

CASTELLO

PLAN

2017-2019

**THE MOST AMBITIOUS INTEGRATION
AND DEVELOPMENT PLAN
IN THE PROVINCE'S HISTORY**





The Castello Plan seeks to pursue a public policy aimed at remaining on the integration and provincial development path, consistently with the Province of Rio Negro's and Argentina's historical mandate, which reveals that such strategic foundational investments have always been funded by the Government, as a necessary previous step to attract investments from the private sector in the future. For this reason, the Government of the Province of Rio Negro has decided to execute this ambitious public works plan which will become a turning point in the Province's history.

Without investments, there is no potential for provincial development and growth. The government needs to invest in production infrastructure now, so as to boost the provincial economy's growth, increase Gross Domestic Product, and create more job and employment opportunities. From this approach, the government will pave the way for the private sector to make investments in our Province which, under the custody of the Government, will boost provincial growth on a seamless and integrated basis.

In this same regard and under the premise of building provincial integration, we are required by law to set aside 10% of the proceeds to fund public works and/or capital expenditures for urban and social purposes in the 39 municipalities and 36 Development Committees.

Nevertheless, we are convinced that such growth should be achieved while taking special care of our natural resources. Accordingly, most investments will be made in drainage works to maintain and improve the quality of our rivers, one of our immensely valuable resources.

We have a vision for the medium and long term and, to achieve that goal, we need investments in road infrastructure, production and energy distribution, and drainage and electrical infrastructure, while also improving the quality of life of our people and paving the way for new business activities and job creation.

The Castello Plan is the instrument to make that transformation happen.

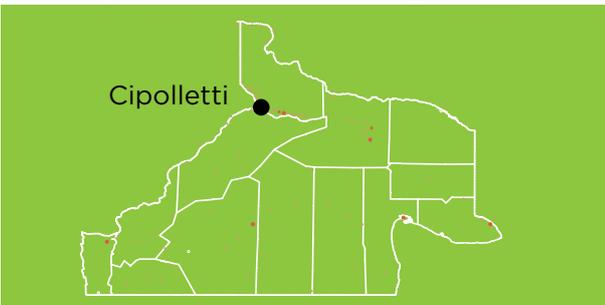
A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a series of loops and a horizontal line.

Alberto Weretilneck
**GOVERNOR
OF THE PROVINCE
OF RIO NEGRO**

ENERGY PROJECTS



Cipolletti Substation



Construction of a new 132 kV Substation. The project will be built on an area of 10,000 square-meters, with two 132 KV input and output line hubs, two 132 KV bars (main and transfer), a transfer hub at 132 KV, and a transfer hub of 132/33/13.2 KV 30/30/30 MVA, 3 (three) 33 KV cells, and 6 (six) 13.2 KV cells.

The Substation will be comprised by three buildings: one for 33 and 13.2 KV cells; another one, for command and control (protection, communications, SOTR, SSAA, bathrooms, offices, etc.) and the third building for warehouse, repair shop, and locker room.

Us\$ 8,281,333

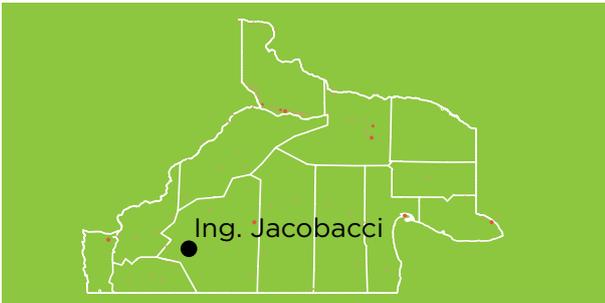
TOTAL INVESTMENT

BENEFICIARIES

The more than 100,000 inhabitants of the towns of Cipolletti and Fernández Oro.

Providing a better service to industry, production and refrigeration activity.

Jacobacci Substation



132/33/13.2 KV Substation to be built at Jacobacci Substation, with a 20 MVA transformer. A transforming hub a 132 KV/33/13.2 KV will be built and the 33 KV bar will be enlarged to enable the entrance of the new hub.

Us\$ 5,543,800

TOTAL INVESTMENT

BENEFICIARIES

17,000 inhabitants of the South Region. Giving added value to production of sheep, to mining and the creation of new industrial parks.

LOCATION

Ing. Jacobacci Substation.

132 Kv High-Voltage Line ET Pilcaniyeu-Jacobacci



Pilca Norte Substation, with a 132/33/13.2 kV 20 MVA transformer and a 145 km-long 132 kV high-voltage line to Ing. Jacobacci on reinforced concrete columns and brackets, grounded on simple concrete foundations with 3x150/25 mm² AL/AC conductors, and fiber optics guard cable (OPGW).

