industry in 2009

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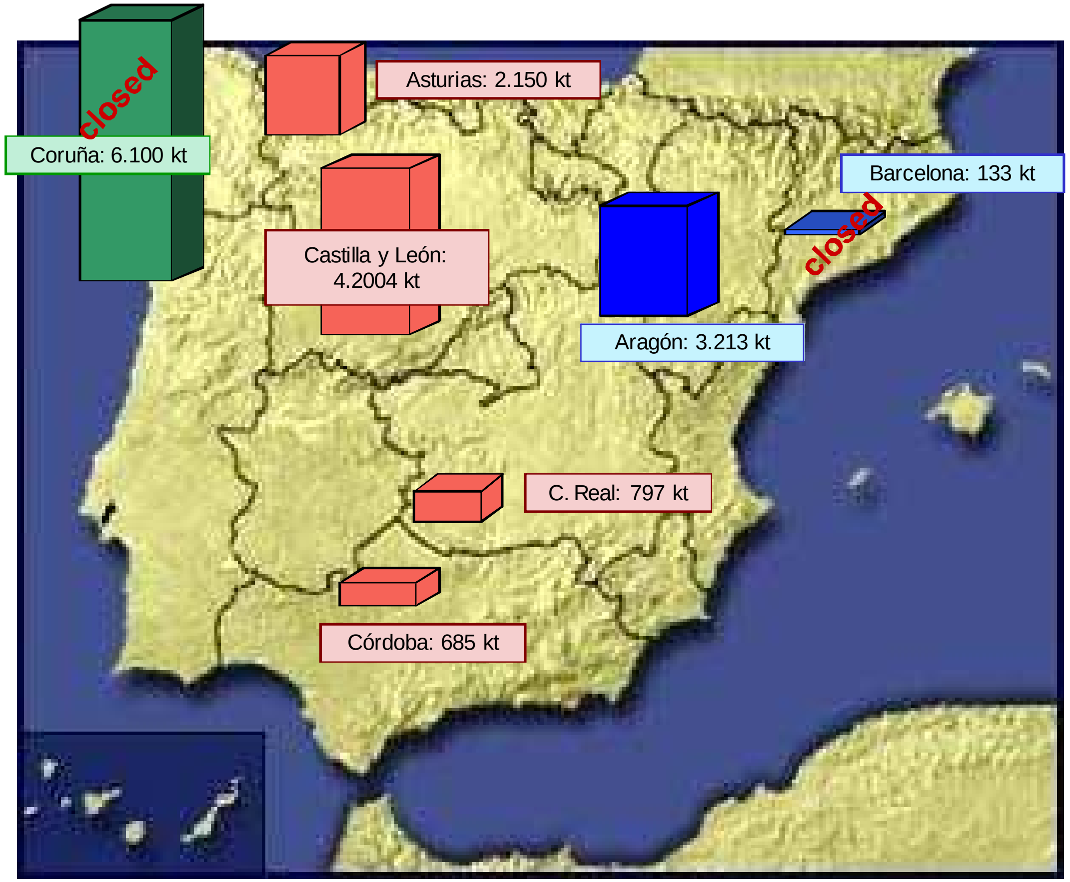
Geographic Distribution of National Coal Output in 2007



Fuente: Carbunion

Hard Coal	**7.8 Mt**
Asturias	2.1 Mt
Castilla y León (León y Palencia)	4.2
Castilla-La Mancha (Ciudad Real) ..	0,8 Mt
Andalucía (Córdoba)	0,7 Mt

Black Lignite:	**3,3 Mt**
Aragón (Teruel y Zaragoza)........	3,2 Mt
Cataluña (Barcelona)	0,1 Mt

