

**NATIONAL SECURITIES MARKET COMMISSION**

Markets Area  
Edison, 4  
28046 MADRID

Madrid, 5 July 2019

Dear Sir or Madam:

In compliance with the provisions of article 227 of the Consolidated Text of the Securities Market Act, according to the wording approved in RD-law 19/2018 of 23 November, I enclose herewith the following relevant information regarding Red Eléctrica Corporación, S.A.:

On 5 July 2019, the National Commission on Markets and Competition (Comisión Nacional de Mercados de la Competencia, "CNMC") published the draft circulars that establish the methodology for calculating the remuneration of electrical energy transmission activity, and the remuneration of the electrical grid operator.

Going forward, as established in these draft circulars, they will be submitted to a public information and hearing process through the Electricity Advisory Council; statements for this procedure will conclude on 9 August 2019.

Red Eléctrica considers the process to be in an initial phase, and is studying the content of these draft circulars issued today, and will carry out the necessary allegations in order to reach a sufficient global retribution that allows it to carry out the investments needed for the energy transition.

Additionally, REE is available for the Ministry during the review process given that, as established in articles 1 and 2 of RDL 1/2019 on the "transfer of powers" to the CNMC, the CNMC must take into account the energy policy guidelines established by the government. To that end, the Ministry of Ecological Transition will have one month after the circulars are issued by the CNMC to file a report assessing their adequacy vis-à-vis the aforementioned guidelines and may convene a Cooperation Committee meeting between the Ministry and the CNMC in the event of discrepancies.

Red Eléctrica will continue to work with the CNMC and the Ministry to meet the targets established in the energy policy and the 2018-2022 Strategic Plan announced this year by the company.

Yours sincerely,

Signed: Teresa Quirós Álvarez