Us\$ 22,400,000

TOTAL INVESTMENT

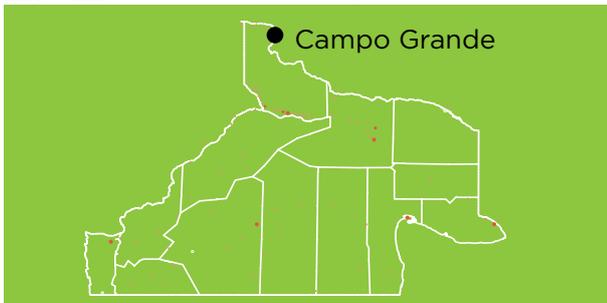
BENEFICIARIES

The project will provide power availability in the Southern line of Rio Negro, improving the low-voltage service quality, avoiding a significant portion of unsupplied power that due to failures on the existing long 33 kV and 13.2 kV lines. The current setup of the electrical system, which has been collapsed for many years, prevents us from meeting new demands and, hence, from developing tourism projects and route services as a result of the paving of National Route No. 23 that connects San Antonio Oeste to Bariloche and passes through the entire area under review.

LOCATION

Ing. Jacobacci Substation.

Campo Grande Substation



The project embraces the construction of a full Substation on a 1-hectare area, 2 (two) 132 kV line hubs, 1 (one) 132/33/13,2 kV - 15/10/15 MVA transformer with 132 and 13.2 kV equipped fields, building, etc.

The project will help remove the restrictions that result in the overload of the 33 kV line Centenario - Campo Grande and the Campo Grande 33/13.2 kV transformer, affecting service quality and security. Therefore, the construction of this project will improve the supply voltage and power availability in several locations, including Villa Manzano, Sargento Vidal, Villa San Isidro and Barda del Medio.

Us\$ 8,171,666

TOTAL INVESTMENT

BENEFICIARIES

The towns of Villa Manzano, Sergeant Vidal, Villa San Isidro and Barda del Medio. Area bordering 100 km. of Vaca Muerta to generate complementary services.

LOCATION

At the crossroads of National Route No. 151 and Provincial Route No. 69, adjacent to the high-voltage power line Centenario- Medanito (CC-ME).

Ingeniero Huergo Substation



The project embraces the construction of a full substation on a 1-hectare area, 2 (two) 132 kV line hubs, 1 (one) 132/33/13,2 kV - 15/10/15 MVA transformer with 132 and 13.2 kV equipped fields, building, etc.

This project will help to relieve the demand currently supported by one of the power transformers of Villa Regina Substation, particularly, in summer. This project will also help to relieve the load currently supported by General Roca Substation, as it may receive the demand from Cervantes through the distribution network.

Us\$ 8,171,666

TOTAL INVESTMENT

BENEFICIARIES

The project will improve the supply at several locations, including Cervantes, Mainqué and Ing. Huergo, benefiting the fruit-and-vegetable productive sector.

LOCATION

Ing. Huergo nearby the General Roca - Villa Regina high-voltage power line.

El Solito - Conesa Substations



The project will involve the construction of a 132/33/13.2 KV substation at El Solito, including the installation of a 15 MVA transformer at 13.2 KV. At General Conesa, a 132/33/13.2 KV substation will be built with a 30 MVA transformer at 13.2 KV.

Us\$ 10,583,700

TOTAL INVESTMENT

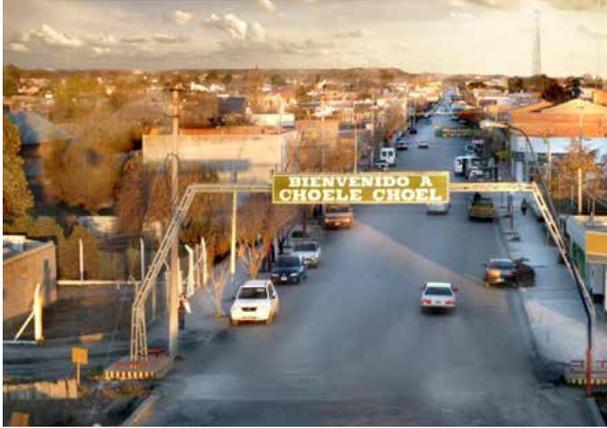
BENEFICIARIES

Linking the electrification project of the agricultural area of the Rio Negro valley in Pomona in order to enable the development of an important productive area, generating more areas under irrigation.

LOCATION

General Conesa and El Solito.

Choele Choel- El Solito - Conesa 132 Kv - High Voltage Power Line



The project involves the construction of a 164 km-long 132 kV high-voltage power line on reinforced concrete columns and brackets, grounded on simple concrete foundations with 3x300/50 mm Φ AL/AC conductors, fiber optics guard cable (OPGW), two full 132 kV line hubs for both sides and two gates for the future El Solito Substation.