Brown Lignite:	**6.1 Mt**
Galicia (La Coruña)	6.1 Mt

TOTAL COAL OUTPUT(2007) .... 17,2 Mt

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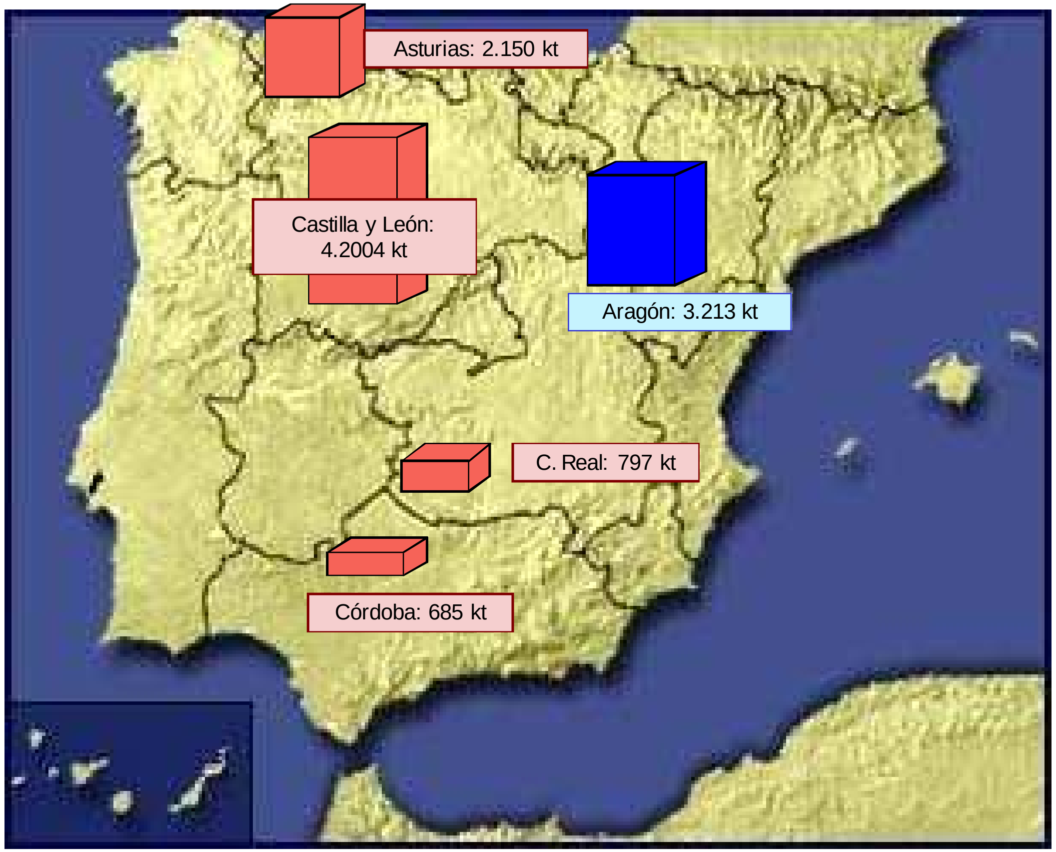
Geographic Distribution of the output. Year 2009 (aprox.)



Fuente: Carbunion

Hard Coal:	**7.8 Mt**
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Black Lignite:	**3,2 Mt**
Aragón (Teruel y Zaragoza)........	3,2 Mt

TOTAL COAL OUTPUT (2008) .... 11,0 Mt

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Geographic Distribution of the Power Stations that use National Coal

