

**Operator:** Welcome to the TGI and Cálidda Results Conference for Q2 2019. My name is Hilda and I will be your operator for today's call.

At this time, all participants are in listen-only mode. This conference call will be divided into two parts; the first for TGI's presentation and Q&A, and then Calidda's presentation and Q&A.

During the Q&A sessions we will answer questions and answers in Spanish and English. If you have any questions press asterisk (\*) and 1 on your touch-tone phone.

Please note that this conference call is being recorded.

Now I will give the floor to Julio Hernando Alarcón, Financial Vice President. Mr. Alarcón, you may start.

**Mr. Alarcón:** Thank you very much. Good morning everyone, thank you for your participation in this conference call for the presentation of the financial results of Transportadora de Gas Internacional TGI for Q2 2019.

Some of the relevant facts we will present are financial performance, strategic performance and operational performance.

Within financial performance, we saw a 9% revenue increase in Q2 2019 versus the same period of 2018, the company's EBITDA margin in Q2 grew by 6.3% reaching 78.4% and we obtained the confirmation of the rating of the TGI Bond by Moody's Rating Agency.

Regarding strategic performance, the first Tax Works Project contract was signed for a value of nearly COP 8.5 billion for the construction and optimization of the aqueduct system network in the urban headwaters of La Paz, Cesar.

TGI internally approved new agreements to promote the use of NGVs for the period from August 2019 to November 2021. These agreements have been signed with Vanti, EPM GDO, Efigas, Gases del Llano and Alcanos de Colombia.

Four contracts were signed for coal substitution by gas, equivalent to 6,200 Kscfd, 1,200 Kscfd of which correspond to interruptible contracts valid during 2019, and 5,000 Kscfd of firm transportation valid through 2024.

On the subject of Transmilenio, the company saw the entrance in operation of 140 NGV units of a total programmed of 741.

Regarding operational performance, there was an increase in transported volume due to the higher consumption of the Barrancabermeja Refinery, despite the fact that the Cupiagua production plant was under maintenance. In addition, the environmental license modification and the start of the construction contract of the Puente Guillermo - La Belleza Loop were obtained.

On the subject of generation, we had a stable and predictable cash flow generation. As I mentioned, the Company's revenue increased 9% from US\$108 million in Q2 2018 to US\$117.8 million in Q2 2019.

This is mainly due to the Armenia Loop stamp charge, which in 2018 lasted only 15 days, while in 2019 it lasted all 6 months.

Variable charges also increased by nearly 45%.

TGI has highly regulated revenue, the Company enjoys excellent contract quality, with 93% of firm contracts having an average life of 7 years. Firm contracts are 90% of fixed charges, in Q2 the main clients represented 90.2% of revenue and the most representative sectors represented nearly 99.4 of this item.

The revenue composition for this period was 68% indexed in USD and nearly 32% denominated in COP.

Revenue by industry include the Distribution sector with 66%, Refinery with 13%, Thermal with 9%, Vehicles with 7% and Commercial close to 4%.

Regarding revenue by client, our main client was Vanti with a 32% share, Gases de Occidente at 19%, Ecopetrol with 15%, EPM close to 9%, Isagen 5% and Efigas 5.4%, mainly.

The Company's operating costs decreased by nearly 2% between Q2 2019 and Q2 2018.

Operating income grew 15% due to the aforementioned higher revenue and lower execution of operating costs, resulting in a profit of USD 67.5 million vs. USD 58.7 million in the same period of 2018.

The Company's EBITDA grew by 18.5% from 77.9 million dollars to 92.3 million dollars, with an EBITDA margin of 78.4%.

On the subject of net income, there was an 11.4% growth from USD 37.7 million to USD 42 million. This is a positive dynamic in the Company's revenue performance and operational performance.

The Company's assets stand at USD \$2.5 trillion. Cash and cash equivalents amount at the close of the year was of 81.6, mainly because of the cash accumulation intended to pay the first instalment of shareholder dividends in June, of approximately USD 43 million.