The proposed line will help to inject power to the electrical system of the Province's coast, at an intermediate point (131.8 km from P. Madryn and 185.6 km from Viedma), purporting to a considerable improvement in power availability across all substations.

Us\$ 22,600,000

TOTAL INVESTMENT

BENEFICIARIES

The project will inject power availability into the electrical system of Rio Negro coast, improving the quality of the low-voltage service at Viedma substation. The project enables work being ringed to the coastal system, considerably reducing the potential for unsupplied energy due to simple failures and relieving Puerto Madryn's 330/132 kV transformer.

LOCATION

Transener's Choele Choel substation to EdERSA's San Antonio Oeste substation.

Conesa - San Antonio Este 132 Kv High-Voltage Power Line



70 Km-long 132 kV high-voltage power line built on reinforced concrete columns and brackets.

This is the second stage of the electrification project intended to extend the wiring to the Province's capital, injecting power into the coastal system and contributing power availability to all related substations.

In this case, the project is a diversion at an area with high agricultural and industrial production capacity, which would help to boost technology development.

Us\$ 10,500,000

TOTAL INVESTMENT

BENEFICIARIES

This project is related to the electrification project of the agricultural area of the Rio Negro valley in Pomona in order to enable the development of an important productive area. Generation of new areas under irrigation in conjunction with the National Government in Negro Muerto and Colonia Josefa. Improving the service for the tourist center of Las Grutas and the deepwater port.

LOCATION

General Conesa substation to San Antonio Este substation.

Upgrade of Hydro - Generators



In Rio Negro there are nine micro-hydro generators in place. In 2016, the Argentine Secretariat of Energy conducted a review to verify the status of such units, along with their related equipment, facilities, connections to existing electrical lines, etc.

The generation facilities and equipment have undergone significant progressive deterioration since they are over 60 years old, paired with the lack of generators' financial capacity to undertake recovery, repair and major maintenance programs in connection with these micro-hydro generators.

Us\$ 11,104,000

TOTAL INVESTMENT

BENEFICIARIES

Since the power generated at the power station is injected into the network, this project will help to improve the Province of Rio Negro's energy matrix, with a 20% increase in generated power.

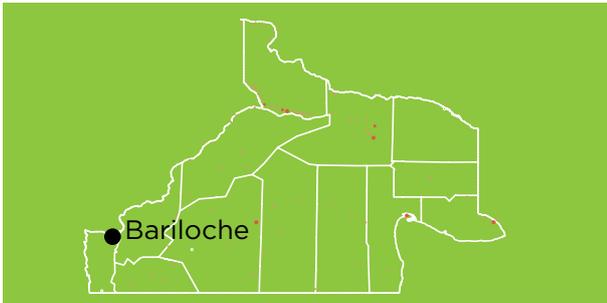
LOCATION

Hydro-generators located at Julián Romero, Guillermo Céspedes, Ing. Cesar Cipolletti, and General Roca.

DEVELOPMENT PROJECTS



Industrial-Technology Complex based in Bariloche



The project involves the development of a 319-hectare lot of land, located in the city of San Carlos de Bariloche, 10 km East from downtown, with basic infrastructure services, including electrical, water and gas supply, rainwater, road layout and system, and sewage and communication network.

Us\$ 30,000,000

TOTAL INVESTMENT

BENEFICIARIES

New productive enterprises, services, technological and research centers and technology transfer.

LOCATION

East area of the city of San Carlos de Bariloche.

Bariloche Convention Center



Building suitable for holding meetings with capacity for up to 2,000 attendants and potential for being split into several rooms with varying capacity.

Multipurpose space to support specific activities, including meetings, conventions and events, as well as social, cultural, art and sport activities, thus extending its scope of use to a broad variety of activities developed by the residents of Bariloche.

Us\$ 14,000,000

TOTAL INVESTMENT

BENEFICIARIES

Development of the tourism, hotel and food sectors.

LOCATION

Virgen de las Nieves area.
San Carlos de Bariloche.

Southern Region Gas Pipeline



The project involves the construction of a 393 km-duct and supplementary facilities to enable the natural gas supply for the resident of the Southern Region of Rio Negro.

The project involves the connection to San Martín gas pipeline, at the crossroads with National Route No. 3 up to Maquinchao.

Us\$ 47,000,000

TOTAL INVESTMENT

BENEFICIARIES

17,000 individuals that currently live in the Southern Region of the Province. Future setup of production and mining facilities, economic development and growth of the region's population.

LOCATION

Aguada Cecilio, Valcheta, Nahuel Niyeu, Ramos Mexía, Sierra Colorada, Los Menucos, Aguada de Guerra and Maquinchao.