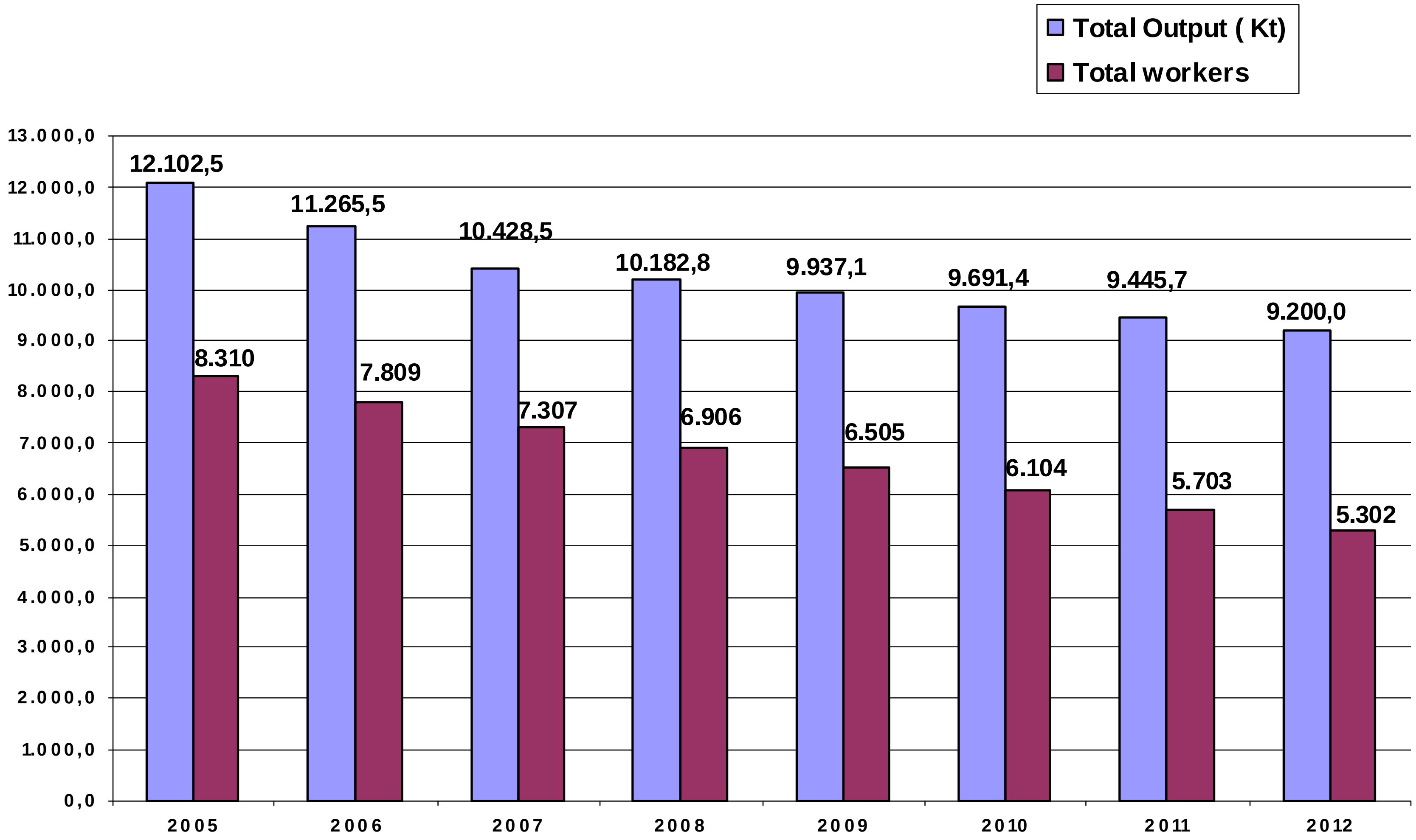
H+A Hulla y Antracita: 6.433 MW		
1	Aboño	916 MW
2	Lada	515 MW
3	Soto de Ribera	672 MW
4	Narcea	595 MW
5	Anllares	365 MW
6	Compostilla	1.334 MW
7	La Robla	655 MW
8	Guardo	516 MW
9	Puertollano	221 MW
10	Elcogas	320 MW
11	Puente Nuevo	324 MW
LN Lignito Negro: 1.502 MW		
12	Cercs	160 MW
13	Escatrón	80 MW
14	Teruel	1.102 MW
15	Escucha	160 MW
LP Lignito Pardo: 2.031 MW		
16	Puentes Gª Rguez	1.468 MW
17	Meirama	563 MW