Property, plant and equipment placed at USD \$2.2 trillion and our liabilities and shareholders' equity are \$1.7 trillion in liabilities primarily due to senior debt of 750 (6:17) and subordinated debt of USD \$350 million.

The debt profile is presented in the bond and represents a portion of 63.7%, intercompany placed at 31.4%, a remainder of the IELAH credit of 3.4% which will be canceled in August and leasing & renting which are close to 0.8%.

The total EBITDA over debt ratio stands at 3.4x, while the total net debt to EBITDA stands at 3.2x as of the end of June. Our EBITDA/Financial Expense indicator is close to 4x.

Within operational performance, the length of TGI's pipeline network is approximately 3,994 km, of which 3,800 km are owned and operated by TGI and the remaining 150 km, although under its control and supervision, are operated directly by the contractor.

Regarding transported volume, of the total volume transported in the national network, TGI slightly increased its transported volume to 470 Mscfd when compared to Q1 2019 despite the maintenance at the Cupiagua production plant; however, in comparison to Q2 2018, it saw an increase of nearly 7%, going from 440 Mscfd to 470 Mscfd.

The Company's total capacity is of 792 Mscfd at the end of the period, with firm contracted capacity at 90%, at an average of 712.

On the topic of investment projects, the Company has new opportunities under evaluation, TGI's executable IPATs according to the currently valid resolutions are the Mariquita – Gualanday Loop, the Yumbo – Mariquita and the Jamundí Branch – Downstream (Pradera Node) Compressor project.

TGI is also waiting for the final and definitive publication of the project specifications to participate in the Pacific Regasification Plant and the Buenaventura – Yumbo gas pipeline.

According to the new information provided by the Ministry of Mines, there is an estimated date of entry into operation for the Plant at the end of 2023, meaning that revenue is expected to start in 2024; as for the pipeline, the estimated date of entry into operation is at the end of 2025, which would lead to income starting on 2026.

Among the projects in execution, there is Cusiana Phase IV, which aims to increase the natural gas transportation capacity by 58 Mscfd between Cusiana and Vasconia. It comprises a construction of 38.5 km of loops, the expansion of the Puente Guillermo Gas Compression Station and adaptations of the Miraflores and Vasconia Gas Compression Stations.

All of these projects have a total investment of USD 92.3 million, with the capex executed to date close to USD 38.4 million. During Q2 2019, USD 5.3 million were executed and the physical progress of the work is at 62.5%.

Regarding entry into operation: Puente Guillermo Station started in Q2 2018, the Puerto Romero – Vasconia loop with 48 Mscfd will enter into operation in Q1 2020, the Puente Guillermo – La Belleza loop with 8 Mscfd in Q2 2020 and the El Porvenir – Miraflores loop with 2 Mscfd in Q3 2020.

The 5 branches replaced after complying with their useful life standards in accordance with Energy and Gas Regulation Commission (CREG, in Spanish) resolution 126 of 2016 were: Yarigüíes – Puerto Wilches Branch, Industrial Zone Cantagallo – Cantagallo Branch, Cantagallo – San Pablo Branch, Galán – Casabe – Yondó Branch and Pompeya Branch.

All of the above saw an investment of nearly USD 11.6 million. The executed capex to date is USD 3.6 million, the amount executed during Q2 2019 is USD 1.4 million, work's progress is at 45.5% and the entry into operation is: Yarigüíes – Puerto Wilches Branch in 4Q 2019, as well as Zona Industrial Cantagallo – Cantagallo Branch, Ramal Cantagallo – San Pablo Branch in Q1 2020, and Galán – Casabe – Yondó Branch and Pompeya Branch in Q4 4Q 2019.

That ends the presentation of TGI's Company results information.

**Operator:** Thank you. We will now begin TGI's Q&A.

If you have a question please press (\*1) on your touchtone phone, if you want to be removed from the queue press the number sign or the numeral key (#). If you are using a speaker, you may need to pick up the handset before pressing the numbers.

