

Iberdrola reaffirms its investment of more than £3 billion in UK networks following new regulatory framework

- Its subsidiary ScottishPower, the first 100% green energy company in the British Isles, will continue to work with Ofgem to finalise the details of its investment plan for the 2023-2028 period, within the RIIO-ED2 regulatory framework.
- The investments will contribute to boosting the economy and employment: it plans to hire more than 1,100 professionals and generate thousands of indirect 'green' jobs over the period.

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Iberdrola maintains its 2023-2028 network investment plan in the UK after learning of the new RIIO-ED2 regulatory cycle framework published yesterday. The company will invest more than £3 billion over five years, with the aim of continuing to drive the UK's energy and digital transformation as it transitions to an electrified, carbon-free economy.

The plan materialises the vision of Iberdrola's subsidiary ScottishPower to build a network capable of meeting the challenge of achieving Net Zero - zero net emissions - across 105,000 kilometres of network and 30,000 substations, which will benefit millions of customers in Scotland, England and Wales. In the coming weeks, the company will continue to work with Ofgem to finalise the details of its plan.

These investments will contribute to the growth of low carbon technologies to meet the UK's climate targets, with 670,000 electric vehicles, 370,000 domestic heat pumps and an additional 5,000 MW of renewable generation capacity.

ScottishPower's initiative - the UK's first 100% green energy company - will also have a significant socio-economic impact as, associated with these investments, it plans to hire more than 1,100 professionals and generate thousands of indirect 'green' jobs over the period.

Among the objectives of this network investment plan are:

- ✓ The development of a Net Zero ready network, continuing to adapt the infrastructure to make it more resilient and reliable, using innovative, flexible and efficient solutions. The innovation and efficiency built into the plan will save customers £173 million;
- ✓ To be the trusted partner of its customers and the communities in which it operates, supporting them by offering enhanced services tailored to their needs and going the extra mile with vulnerable customers.
- ✓ Preparing the business for a digital and sustainable future by embedding new digital approaches, innovation and process redesign to save customers over £60m, prioritising sustainability in order to reduce our carbon footprint by 38% by 2028.

Networks, key regulated assets for Iberdrola

Iberdrola will invest 30 billion euros in its network activity until 2025, representing 40% of its 2020-2025 plan, in which these regulated assets have become one of the central pillars of its strategy

and a key infrastructure for moving towards a digital green economy. As a result, its network assets will amount to €47 billion by 2025 and will be located mainly in countries with an A rating.

Iberdrola operates one of the most important electricity distribution systems in the world: more than 1.2 million kilometres of power lines, supplying electricity to more than 34 million people worldwide.

The company has 15 million smart meters in the world, which will be close to 17 million by 2022 and will exceed 21 million by 2025.