Los Menucos Transport Node



The project involves the establishment of a multimodal passenger and cargo transport node in Los Menucos, given the strategic position of this location, connected to General Roca through provincial routes 6 and 8 and to San Antonio Oeste and Ing. Jacobacci through national route 23; in addition to its railroad connection (Bariloche and Viedma).

Los Menucos' transport node seeks to shorten sections and strengthen the flow of goods and passengers. It is intended to be a meeting point for the future development of the Bi-Oceanic Corridor in Southern Rio Negro.

Us\$ 7,000,000

TOTAL INVESTMENT

BENEFICIARIES

Dina Huapi, Pilcaniyeu, Comallo, Ingeniero Jacobacci, Maquinchao, Los Menucos, Ramos Mexía, Valcheta and Ñorquinco.

LOCATION

Los Menucos.

Floating Bridge at San Antonio Este Port



The project involves the repair of the existing floating bridge. Enlargement of the floating bridge through the acquisition of a new module. This project seeks to generate the appropriate conditions for the development of the fishing sector, by improving competitiveness and accommodating the port terminal to support larger and diverse cargoes.

Us\$ 3,500,000

TOTAL INVESTMENT

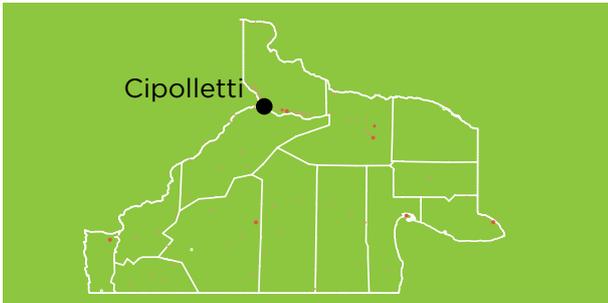
BENEFICIARIES

Fruit-and-vegetable and fishing sector.

LOCATION

San Antonio Este.

Cipolletti Judicial Center Second Stage



The project involves an office building and courts for the Province of Rio Negro's Judicial Branch in Cipolletti, with a structure comprised by a basement, ground floor and two upper floors. This second area (related to the civil jurisdiction) will cover an indoor area of 9,777.20 square-meters.

Us\$ 13,200,000

TOTAL INVESTMENT

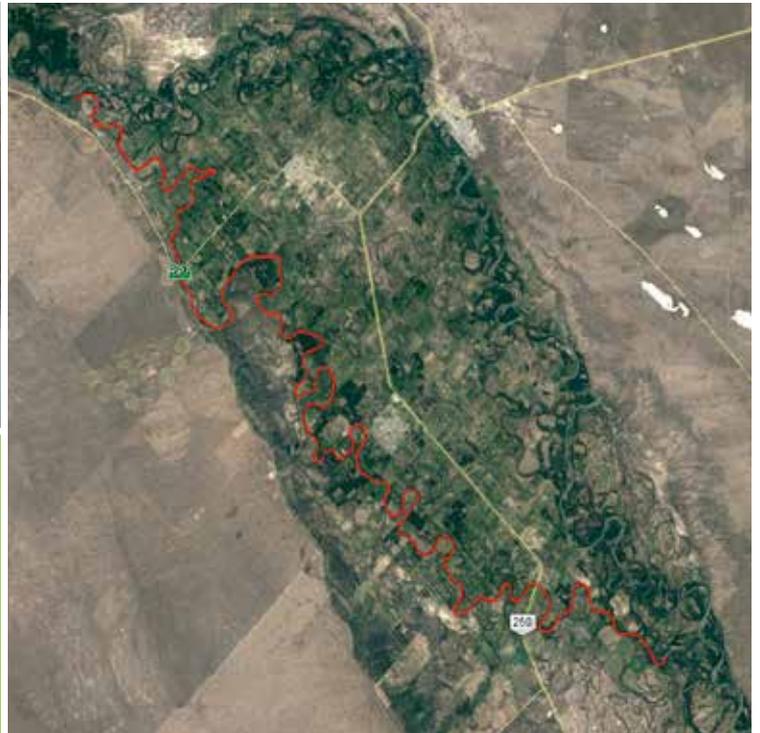
BENEFICIARIES

The project will help to bring together all functions of the judicial fourth district (Alto Valle area).

LOCATION

Cipolletti.

Enhancement of the flow capacity of the southern branch of Rio Negro river



In order to increase the volume of water of this river, moving regulation works will be executed in order to contain river floods and improve the inflow of water when the volume is low. On the other hand, this project will involve the dismantling and removal of vegetation and subsequent dredging from the coast using a backhoe.

