

ESTELA welcomes the long-awaited Spanish RES auction, while looking forward to the upcoming CSP-specific auction to help Spain go further in its decarbonisation process

Brussels, 1st Feb 2020. European Solar Thermal Electricity Association, ESTELA, welcomes the long-awaited auction for renewable energy for the period of 2020-2025 in Spain, re-opening the renewable energy market in Europe and helping Spain get back on track for its 2030 targets.

As expected, the total volume of 3 GW to be awarded in this first auction in Spain is split into 1 GW of wind power and 2 GW of photovoltaic (PV). As this very first auction is a non-specific tender, neither storage, manageability of delivery with a specific quota reserved for CSP were considered: the only criterion was the price bid per energy unit (e.g., price in €/MWh).

Although this auction did not consider storage nor manageability of the energy delivered, it is remarkable that the volume of all bids amounted to 3 times the total volume auctioned. This is a positive signal for the RES sector, showing an enthusiastic response to the new economic regime.

Spain, with its current 2.3 GW of installed capacity, has long been a leader in solar thermal electricity (STE) technologies. In its National Energy and Climate Plan (NECP) submitted to the European Commission at the end of 2019, Spain plans to increase its concentrated solar power (CSP) fleet by 5 GW by 2030. This shows that once again, they recognise concentrated solar thermal technologies' unique value: the capacity to produce green energy even at night, thanks to its thermal storage system with extended capacity (8 - 15 hours). This key asset also brings other benefits to the energy system, such as powering electrolyzers to produce green hydrogen for an extended period or facilitating the charge of electric vehicles (EV) in the evening.

According to the last publication of the Spanish Royal Order on 4 Dec 2020, 600 MW of CSP should be auctioned in Spain between 2021 and 2025: 200 MW of CSP will be tendered every second year, reaching a total of 600 MW by 2025. According to the MITECO, this pattern should favour the viability of tendered projects and secure participation from investors in projects of a sufficiently efficient dimension. Those 600 MW will be the first tendered capacity for CSP in the European Union since more than 5 years and should pave the way for a revival of the sector.

Thus, ESTELA, representing a wider solar thermal sector, looks forward to the **future specific auctions taking into account features such as thermal storage capabilities and manageability of the energy delivered**. These specific tenders will give the opportunity to the world-leading European companies to maintain their technological leadership in CSP industry and maintain their excellency in research and innovation activities.

ESTELA believes that this first auction has already sent a strong signal to European RES investors and looks forward to the upcoming auctions, which will open new perspectives to re-establish the predominant role which CSP can play to achieve the **decarbonisation of the electricity system**, combined with the other already established intermittent renewables.

*For more information please contact: Janis Leung, Communication Manager of ESTELA
E-mail: contact@estelasolar.org | Website: www.estelasolar.org*