

# Spain Emergency Energy Storage Power Supply Procurement

Why is renewable generation a problem in Spain?

Renewable generation is hindered by declining prices, lack of access capacity tenders, and project financing challenges, but opportunities lie in PPAs, asset hybridisation with storage, and the approval of the Spanish capacity market.

Is the capacity market a good investment in Spain?

The capacity market in Spain represents an opportunity for the storage sector but cannot be considered the sole basis for investment. Its design must be complemented by a diversification strategy in other electricity markets to ensure the profitability and sustainability of projects.

Why do we need a new electricity system in Spain?

The need to accommodate the increasing integration of renewable energy and the growing demand for electricity, while ensuring the stability of the electricity system, necessitates the renovation of Spain's electricity transmission and distribution infrastructures.

What are the barriers to power storage in Spain?

The primary obstacle for power storage in Spain is the absence of specific regulation for both stand-alone and hybrid facilities. Although the Spanish legislator has taken steps, such as amending existing regulations (like environmental ones) and introducing basic rules for flexible demand access permits, key regulatory gaps remain.

What is the Planification of the electricity transmission infrastructure in Spain?

In this context, the renovation of the electricity transmission infrastructure is subject to the Spanish government's planification, which, under the Spanish Electricity Sector Act, operates on a six-year horizon. This planification system is: (i) influenced by political factors; and (ii) unable to address emerging issues promptly.

Could a capacity mechanism guarantee security of electricity supply?

Spain's MITECO has opened consultation about the form of a capacity mechanism or capacity market which would guarantee security of electricity supply. Capacity mechanisms pay energy generation and storage site owners for having capacity available for deployment in times of grid need, as well as paying for the electricity provided.

This article reviews the current state of the capacity market in Spain, its design, and its implications for storage. Carlos Redondo addresses the topic considering the ...

Spanish grid operator Red Eléctrica de España (REE) would run the capacity auctions, supervised by the National Commission for Markets and Competition. Three types of ...



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In April, a major power outage affected large parts of Spain and Portugal. The event, now known as the Iberian Peninsula blackout, left millions without electricity and ...

On April 28 this year, Spain experienced a widespread blackout. According to the Spanish Ministry of Energy, grid power supply dropped by approximately 60% within five ...

The goal of this attachment is to highlight effective energy storage procurement policies and programs in other states that might be helpful to the CPUC as it seeks to break down barriers ...

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