The extremely low volume of water in Río Negro river has allowed for the excessive growth of trees on the riverbank of the Southern branch, with the ensuing considerable reduction in the volume of water.

Us\$ 1,650,000

TOTAL INVESTMENT

BENEFICIARIES

Productive and touristic sectors of Valle Medio.
The south branch has a meaningful importance for production in the area, generating new hectares in production.

LOCATION

Valle Medio. Pomona.

Irrigation Development Project at Campo Grande



The project involves executing infrastructure works to irrigate a 1,800-hectare area in Campo Grande, on lands owned by the Province.

The project will contribute to productive diversification and job creation in the Province, positioning Rio Negro as a food supplier for the Argentine Patagonia and worldwide. At the stabilized production phase, we expect to create 18,000 annual tons of food, generate annual revenues for no less than US\$ 9 million, and create more intensive-farming jobs.

Us\$ 4,650,000

TOTAL INVESTMENT

BENEFICIARIES

Agricultural productive sector.
Creation of industrial park generating a link, due to its proximity to Vaca Muerta.

LOCATION

Campo Grande.

Viedma Industrial Complex Infrastructure



The project seeks to strengthen the complex by equipping it with basic infrastructure, including comprehensive rainwater drainage, sewage and effluent treatment network, luminaire, safety fence, road paving, and gutters. Installation of additional services, including access gate, security, and administrative and common buildings.

The complex has a total area of 89 hectares and is comprised by 84 lots of land. At present, there are approximately 46 companies actively operating or about to initiate activities in the Industrial Complex.

Us\$ 1,500,000

TOTAL INVESTMENT

BENEFICIARIES

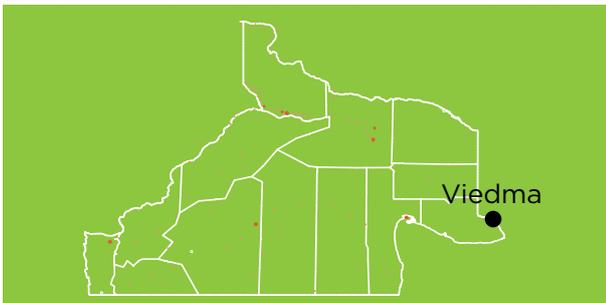
Productive Sector: there are numerous SMEs concentrated in the city engaged in the production of quality products, including oil, beer, dried fruit and several food products; construction, metalworking, electronics, IT, furniture and fittings.

The population in general will benefit from this project as it is expected to create jobs and diversify local production matrix.

LOCATION

Viedma.

Productora Farmacéutica Rionegrina Sociedad del Estado Building 1st Stage



The project involves the construction of a 2,500 square-meter building to be used for production, research and manufacturing of solid pharmaceuticals. The building will be located on Reconquista and M. Parisi streets, City of Viedma, Province of Rio Negro, on a vacant lot in a corner of the area that homes the building of “PROFARSE”, a regional pharmaceutical company, owned by the Ministry of Health of the Province of Rio Negro.

Us\$ 4,000,000

TOTAL INVESTMENT

BENEFICIARIES

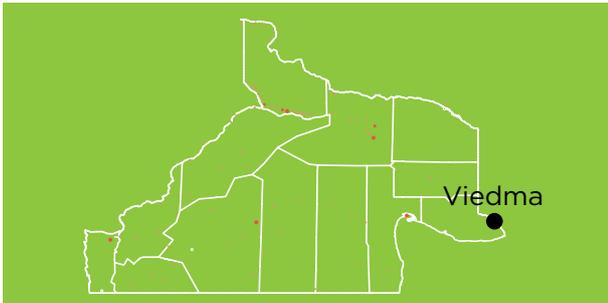
Health Care.

LOCATION

Viedma.

Instituto Provincial del Seguro de Salud Building

1st Stage



The construction of IPROSS's new headquarters was scheduled to be completed in three stages. The first stage involves the construction of 2,615 square-meters of new building; the second stage involves the repair and refurbishment of 1,358 square-meters, and the third stage would complete the existing building, taking into account IPROSS's future growth.

Us\$ 3,000,000

TOTAL INVESTMENT

BENEFICIARIES

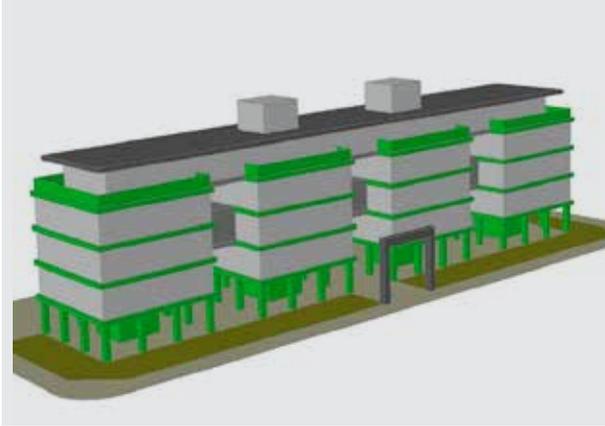
IPROSS's staff and members.