This p.s, have been changed to import coal

Fuente: Carbunion

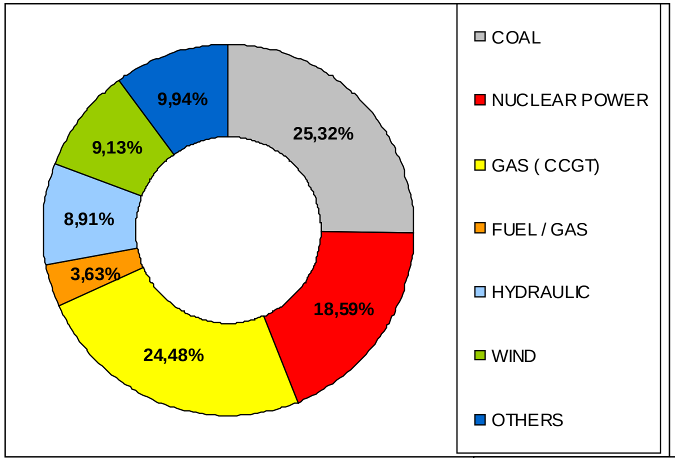
- **The total power installed of these stations is 7.935MW, 8% over total of 98.502MW in all Spain and 12% over ordinary regimen, (gas, nuclear, hidraulic, and coal)**
- **(the renewables sun & eolic 31.717 MW)**

Output and Employment Betwen 2005-2012

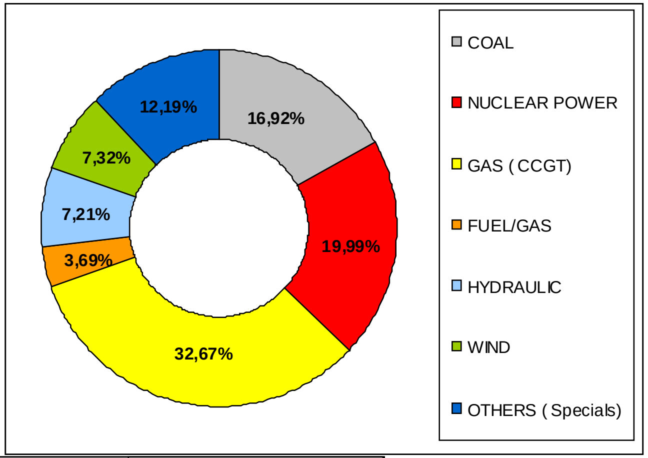


Fuente: Carbunion

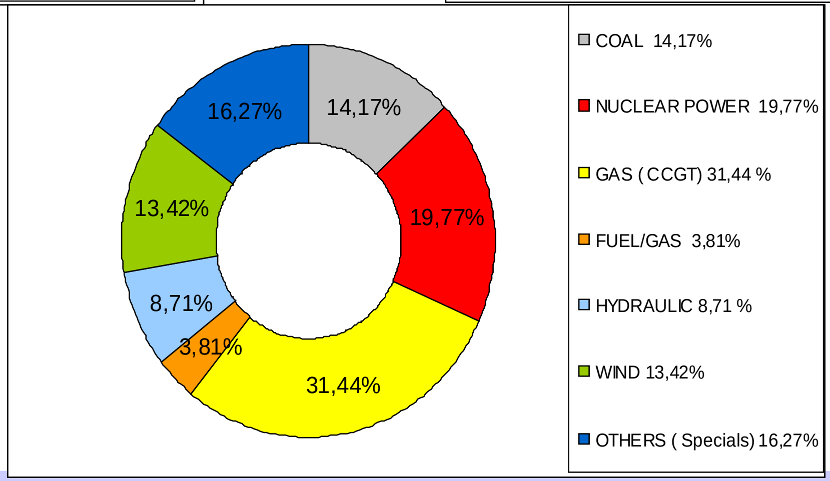
National Coverage of Electricity Demand. 2007 vs. 2008 vs.2009



