

(c) **Buenaventura S.A.**

This company was created to acquire the necessary equipment for the cellular telephone network which will be installed, operated and exploited independently by the concessionaries which are; Telefónica Cellular de Chile S.A. and Telecom Chile S.A.

It was created on October 5<sup>th</sup>, 1990 and the owners of the company are:

Telecom Chile S.A.	:	50% of the shares
Telefónica Cellular de Chile S.A.	:	50% of the shares

**B.5. New Projects**

Entel is making an investment close to \$ 14.400 million pesos in the development of an optical fiber network for the area located between La Serena in the North and Puerto Montt in the South. This investment was confirmed, after the government, through the Subsecretaría de Telecomunicaciones (Subtel) authorized on December 5<sup>th</sup>, 1991 the first concession to operate a network of this type in Chile.

American Telegraph and Telephone, AT & T, will implement the first stage of this network, that will unite the cities of Santiago and Chillán, with an investment of \$ 400 million pesos. The project will start operations in the second semester of the year 1992. Also, to the end 1993 this network will cover up to Concepción and Temuco in the South, and in the following years will reach La Serena in the North and Puerto Montt in the South. In this way Entel will be able to compete with a fiber optic network backed up by the digital microwave and analogical systems.

To illustrate the future transmission capacity of this network, we can say that it would be able to carry out or perform the following services:

76.800 telephones conversations will be carried out simultaneously, plus the transmission of 160 TV channels of commercial quality and 40 TV channels of high definition.