LOCATION

Viedma.

Ministry of Education Building

1st Stage



The project will be built on a piece of land with access to Belgrano street, as block modules or interconnected towers, both horizontally and vertically. The decision of projecting block or tower modules has to do with the potential for splitting construction and enlarging the building in several stages, while allowing for the independent operation of each of these modules.

Us\$ 1,500,000

TOTAL INVESTMENT

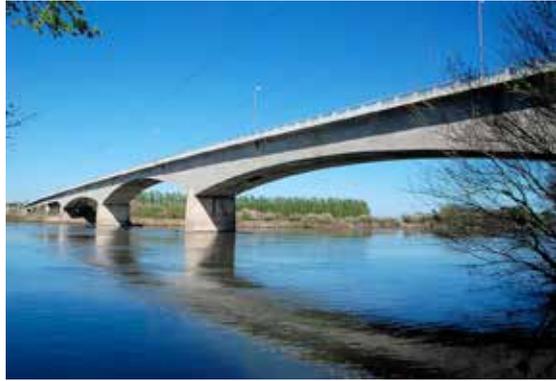
BENEFICIARIES

Ministry of Education.

LOCATION

Viedma.

WATER AND **SEWAGE** **WORKS**



Sewage Master Plans



Infrastructure refurbishment and enlargement to meet current and future demand, with a 20-year planification.

Us\$ 90,000,000

TOTAL INVESTMENT

BENEFICIARIES

Urban population. Sanitation of rivers Colorado and Negro. Touristic sector in Las Grutas and Playas Doradas.

LOCATION

Las Grutas, Sierra Colorada, Conesa, Pilcaniyeu, Viedma, Mainque, Maquinchao, Luis Beltrán, Río Colorado, Villa Regina, Playas Doradas and Cinco Saltos.

Enlargement of Water Network in General Roca



The project comprises four stages:

- Implementation of a crude water pre-treatment system to reduce turbidity at minimum acceptable levels for subsequent purification. Drinkable water supply system for the south area that will bring together water collection, purification, storage and distribution for this large sector of the city.
- Replacement of lower area aqueduct. Installation of PRFV pipelines of 2,140 meters and 700 mm in diameter.
- Construction of a purification plant with production capacity of 400m³/h that will improve the supply of drinkable water in the West area.

Us\$ 4,200,000

TOTAL INVESTMENT

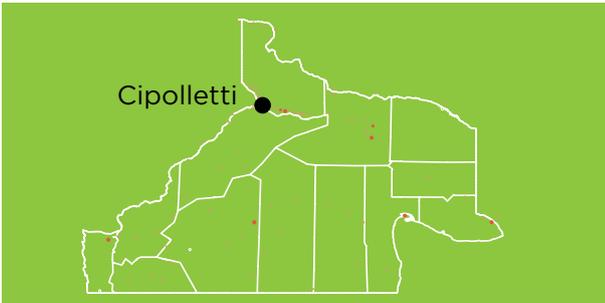
BENEFICIARIES

Urban population.

LOCATION

General Roca.

Alluvial Bumpers Cipolletti



The city of Cipolletti faces a recurring problem in connection with the evacuation of heavy rain waters within the urban area and its surroundings.

The development of a Master Plan involves four stages, namely:
Stage 1: Development of an executive project for containment works.

Stage 2: Execution of alluvial containment works.

Stage 3: Analysis about the remodeling and fitting of alluvial flow channels.

Stage 4: Execution of works to increase the flow capacity of collecting channels.

Us\$ 7,000,000

TOTAL INVESTMENT

BENEFICIARIES

Urban population and surroundings.

LOCATION

Cipolletti.

Water intake in Guardia Mitre to expand irrigated areas.



This project will embrace the construction of a reinforced concrete building with gates and electro-mechanical lifting mechanisms that will enable the inflow of water into a future irrigation channel that will supply Guardia Mitre valley. The project will be developed on the bank of Rio Negro river, in the Boca la Travesía area and will provide gravity fed irrigation capacity for an area of around 20,000 ha, with additional volume of water to include other 10,000 hectares through pressurized irrigation.

Us\$ 800,000

TOTAL INVESTMENT

BENEFICIARIES

The project will mark the completion of the first stage of an irrigation plan that will span a total area of 30,000 hectares distributed amongst valleys and plateaus in the Guardia Mitre area. The project will help to bring water to areas far from the river and irrigate land with optimal productivity conditions, through the dual offering of gravity fed and pressurized irrigation.