Electricity Energy 2007
296.048 GWh



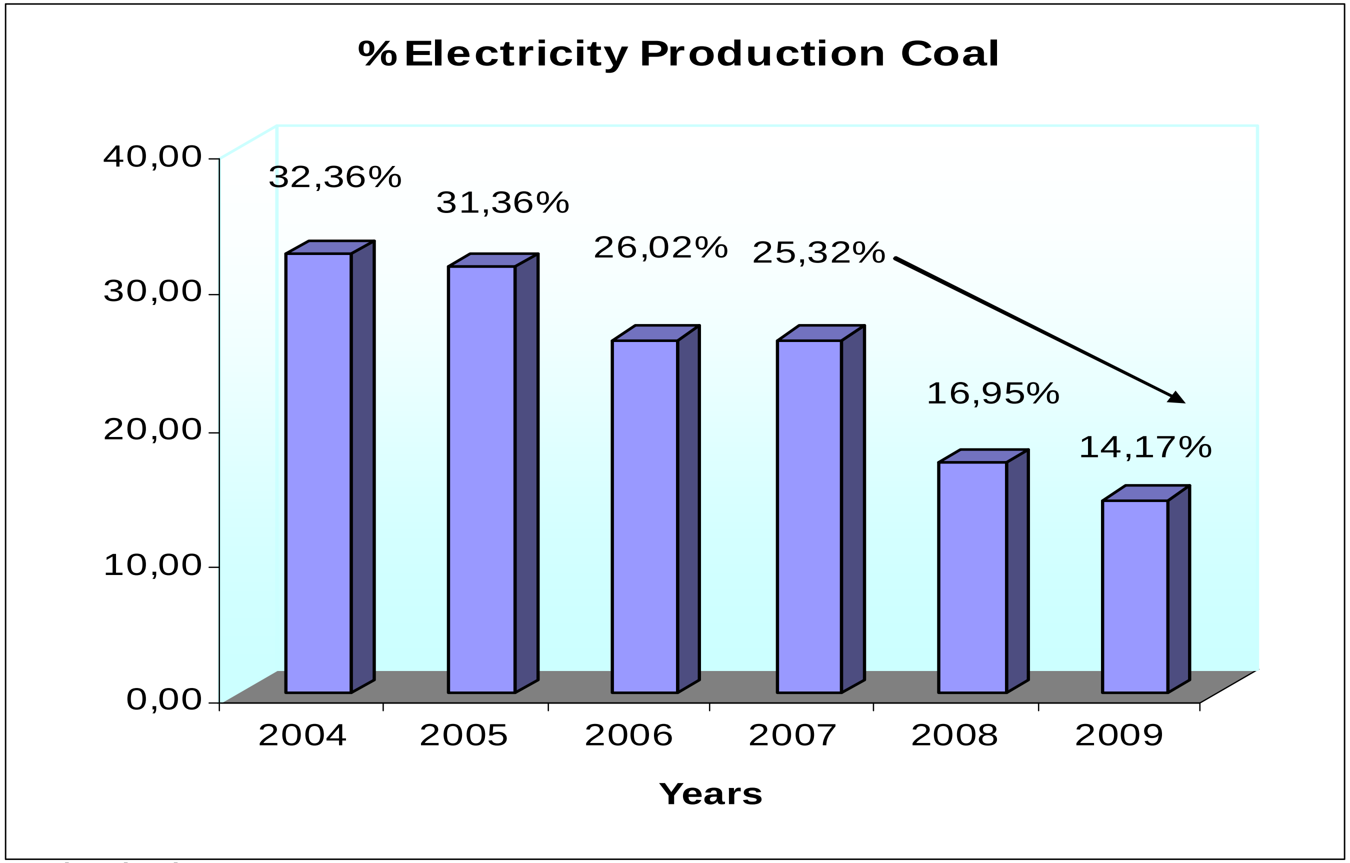
Electricity Energy 2008
293.864 GWh



Electricity Energy 2009
266.874 GWh

- **Coal Consumption has decreased by 23.8% in 2009.Clearly, in Spain the fuel that competes with coal is gas (CCGT), but we have to consider the renewables because the eolic generation had been very important, 13.42% at 2009 and 7.32% at 2008.(it had increased a 13%)**

Evolution of Electricity Demand Covered with Coal last years



Source REE and Carbunion

•There is significant reduction betwen 2007 and 2009, due to prices of gas, more competitive last year and a high production of renewables that they have priority in de markets auctions.