Again, if you have a question press (\*1) on your touchtone phone.

We have a question from Nicolás Eraso from Credicorp Capital.

**Mr. Eraso:** Good morning Julio, how are you? Thank you for answering the questions. I have a series of questions for you to answer one by one, if possible.

The first one is about the Ecopetrol and Isagen gas contracts' expiration; I wanted to know if, by any chance, a renewal in such contracts is expected.

**Mr. Alarcón:** Thank you for the question, Nicolás. Heliodoro Mayorga, our Commercial VP, will respond.

**Mr. Mayorga:** Let's say that, in principle, with Isagen we do not expect a contract renewal because Isagen is waiting for the definition of the charge for responsibilities on its plants. So, they have a contract that expires in 2020, but they have an additional contract that they can use and which they are commercializing in the secondary market; basically, that contract's main user is Ecopetrol, or Drummond, which is in the same area.

As for Ecopetrol, today it has its gas refinery at Cusiana and part of Ballena, but once this contract expires at the end of 2020, it would be logical for them to look for some source to keep the refinery. However, at this time there is uncertainty as to what that source may be. What we do know is that gas must flow from any source to serve the refinery, either from Cusiana or from Ballena, but that is yet to be defined as it depends on the gas source Ecopetrol selects.

**Mr. Eraso:** Understood, perfect. The next question regarding the expected capex, the July 2019 corporate presentation for Grupo Energía Bogotá shows a capex of USD 143 million for 2022 and USD 97 million for 2023. I would like to know if you have planned which TGI projects can be expected for 2022 and for 2023.

**Mr. Alarcón:** To begin, TGI's capex is intended to complete the Cusiana Phase IV project and for branch replacement. In 2020 we will be closing Cusiana, which will go into operation this year.

**Mr. Eraso:** Alright. I would also like to know about your interest in the gas pipeline proposed by Canacol between the cities of Jobo and Medellín, which already has a contract for half of the capacity, which is 100 Mscfd.

**Mr. Alarcón:** There has always been interest, but the only certain information we have are press documents; the only solid information we have is of a failed promise of contract Canacol signed with Empresas Públicas de Medellín (EPM).

For a project of this magnitude to close, there must be certainty of gas amounts and validity term, both of which Canacol has yet to deliver. Once the information is clear, of course we are interested in the project, but at this time the information conditions are insufficient.

**Mr. Eraso:** Perfect, I understand. And lastly, to close, although you gave us an update regarding the Pacific Regassification Plant, I would like to know whether you think this project would be financed through a joint venture or a possible funding; how could this project be structured?

**Mr. Alarcón:** TGI has framed the plant project within a project financing with a partner, with a 50% share each, a structure of capital 60 debt – 40 equity That is the project's initially planned structure.

**Mr. Eraso:** Perfect. Thank you very much.

**Operator:** The next question comes from Mr. Ezequiel Fernandez of CreditCorp.

**Mr. Fernandez:** Good morning, thank you very much for the call and the materials. I wanted to go back to a topic Nicolás mentioned, the Ecopetrol and Isagen contracts, but I would like to ask about the one with EPM, if you have any news on that front.

And then I have two additional questions, please.

**Mr. Mayorga:** With Empresas Públicas de Medellín there is the signed contract with Ballena, the probability of renewal with them is null because EPM contracted with us since Cusiana.

As mentioned in previous reports, within the framework of phase IV of the project, EPM took a large percentage of capacities between 2020 and 2024.

Until after 2024 we doubt EPM will contract any additional capacity, as it already has signed with us.

**Mr. Fernandez:** Perfect, thank you. My second question refers to the ongoing CREG tariff review for the asset base's return rate, for which we expect news in the second half of the year but have a good prospect of what may occur with some of the variables.

