



gasNatural

DSO's growth model: the cornerstone figure for the expansion of natural gas

Gas Promotion

Spain Gas Distribution Business

Madrid, march 5



Appendix



1. **Spanish market conditions**
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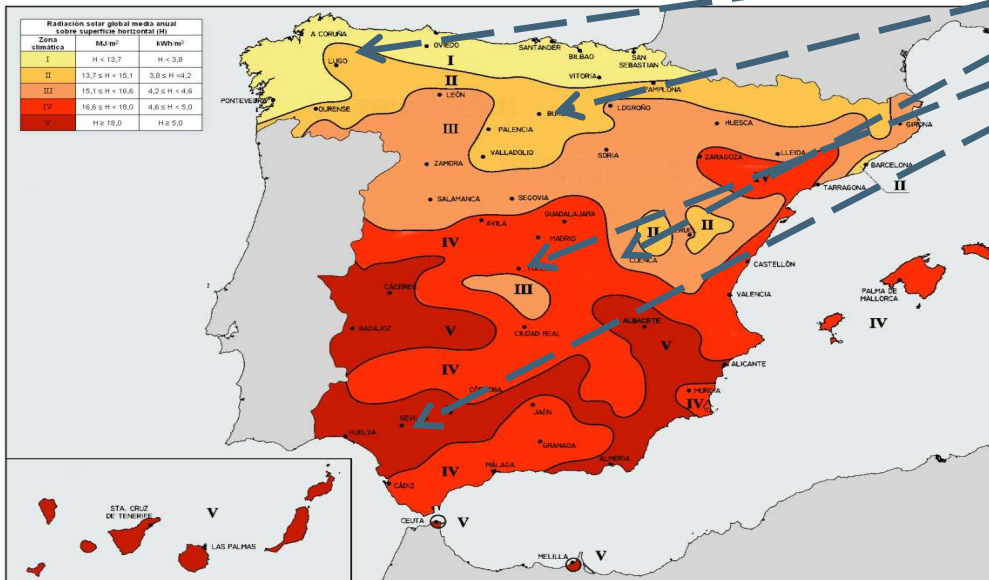
Spanish market conditions

Spanish market conditions

Climatic features



Spain has 5 climate zones (solar radiation)...



		Average T. (°C)			
		City	Jan	Jul	Year
Zone I	La Coruña	9,9	18,9	13,9	
Zone II	Burgos	2,5	19	10,6	
Zone III	Cuenca	3,1	21,9	11,7	
Zone IV	Toledo	5,9	26,1	15	
Zone V	Sevilla	10,5	28	19	

...with needs of heating...

...cooling...

...and heating and cooling

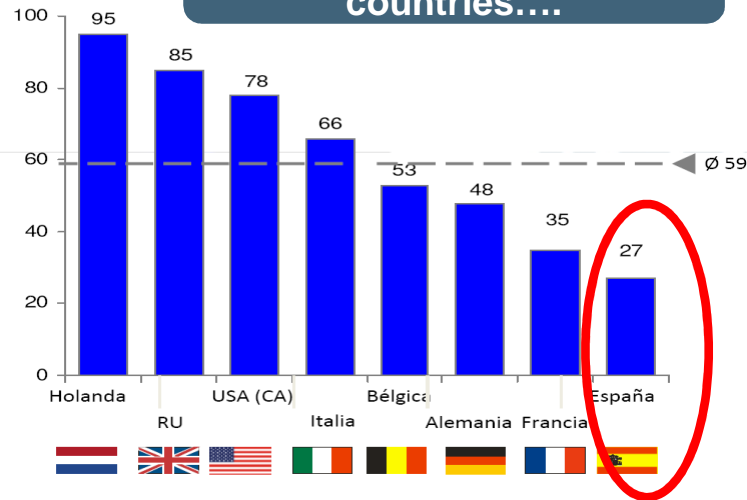
Spain is the EHP paradise

Spanish market conditions

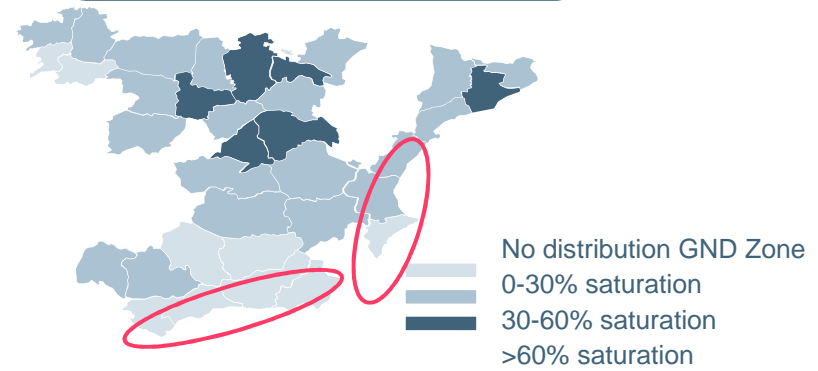
Others features (1)



Low penetration vs other countries....