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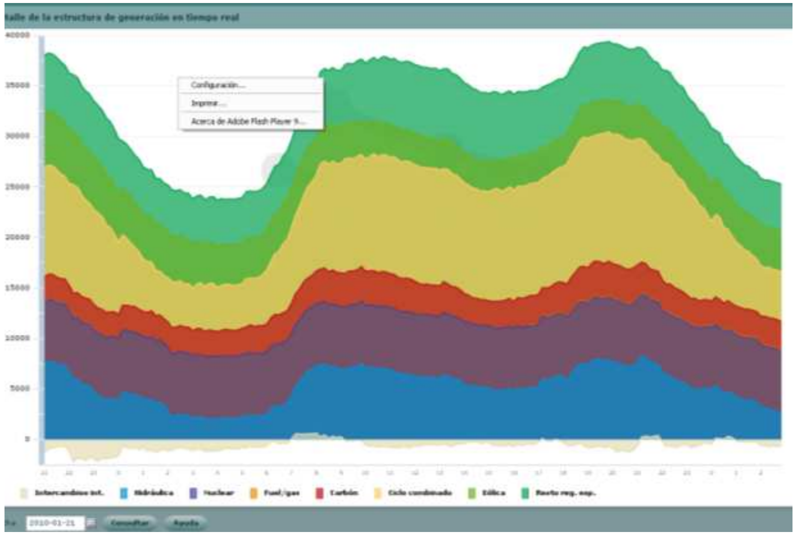
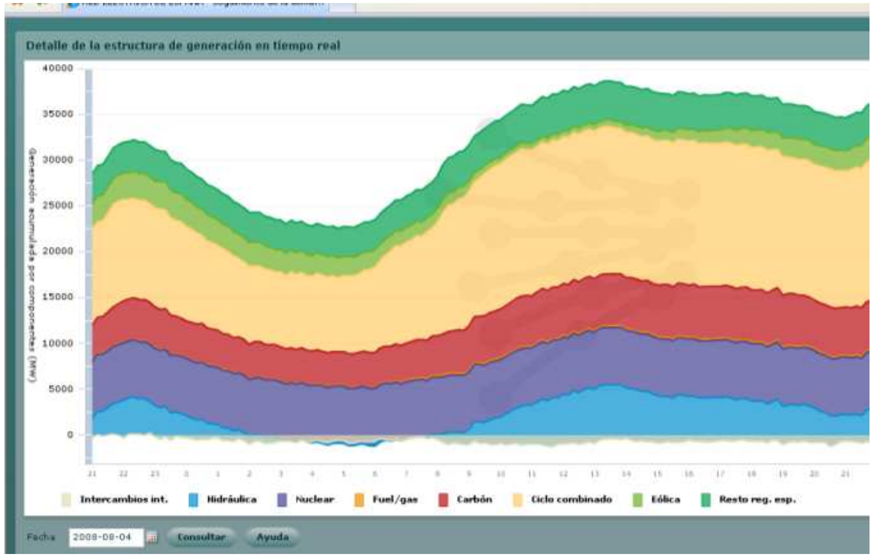
Demand Covered with differents types of energy