In particular, I wanted to ask you about the volume curve, bearing in mind that the tariff gap regulation model, meaning the volume curve the regulator is going to use in its tariff model: does it consider the expected volumes by taking into account the maturity of these contracts or transport volume capacity? The latter would obviously be greater than the volumes initially projected.

**Mr. Luis Alfredo Serrato:**

Good morning. The projected volumes are delivered directly by TGI once the methodology is firm, which it still is not; given the current state of affairs, we do not believe it will come out during this year. The CREG and the minister are waiting for the energy transformation mission that is now consolidated and will deliver results between November and December before giving their recommendation on transportation methodology.

At that time, the Ministry and the CREG will begin developing what will eventually lead to their final decision regarding the energy transformation mission.

We expect this methodology to be ready around the middle of next year; at that time, we will have a little more clarity on contract status, which contracts were renewed, and the corresponding volume projections will be made.

Remember that the current transportation methodology is both fixed charge associated with contracted capacity and volume associated with the agreed upon variable charge.

Therefore, we will have two projections: one associated with contracting capacity, i.e. contracted capacity, and another to expected volume, at which time we will obviously report the most certain figures possible.

So, just to be clear, we will have two factors: contracted capacity, which will have a fixed associated charge, and the actual expected volume of those contracts which will be associated with a variable charge, let me know if I was clear enough.

**Mr. Fernandez:** Yes, that's very clear. I just wanted to confirm that we should also wait until the middle of 2020 for firmer implementation or decision regarding the tariff adjustment due to the reduction in the regulated rate of return, is that correct?

**Mr. Serrato:** That's correct. Today, the only missing element to define the WACC, at least for gas transportation, is the compensation risk premium, which is the difference between our methodology which is incentive and the methodology of the United States, which is generally a rate of return.

This additional risk that we have in Colombia, due to the fact that it is an incentive methodology, will be recognized in the methodology that will be definitive by next year, and then we will know what is the real WACC.

In addition, it is important to say that the CREG has planned to review the variables for WACC composition or calculation this year.

We understand that it has already hired, in fact it is already published on the Colombian State's contracting page, and the Energy Studies Office was hired to review those WACC variables. We should expect two revisions: one of the variables comprising the WACC and with which they are calculated, and another to define the remuneration risk premium to be issued once the definitive methodology is set.

**Mr. Fernandez:** Perfect. Thank you very much. Last question, also following up on the Pacific terminal, excuse me for taking up so much time from the call and if you already mentioned it, I would like to have some idea of when exactly we could see more advances in this area.

**Mr. Alarcón:** As things stand, the latest available information is that the minister, in an interview she had last week, stated that the bid call with the final specifications would definitely be held during Q4.

This coincides with the proposed schedule for the Mining and Energy Planning Unit, which also said that the final bidding documents would be issued to open the call before the end of the year. With this in mind, we hope that the call and public bidding will begin and that the regasification plant will start operations by late 2023.

The gas pipeline connecting it from Buenaventura to Yumbo with our transportation system is expected to enter operation at the end of 2025. That is the expected process scheduling.

**Mr. Fernandez:** Perfect, that's very clear, thank you very much for your time.

**Operator:** Thank you. We don't have any more questions right now.

Now, I give the floor to Mr. Martin Mejia, CFO of Cálidda. Mr. Mejia, you may begin.

**Mr. Mejia:** Good morning everyone and thank you for joining us today. On the Company's behalf, I would like to welcome you to the results call for Q2 2019.

As you know, my name is Martin Mejia and I am the CFO of the Company. I would like to begin this presentation by giving you an overview of our main achievements during Q2 2019.

Regarding our commercial performance, I would like to mention that in the last quarter we added over 50,000 customers to our distribution system, with a 16% increase in connections compared to the Q2 2018.

These new clients led to us concluding this period with 852 thousand clients connected to our network, which strengthens our commitment to surpassing 900 thousand connected clients. Surely towards early November we should be surpassing that figure, and those 900 thousand would represent approximately 45% of our potential clients within our concession area.

