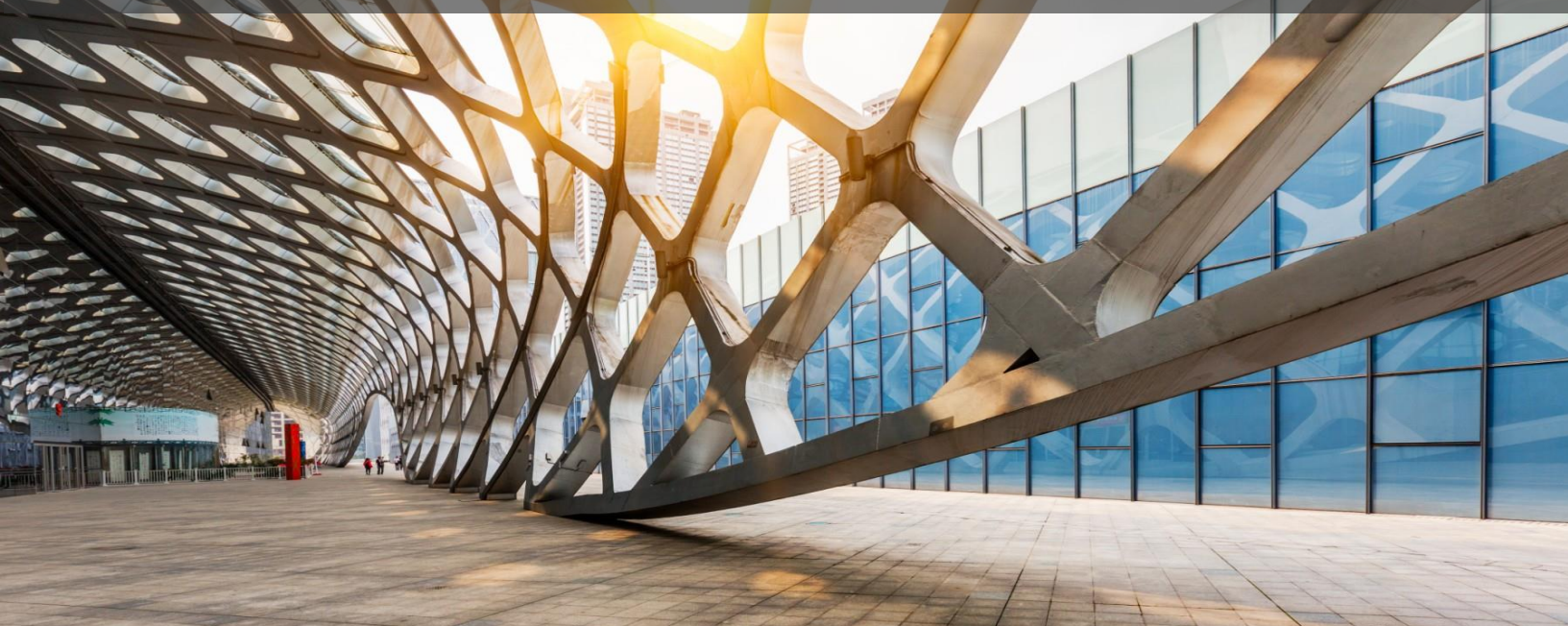


Legal update – september 2024

Connection points (*nudos*) reserved for electricity demand tenders. Current status in terms of access for storage and access to electricity demand



Antonio Hernández García
Energy regulation Partner
EY Consulting

Pablo Dorronsoro Martín
EY Public Law and Regulated Sectors
Partner

On 2 September, REE published the updated list of connection points (“nudos”) reserved for tenders for applications for access and connection of electricity demand.

In view of this publication, we have considered it of interest to make a point of situation on the regulation applicable to these tenders and, in general, to the storage and access to electricity demand that is necessary for the new industrial developments (data centers, hydrogen production, etc.) planned in our country.

List of connection points reserved for tenders for applications for access and connection of demand.