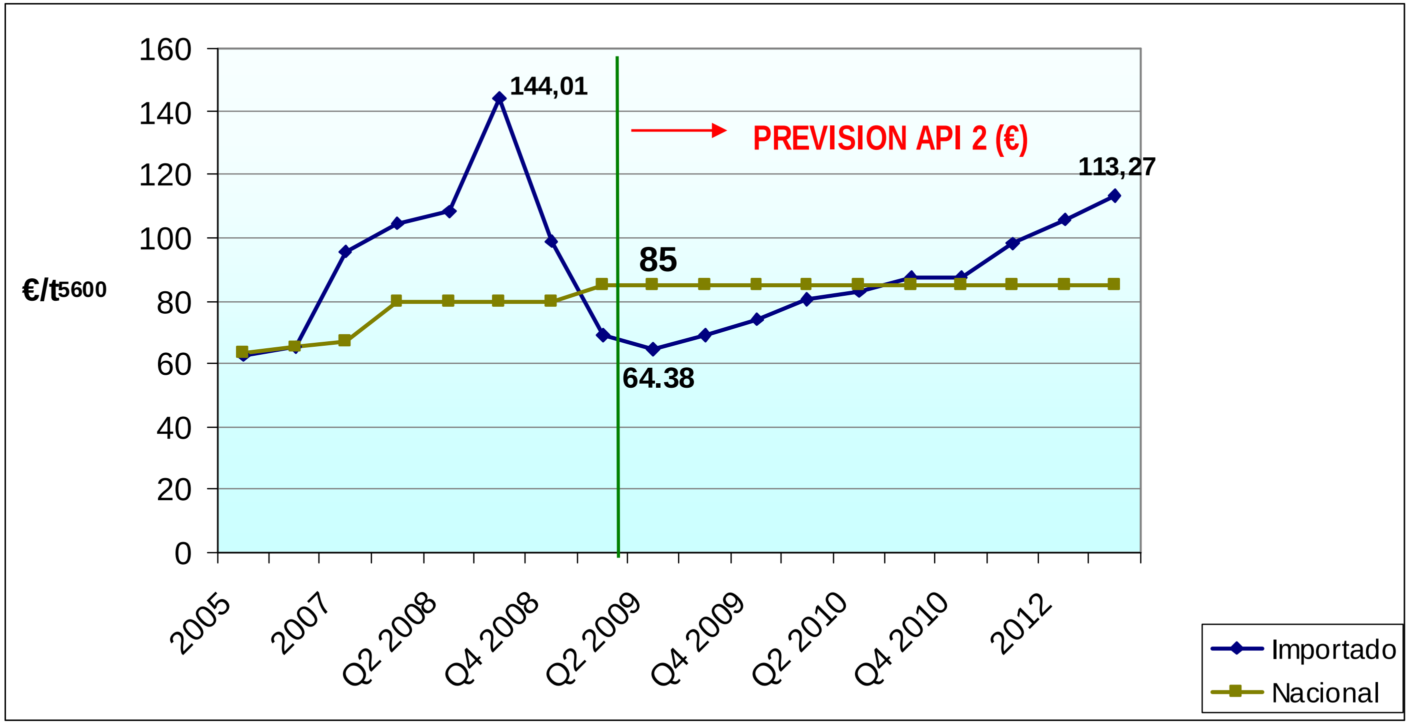
Source REE

21 January 2010

A day in August 2009 with 40º C… no wind..

•Demand is covered in the last month by renewable and gas, even if the a day there is not wind...it show the dependece of gas (imported) in Spain the last year.

Price of domestic coal and import coal in €. Comparasion and foresee



Fuente: Carbunion

Futures price of API2, in a scenario in which the $ tend to parity with the euro in 2012, the situation reverts back to mid-2010, reverting back to being more competitive domestic coal

The main challenges in the coal industry in Spain

- To Aprove the Royal Decree about procedure in restrictions by security of supply to consume domestic coal in 15%, displacing other technologies as fuel (most polluting) and gas imported)

- To mantein the expectes levels of production and employment .

- Also, it is important to know the posibility to extend the Regulation 1407/2002 more years, inluding operatin aid(2018 / 20?) to support this sector not only in Spain but also in other countries in the UE.

- Thank you for you attention!

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