It is also important to mention that, according to our energy solutions strategy, we are currently financing the entire line of domestic gas appliances. In the last quarter we have installed over 11,850 domestic gas appliances in our users' homes, resulting in almost 25 thousand domestic gas appliances this year, of which we finance approximately 92%.

We also continue working on the construction of an electric power generator in a shopping mall (the largest being built in the city of Lima which is Puruchuco Mall.) This is an electric power generator with 4 Megawatts, and which should be operational starting on February; that is another new business we are also undertaking.

Finally, to summarize and to begin with the other slides of the presentation, I would like to conclude by mentioning that this month the Regulating Entity approved the investment plan modification, and that the new plan incorporates over USD 180 million in additional investment, reaching over USD 500 million of investment that we have to complete through 2022.

That is already incorporated in the tariff, and that tariff incorporation also meant a 9% increase on the distribution tariff. Remembering that the impact on users is between 1 and 3% depending on the market segment we serve, as the distribution tariff has other components that have to be charged to the end user such as the gas and transportation tariff.

So, without further ado, I give the floor to Mr. Alvaro Rocca, our financial resources manager, so that he can continue with this presentation.

**Mr. Rocca:** Well, good morning. Thank you very much for that introduction, Martin.

I am going to continue with the next slide, number 5, with results and relevant facts. At the bottom of the slide you will see two charts showing our key operating and financial results at the close of the Q2 2019 and Q2 2018.

Regarding operational results, as of June 2019, as Martin mentioned, we reached over 852 thousand clients, adding over 197 thousand during the last 12 months, an impressive record for Cálidda. This means a 30% increase in our customer base and brings us closer to natural gas massification in Lima and Callao.

In addition, the invoiced volume increased by 1% compared to last year's results, with a total of 778 Mscfd. Here, the percentage growth is perhaps less dynamic due to the fact that the new clients are mainly from the residential sector, which usually has a lower monthly average consumption.

In the case of the distribution network's length, we expanded it by over 17% and reached a total of 10,407 km of underground networks infrastructure, which means an increase of 1,482 km in the last 12 months.

Regarding our financial results, which are shown in the second graph at the bottom right, we obtained a total of USD 337 million in revenues. In addition, our adjusted total revenues, which are our revenues minus pass through items, as explained in note 4, reached a total of USD 143 million, both in comparison with the results for the previous year, with an increase of 12 and 16%, respectively.

Meanwhile, our EBITDA reached USD 84 million, a 13% increase, mainly explained by higher distribution revenues due to the combination of two effects: one, the higher distribution tariff approved in May 2018 and entering into effect in August 2019, and the higher invoiced volume.

The following slide details our historical commercial performance. Here you see four large graphs; the first is power generation where, although there is no major growth in terms of number of customers, this is mainly because we are already connected to all power generation plants that run on natural gas within our concession area.

In the industrial segment, Cálidda reached 642 clients, of which 16 are additional clients versus the figures at the end of 2018.

And, on the NGV side, we connected an NGV refueling station, but the key aspect here is to emphasize that these supply almost 190 thousand vehicles throughout the city of Lima and Callao.

Finally, in the residential commercial segment, at the end of Q2 of this year, Cálidda has over 852 thousand connected customers in over 23 districts, with 842 thousand residential clients and 10 thousand commercial clients.

In addition, as mentioned above, since July 2016 most new residential customers have benefited and continue to benefit from government subsidies established to facilitate access to natural gas in Peru, covering up to 100% of connection costs. And here, approximately 97% of households have had their connection costs subsidized, which is very important to us.

In the next slide, to see the historical volume invoiced, in Q2 2019 you will see that there is no major difference versus the same period of 2018, this is basically due to our firm contracts, which shield us from all the seasonal effects that our customers could cause. 80% of the invoiced volume comes from 16 long-term take-or-pay contracts, most lasting until 2033 and of a total 605 Mscfd.