LOCATION

Boca de la Travesía - Guardia Mitre.

ROADWORKS



Route 2 Repaving

El Solito- San Antonio Oeste Section



The current Route No. 2 has a length of 92 km and connects National Route No. 250 and No. 251, on the East side of the Province. The project involves drainage, underpinning and protections with waterway cleaning, granular base, irrigation of bituminous priming, hot asphalt concrete paving, underpinning and repair of shoulders, horizontal and vertical signaling.

Us\$ 40,000,000

TOTAL INVESTMENT

BENEFICIARIES

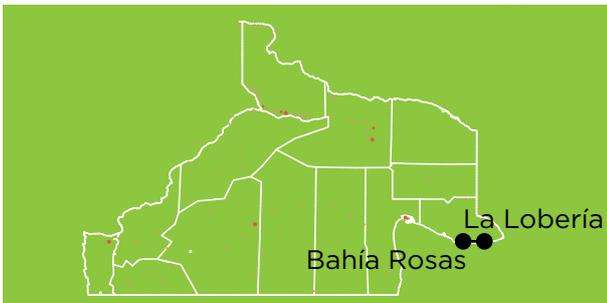
Exportation sector, due to the link between the productive area with the port.
Touristic sector, better accesibility to Las Grutas and Playas Doradas resorts.

LOCATION

San Antonio Oeste - El Solito area.

Route 1 Paving

1st Stage



This project will be developed on a 21 km-section of the route and entails the paving of a section spanning from the wildlife reserve “Punta Bermeja” (La Lobería) to “Bahía Rosas” coast area, thus benefitting tourism in that that area of the Atlantic coast.

The project entails land cleaning, embankment with special compaction, sewerage, paving structure, hot asphalt concrete surface course, metallic defense railing, and horizontal and vertical signaling.

Us\$ 19,000,000

TOTAL INVESTMENT

BENEFICIARIES

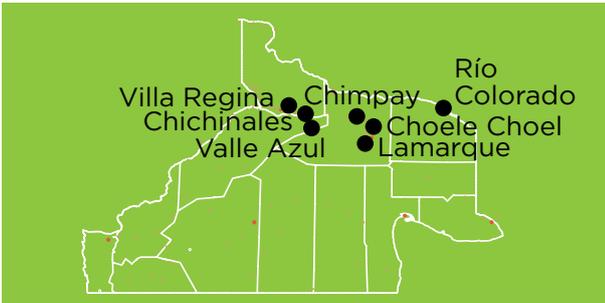
Tourism and the Atlantic coast. The project will help to create new beaches in the future and productive developments.

LOCATION

Atlantic area.

Repaving of productive roads

VALLE AZUL, VILLA REGINA, CHICHINALES, RÍO COLORADO, LAMARQUE, CHIMPAY Y CHOELE CHOEL (PASO PIEDRAS)



Rural paving program that will include patching and repaving, replacement of gravel road for paved road, shoulder underpinning and consolidation, sewerage, drainage slab, canal bridges, horizontal and vertical signaling, lightening and further supplementary works to ensure safe transit across all rural roads.

Us\$ 24,000,000

TOTAL INVESTMENT

BENEFICIARIES

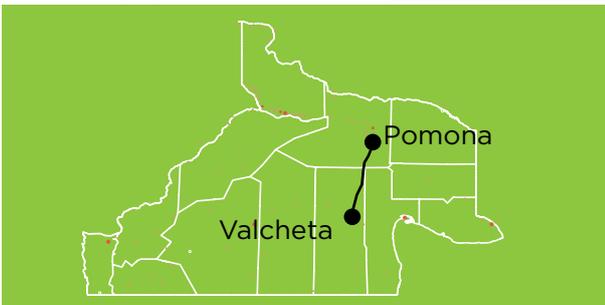
Fruit sector, for a better care in fruit transportation, keeping the best quality.

LOCATION

Valle Azul, Villa Regina, Chichinales, Río Colorado, Lamarque, Chimpay and Choele Choel (Paso Piedras).

Route No. 4 Paving

1st stage



The project will be developed along a 68 km-section of Provincial Route No. N° 4 – the Pomona-Valcheta – central section.

The project entails land cleaning, embankment with special compaction, sewerage, paving structure, hot asphalt concrete surface course, shoulders with selected soil, metallic defense railing, and horizontal and vertical signaling.

