

Voice	Text
Interviewer	<p>You know, in the last few weeks, the battle against climate change was taken on further by the United Nations at the UN Climate Ambition Summit. A handful of businesses submitted their green transition plans, and among them, the big boss of one of the world's largest energy companies, Spain's Iberdrola's Ignacio Galan. A real pleasure having you on the show, and Ignacio, let me start with this. I mean, you've just returned from the United Nations Climate Ambition Summit, and the leader of the UN, Antonio Guterres, he warned over, "The gates of hell." I'm wondering, Ignacio, is the world doing enough to hit the zero-carbon targets?</p>
Mr Galán.	<p>The answer is let be positive and negative. The answer, straightforward answer, is no. The positive answer is that, but we are moving. Twenty years ago, most people denied that the problem existed. Now the problem is that there are people who are saying that the problem exists, but they are asking for more time to make that happen. And my, my point is, like General Secretary of the United Nations, is the time is over, we need to do it now.</p>
Interviewer	<p>And Ignacio, your company has invested more than a hundred billion dollars into green energy, quite a sum. But the critics say that the storage just isn't there yet. I mean, we saw with the war in Ukraine that we just weren't ready for renewables to replace fossil fuels. But, given that very large investment you've made, how is that possible?</p>
Mr. Galán	<p>Well, uh, in the case of Iberdrola, that is not true. So, I think when we made our initial strategic plan 22 years back, where I joined the company, apart from changing the color from blue to green and to invest and to try to double the company five years, we multiplied the company by eight times. We have invested 150 billion dollars, but we had already transformed most of our hydroelectric power plant, existing power plant in Spain, in, uh, reversible. So now we have already storage capacity in Spain and Portugal for more than 100 million kilowatt-hours, which is already enough capacity for powering two or three million electric vehicles. We are investing in batteries. I think in Britain, we are in White Lee, the largest onshore wind farm in Britain is already there, it's been built a battery beside for storing the electricity this wind farm. We are already another battery har or something else which are in large scale batteries as well. We are putting batteries inland. We are putting batteries in the state. I think we are putting batteries in Australia, but in terms of large storage, I think in the Iberian Peninsula, we are investing a lot of money in this moment, in this moment in the last 20 years, in transforming our existing hydroelectric power plant in already in reversible using as a motor and pump or using as a generator.</p>



Interviewer	And Ignacio, recently the UK had an offshore wind power auction, but no bidders came forward. I mean, you own ScottishPower. I'm just wondering what happened to that. What went wrong?
Mr. Galán	I think the first thing UK has already a unique opportunity. It's a country with deep waters, with very, very convenient, I think 30-50 meters deep, which I think that is very good. I think the distance from the offshore we found to the shore is reasonable, is not like the United States, which are 100 kilometers or something else, is more convenient. I think that that is the reason why UK has been one the country that has already built more offshore than any other countries. So, what they have been making, they have been making just auction based on the previous price of the previous auction, and I think that was fine. I think they've been benefiting of the improvement of the technology, of the improvement of the efficiency, or the improvement of the learning curve that's fine. But unfortunately, so the thing changed. I think it's not any longer the still is costing \$300 per ton, it's \$1,000 per ton, the copper is not any longer at the price it was, it's multiplied by two, by three. They are not enough semiconductors, and the price of semiconductors increased tremendously. The labor cost increased because of the inflation in a huge manner, and the rate of interest has already moved from almost nothing to 1% to 5% or even more, and the condition with the banks are already fixing for providing the financing is more costly, and all those ones makes that the price cannot be any longer diminishing that they were already during as the last few years.
Interviewer	Ignacio, let me end on this. China, it leads the world in combined onshore and offshore wind power. How do other countries compare, and what do they need to do in order just to compete with China?
Mr. Galán	Well, I think, I think, let's talk our sector. The first thing I have, I can tell you is that we have not much dependence on China with the sense of the the PV panels. So, I think we did already a huge investment, and we need already to have already a supply chain. So, in the supply chains in the case of Europe, we have a good supply chain for hydroelectric. We have a good supply chain for wind power. The fact I think the last recent speech of the State of the Union of the European Union Ursula Von Der Layen was already precisely commenting on Wind Technologies and how Europe has been leading these technologies. We are very good companies making that one, but unfortunately in solar, we have not made much, and I think the Chinese has already got almost 90% of the 95% of the markets.
Interviewer	Ignacio Galan, the big boss of Iberdrola, thanks for your time, and we'll talk to you soon. Thank you very much for your always intelligent question. Thank you.