On the next slide you will find this breakdown of billed volume by customer segment, and if you see the percentages you will see that the most dynamic sector is the commercial residential sector, which is growing at rates of 19% per year, while the others are growing at rates of 2% and 3% a year.

In the next slide you can see our historical operational performance, which shows our distribution system's evolution and the efficiency of our network use.

In the first graph on the left, you will see just what I mentioned at first: the distribution pipeline network is 10,407 km long; so far this year, 711 km of polyethylene networks and another 5 km of high-pressure steel networks have been built.

This reflects our commitment and the constant investments Cálidda has been making in the network and in the expansion of the distribution network.

The second graph below to the left shows the penetration rate efficiency of our networks, which is calculated quantifying the number of customers connected over the number of potential customers located vis-à-vis Cálidda's distribution network. This efficiency ratio grew to 83% at the end of Q2, resulting in a 4% increase since late 2018.

It is worth to highlight that we have over one million potential customers, of which we already have about 852 thousand connected customers.

Our concession area covers over 2.5 million homes, meaning there is still a large number of potential customers that could be connected in future years.

On the next slide you can see, in the graph to the left, that the volume of gas distributed through our network to our independent regulated users was of 288 Mscfd, representing 69% of our capacity measured from the south at the city gate in Lurin to Ventanilla, which is of 420 Mscfd.

Outside this volume, we have 158 Mscfd of volume consumed by or supplied to our regulated customers, which are customers consuming less than 1 Mscfd and who not only contract distribution with Cálidda, but also gas transportation and gas supply.

This volume in terms of gas supply and gas transportation contracted by Cálidda with Pluspetrol and TGP, respectively, represents approximately 69% of the contracted volume.

In addition, we also have independent customers located south of the city gate, in the district of Chilca. We only have distribution contracts with these customers, who are independent customers with a consumption of over 1 Mscfd and who consumed 260 Mscfd in the Q2 of the year.

The total volume distributed by Cálidda across our entire concession area

was of 548 Mscfd.

The next topic is financial performance, here you will see three graphs representing our invoiced volume, our distribution revenues and our adjusted revenues in the pie graph.

In the first graph to the left, you will see that the residential and commercial sectors represent 2% of the invoiced volume due to the tariff differential between the different customer segments that vary according to consumption. You can see that in terms of distribution revenue, this segment accounts for over 15% of our distribution revenue. And in the third graph on the right, where we add installation, financing and associated services' revenues, you can see this segment already represents about 37% of our total adjusted revenues.

On the other hand, while power generators represent 73% of the invoiced volume, their relevance is already falling in terms of distribution and even in terms of adjusted revenues, from 47% to 28.8%. Here, the basic message we want to reinforce is that revenues are quite diversified by customer segment.

On the next slide you will see our main financial results as of Q2 compared to the last 12 months.

In the first graph on the left, total revenues totaled USD 710 million including pass through concepts, a growth of 5% versus the results at the end of 2018.

Adjusted revenues also increased from USD 278 million to USD 298 million, a 7% increase.

In the graph on the top right we can see Cálidda's historical EBITDA, which at the end of Q2 totaled USD 169 million, an average growth rate of 15% per year over the last few years.

In the third graph, on the bottom left, we can see that capital expenditures (capex) totaled USD 133 million over the same period, which again demonstrates an acceleration in our commitment to massify natural gas in Lima and Callao.

The last graph on the bottom right shows the operating funds calculated as net income plus depreciation and amortization, which resulted in USD 101 million.

On the next slide, the first graph shows the ratio of debt and net debt to EBITDA; here, as you can see, we have improved our EBITDA debt ratio to 2.7x since our last financing in 2018. It was a bond issuance in the local market for approximately USD 61 million.

These funds were used to finance the capex shown on the previous slide and, as you can see here, we remain within our target debt to EBITDA range of 3.5x.

In addition, 3 other graphs are shown on this slide with more key financial metrics such as debt/capitalization ratio, hedge/interest, ending at 8.7x EBITDA, interest and operating funds/net debt.