Us\$ 43,000,000

TOTAL INVESTMENT

BENEFICIARIES

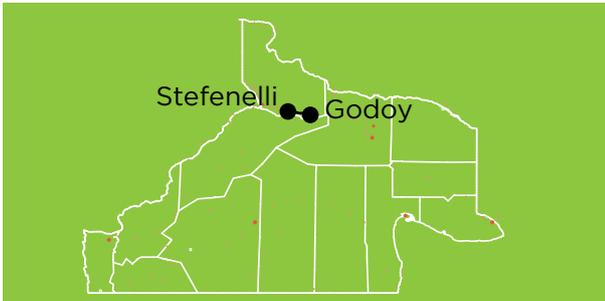
Connection of two productive sectors: mining sector, South Line, and fodder sector, Valle Medio, for the future generation of a livestock area.

LOCATION

Pomona, Valcheta.

Refurbishment of Route 65

Stefenelli - Godoy Section



The current Provincial Route No. 65 is one of the routes with most heavy traffic in Rio Negro (Alto Valle). The project will be developed along a 25 km-section of Provincial Route No. 65 (Gral. Enrique Godoy - Padre A. Stefenelli section).

The project entails land cleaning and removal of trees interfering the road area, embankment with special compaction, sewerage, paving structure, hot asphalt concrete surface course, shoulders with selected soil, metallic defense railing, channel and drainage casing, horizontal and vertical signaling.

Us\$ 25,000,000

TOTAL INVESTMENT

BENEFICIARIES

Productive sector of the Alto Valle and Valle Medio areas for a better transport of the fruit.

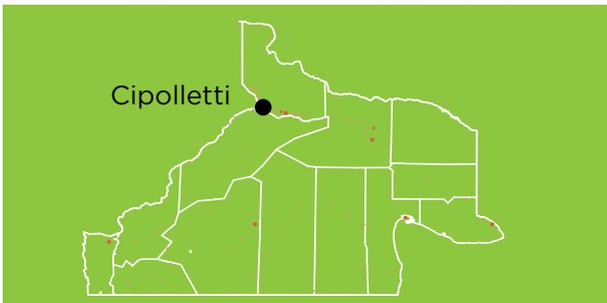
Complementary route to the Autovía Nacional N° 22.

LOCATION

Stefenelli, Cervantes, Mainqué, Ing. Huergo, Godoy section.

Refurbishment of Route No. 7

Isla Jordan Bridge - Balsa Las Perlas section



This project will involve trace opening, sewerage at water cuts, road area cleaning, installation of missing wiring and relocation of the existing one, embankment with side removal, and graveling of transit road.

Us\$ 10,000,000

TOTAL INVESTMENT

BENEFICIARIES

More productive development in Margen Sur of río Negro and a better link with Neuquén province.

LOCATION

Connection between the bridge over Río Negro river in Isla Jordán to the bridge over Limay River at “Las Perlas” area.

Paving of Mallín Ahogado Circuit

1st Stage



Paving of the Mallín Ahogado Circuit from the crossroads of National Route No. 40, at a first stage, to Provincial Route No. 84 in El Bolsón area.

The basic works will be executed on the current trace, in accordance with the respective technical specifications. Artworks will be verified and missing parts will be made of polypropylene pipelines, as per the standard blueprint. The structural package will be comprised of a drainage sub-base layer and an anti-freezing base layer made up of calcareous stone aggregate. Shoulders will be filled with the same material.

Us\$ 15,000,000

TOTAL INVESTMENT

BENEFICIARIES

Productive sector and tourism within the Andean region.

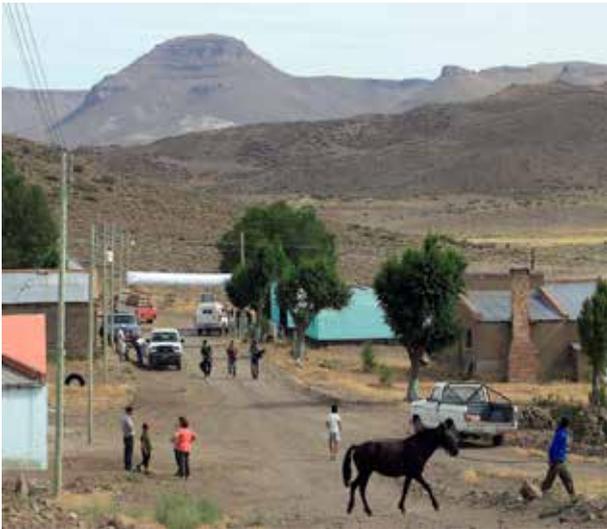
LOCATION

Mallín Ahogado Circuit.

CONTRIBUTIONS TO **MUNICIPALITIES**



Road equipment and funding for municipal public works



Under the premise of building provincial integration, we are required by law to set aside 10% of the proceeds to fund public works and/or capital expenditures for urban and social purposes in the 39 municipalities and 36 Development Committees.

TOTAL INVESTMENT

Us\$ 58,000,000

CASTELLO
PLAN

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