... with different levels...

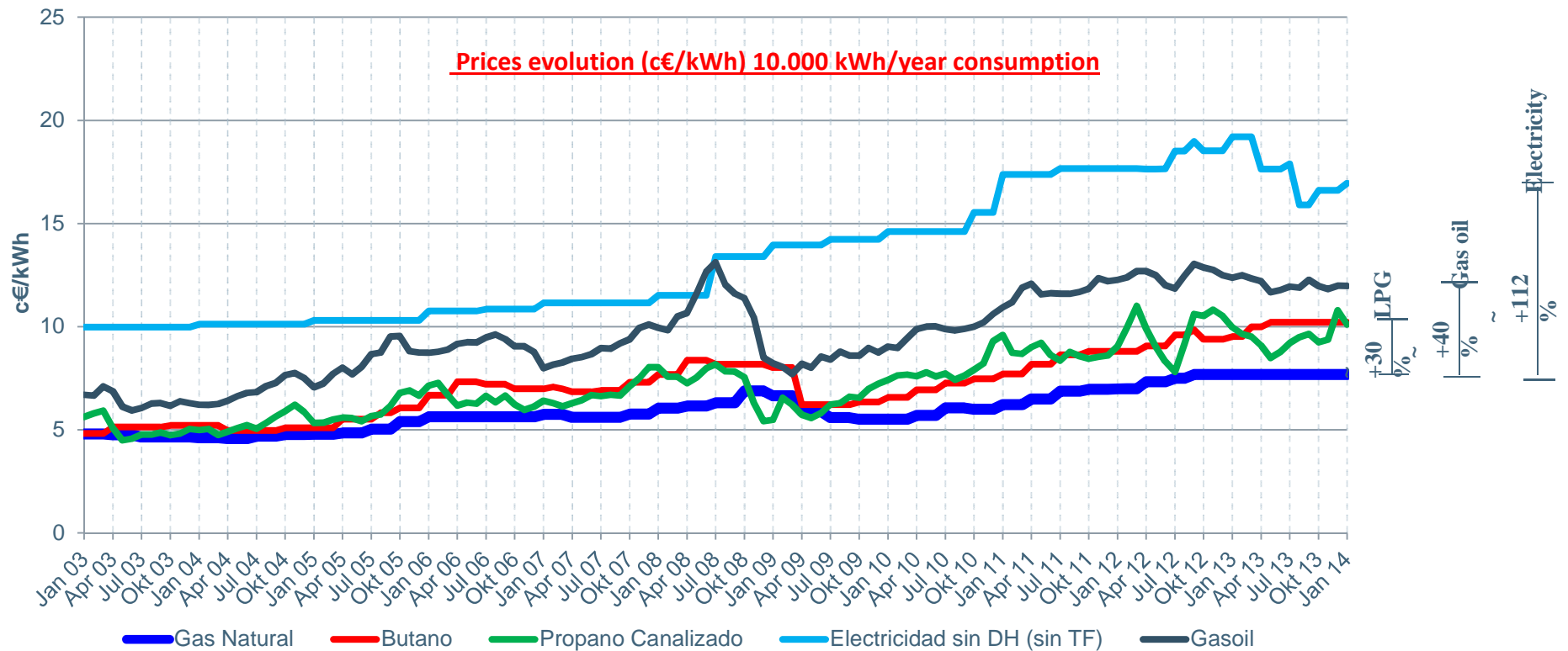


...and the 2nd residence culture

Spanish market conditions

Others features (2)

Natural gas is a cost competitive energy



2

The role of DSO's. Unbundling



The role of DSO's

What the unbundling is?



DSO are responsible for operating, ensuring the maintenance and, if market demand requires it (necessary), developing the distribution system in a given area.

TC gets new customer of gas, electricity and other services .

The role of DSO's

Main pillars

Why is it necessary that DSOs play a role in the expansion of natural gas?

