**KfW IPEX-Bank finances expansion of power grid in Chile**

KfW IPEX-Bank is taking part in financing the grid interconnection project Transmisora Eléctrica del Norte (TEN) in Chile. Together with eight local and international banks as well as a US insurance company, total debt capital for the equivalent of USD 854 million is being provided. The credit facilities are structured in four different tranches and have terms ranging between 3 and 26 years.

The TEN project encompasses the construction, operation and maintenance required for the 600-km-long 500kV transmission line that will connect Chile's northern grid (SING) with its central grid (SIC). The project is extremely important for Chile as the country's two biggest power systems have always operated independently of each other. Interconnecting them will lead to significant stabilisation of the overall system, cost reductions and, by increasing the feed-in capacity, greater competitiveness in Chile's booming renewables sector. Construction is already underway and the system is slated to start operating at the end of 2017.

The energy companies behind the project supported by KfW IPEX-Bank are Engie, based in France, and Spain-based Red Eléctrica, both of which are involved to 50% as project sponsors through their subsidiaries. A major share of the construction works will be taken over by the French GE Grid Solutions (formerly Alstom Grid).