Nombre y tensión del nudo	Comunidad Autónoma	Fecha comunicación del cumplimiento de condiciones de concurso
ALGECIRAS 220	Andalucía	01/08/2024
ALGETE 220	Comunidad de Madrid	02/09/2024
ARCHIDONA 400	Andalucía	02/09/2024
AVE ZARAGOZA 220	Aragón	01/07/2024
BARCINA 400	Castilla y León	01/08/2024
CARTAMA 220	Andalucía	03/05/2024
CRISTOBAL COLON 220	Andalucía	01/08/2024
EL SERRALLO 220	Comunidad Valenciana	02/09/2024
FRANCOLI 220	Cataluña	16/05/2024
FUENTES DE LA ALCARRIA 400	Castilla-La Mancha	01/08/2024
LOS BARRIOS 220	Andalucía	01/07/2024
MANCHEGA 400	Castilla-La Mancha	03/06/2024
MONTETORRERO 220	Aragón	01/07/2024
PALOS 220	Andalucía	01/07/2024
PEÑAFLORES 220	Aragón	01/07/2024
PLAZA II 220	Aragón	01/07/2024
VILLANUEVA DE GALLEGOS 220	Aragón	01/07/2024

The updates are the result of the monthly analysis of the requests for access for consumption that are submitted to REE. When the applications received within the month are acceptable given the capacity of the corresponding connection point, they are processed in the ordinary way, while when they exceed the capacity of the connection point, the processing is paralyzed and the capacity is reserved for a future tender¹.

In view of this publication, we have considered it of interest to make a point of situation on the regulation applicable to these tenders and in general to the storage and access to electricity demand that is necessary for the new industrial developments (data centers, hydrogen production, etc.) planned in our country.

Access and connection for demand

The access capacity for demand must be, like for generation capacity, requested through the operator corresponding to the network owner, whether transmission or distribution.

At this point, it is worth remembering the impact derived from the purpose of the corresponding position in the connection point in question, since if it is a connection point reserved for generation (for example, all those with connected generation) it will not be possible to apply for demand capacity in isolation, but only as self-consumption associated with generation.

There is a proposal for a circular from the CNMC regulating the methodology and conditions for access and connection to the transmission and distribution networks by electricity demand facilities, which has not yet been approved.

Guarantees

The request for access requires filing of certain guarantees:

- ▶ For demand access (isolated from all generation and storage²): 40 €/kW requested
- ▶ For "stand-alone" batteries it will be necessary to provide:
 - ▶ A €40/kW guarantee for evacuation capacity
 - ▶ An additional guarantee of €20/kW for the consumption capacity requested
- ▶ For storage with hybridization:
 - ▶ The generation technology will require a guarantee of €40/kW (unless it is already in operation).
 - ▶ For storage that hybridizes with generation, a guarantee of €20/kW of storage requested will be required
- ▶ For hybridization plus consumption: If the hybridized installation also intends to consume energy from the grid to power the batteries, it must additionally provide a guarantee of €10/kW for the requested consumption capacity.

Other considerations on access and connection

The authorization process for new consumption or for the installation of storage elements is complex. Regardless of other factors, it is worth drawing attention here to two relevant and specific requirements of consumption/storage:

- ▶ To enable an own consumption position (independent of those of generation) a minimum of 50 MW (for 220kV networks) or 125 MW (for 400kV networks) is required.
- ▶ For those applications in which the consumption capacity is considered as self-consumption, the maximum capacity will be 50% of the access capacity granted to the generation.
- ▶ In relation to access permits for demand, these will expire in those cases in which the holders of these permits have not formalized within 5 years an access contract for a power contracted in period P1 of at least 50% of the access capacity granted in the access permit. This contract must be maintained for at least a period of 3 years for that power or a higher power.

Demand tenders

RDL 8/2023 introduced the possibility of organizing tenders also for energy demand.

In these tenders, the product to be granted will be the access capacity for consumption, expressed in MW, which must include the total existing capacity for demand of the corresponding connection point.

In relation to the criteria, the regulation is still generic and only establishes that they will be determined by the Order of the call and that they will at least include the following:

- ▶ Temporal criteria referring to the start date of consumption of the demand facility,
- ▶ commitments to make consumption more flexible and demand management,
- ▶ improvement of energy efficiency,
- ▶ socio-economic, environmental and territorial impact,
- ▶ production chains,
- ▶ technical and economic solvency of the project and the promoters,
- ▶ criteria relating to the volume of investment, and
- ▶ criteria related to greenhouse gas emissions avoided by the project.

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For any additional information, please contact:

Ernst & Young Abogados, S.L.P.

Antonio Hernández García

Antonio.Hernandez.Garcia@es.ey.com

Pablo Dorronsoro Martín

Pablo.Dorronsoro@es.ey.com

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Notes

¹ Only for transmission connection points with a voltage equal to or greater than 220kV.

² And except for access points and connection with a voltage of less than 36 kV