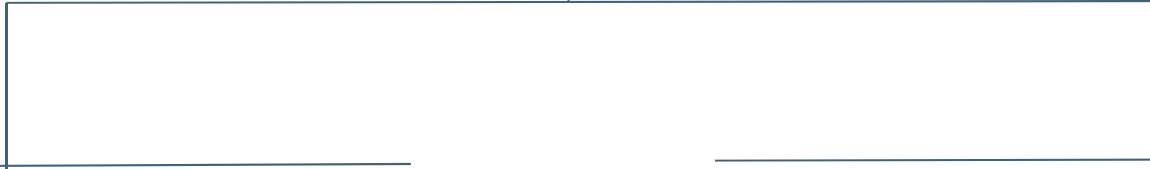


- Because in most countries DSO have the responsibility to expand the network to locations interested in having access to the gas network, and to connect new gas consumers
- Because DSO has a good position to explain gas solutions to consumers, clarify energy choices and make municipalities and final consumers aware of gas efficiency and safety

And because DSO only has a commitment: the natural gas, the only one concern

With costumers

With stakeholders



Security Efficiency Availability

Transparency Neutrality Objectivity

3

Promotion and MKT development activities

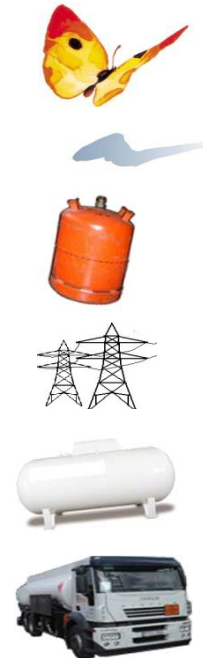
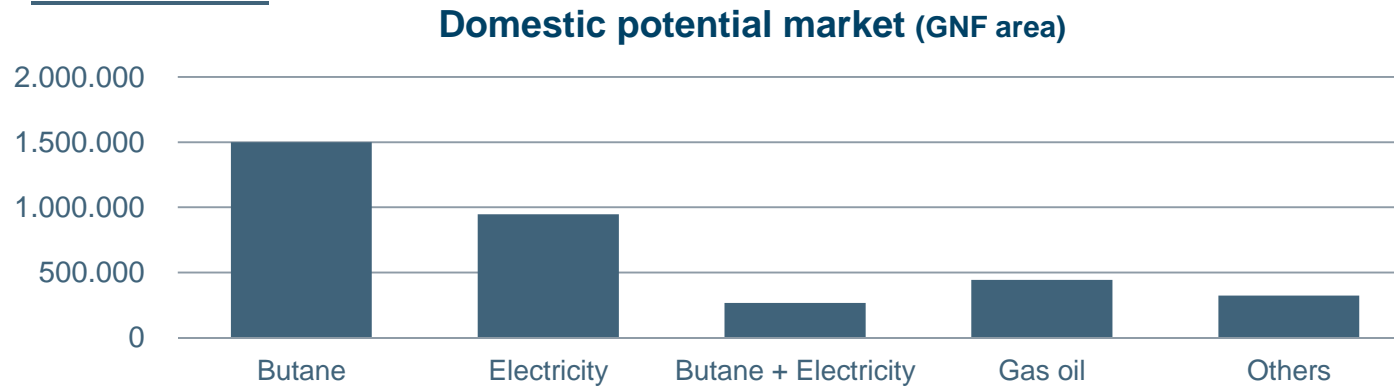


Promotion and MKT development activities

Focusing in spanish market

We growth displacing other energies:

Domestic:



Other markets:



Industry



Transport



New buildings

Promotion and MKT development activities

New market model focused on the gas promotion (1)



1
Planning & knowledge of potential market

To know potential customers to approach them more efficiently

Many realities:

- Different segments, barriers and levels of "difficulty" in capturing
- Need to enrich potential database

Sales agents mobility tools



2
Sales channels management & prescription



Technical meeting

Sales agents national meeting



New direct channels

Installer's web.

Phone platform AVANZA.

Trade Marketing Activities (Aprox. 260 per year)



Promotion and MKT development activities

New market model focused on the gas promotion (2)



Natural gas is cheaper

3 Seasons & Communication

Commercial
arguments:



Seasons in media



<http://youtu.be/yN5nODMhy04>

Special offers and seasons



4

Abstract



DSO's growth model: the cornerstone figure for the expansion of natural gas



Abstract

- Spain has an extreme climatic features
- We need heating and cooling solutions
- Low penetration level
- Spain's energy market is forced to unbundling (EU)
- To trading companies the natural gas is a product more
- To DSO the natural gas is the only one product.....

...so there is
nobody like
to care him