And finally, on the last slide, as can be seen in the first graph above on the left, it is important to note that debt amortizations are within the concession

period, with our international and local bonds maturing in 2023 and 2028, respectively.

In addition, we have a bank debt of USD 80 million with amortizations between 2019 and 2022, which we will finally refinance.

In summary, in the rest of the charts you will be able to see the historical performance of our key indicators that are consistent with the Company vision and our shareholders' expected results.

We can see that our equity is close to USD 300 million, this is already net of the dividends decreed in March and which are to be paid towards October.

We saw a net profit of USD 71 million during the last 12 months, and total assets of USD 981 million.

Having said that, I would like to finish this presentation by mentioning that at the end of Q2 of this year we have achieved great results compared to the previous year, exceeding our expectations and establishing a new historical record for Cálidda regarding the number of connections, bringing all the benefits of natural gas to over 852 thousand homes.

Thank you all for your time, and now we open the floor to answer any questions you may have.

**Operator:** Thank you. We will now begin the question and answer session for Cálidda.

If you have any questions press \*1 on your touch-tone phone. If you want to be removed from the queue, press the number sign or the numeral key #.

If you are using a speaker, you may need to pick up the handset before pressing the numbers.

Again, if you have any questions press \*1 on your touchtone phone.

We have a question from Mr. Rodrigo Sanchez of Corredores Davivienda.

**Mr. Sanchez:** Good morning, thank you very much for the presentation.

My question concerns the incremental investment plan. I would like to know what that is about, if the Regulating entity has already green-lighted it or what the expected times are. And, if approved, if you expect to finance that additional investment via debt or the Company's own cash generation.

Thank you very much.

**Mr. Mejia:** Thanks for your question, Rodrigo. I'm Martín Mejía. Regarding the investment plan, we already had the Regulator's approval, which was issued in the last days of July; that is precisely what is increasing our additional investments by almost USD 150 million.

We are already working on the complete plan, we call it the "complete investment plan," which is precisely to make USD 523 million in investments in the 4 years starting from 2018 and ending in 2021; that is already approved, and we are fully working on that plan.

The rate was also regularized; from July 27 we have a new distribution rate that increased by 9% for us. For end users, as I mentioned before, the rate is between 1% and 3% depending on the segment served. That is all regarding tariffs.

And concerning your question on financing, for those investments we are going to take on some more debt.

This year we will surely be taking an additional USD 100 million of debt and next year we will also be taking additional debt to be able to complete the investment plan, which we still have at least USD 400 million to invest.

**Mr. Sanchez:** Perfect, thank you very much.

**Operator:** Again, if you have any questions press \*1 on your phone.

The next question comes from Nicolás Eraso of Credicorp Capital.

**Mr. Eraso:** Very good morning Martín, thank you for the presentation. I only have one question about the number of potential customers and Cálidda's expected customer penetration at the close of 2019.

Thank you very much.

**Mr. Mejia:** Thank you, Nicolás. Regarding potential customers, our current built networks can connect almost 200 thousand additional customers to those already connected.

I am talking about a network that by November should be at 900 thousand connections, and I estimate that with the rings that we already have built we could connect at least 1.1 million users.

Our penetration is of approximately 85% and in Lima, as we commented before, we estimated 2.5 million homes as a target due to distance and, in our opinion, at least 2 million users can be connected.

And that is the number we are aiming for, and if we keep working as we have, we should be finishing all connections by 2026.

**Mr. Eraso:** Perfect. Thank you very much, Martin.

**Operator:** Thank you.

We have no further questions at this time, I now give the floor to Mr. Julio Hernando Alarcón, TGI's CFO.

**Mr. Alarcón:** Once again, thank you all for participating in this results conference call of Transportadora de Gas Internacional and Cálidda. We will talk to you in a next one.

Thank you very much.

**Operator:** Thank you. Ladies and gentlemen, this concludes today's call.

You may disconnect.