IBERDROLA

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INFORMATIVE NOTE

During an event organised by PwC, he very positively assesses the EU's ‘Clean energy package for all Europeans‘

Ignacio Galán presents the bases for Europe's transition to a low-carbon economy

- **Iberdrola's chairman, along with the Climate Action and Energy commissioner Miguel Arias Cañete, analyses the European Commission's "winter package"**
- **He highlights the need for low-carbon energy sources, along with a greater storage capacity, more and smarter grids and a more active customer profile**

The chairman of Iberdrola, Ignacio Galán, today spoke at the *Clean energy package for all Europeans* meeting, organised by Pricewaterhouse Coopers (PwC) in Madrid, in which the commissioner for Climate Action and Energy, Miguel Arias Cañete, also participated.

The aim of this event was to generate debate about the European Commission's *winter package,* sought by the European Union's leaders in the transition to clean energy.

Iberdrola's chairman positively assessed the action plan drawn up by the European Commission and was confident it would be something that would unify Europe: “I am convinced that, just as carbon and steel were the starting point for the first European treaties, clean energy and re-industrialisation can form a pairing to revitalise a united Europe we so badly need.”

He also expressed his satisfaction with the starting point for the Climate Change and Energy Transition Law: “I consider the debate sessions organised by the Government and inaugurated last Thursday by the President extremely useful.”

After the welcome message from the president of PwC España, Gonzalo Sánchez, Ignacio Galán delivered a speech entitled *The electricity*

[1] Source: International Energy Agency.

company of the future, which began with a summary of the current scenario: the increase in world energy consumption of over 30% by 2040 [2] and the urgent need to combat climate change, by implementing the Paris Agreement.

The electricity company of the future

In this context, as Iberdrola's chairman explained, a decarbonisation of the economy is required, in which the electricity sector must play a key role.

Galán pointed out that all low-carbon energy sources will be necessary, although their intermittent nature will require a significant increase in storage capacity.

Furthermore, the management of the electricity system will be more complex and therefore more grids with more digitalisation will be necessary. Fourthly, the company's chairman highlighted that the customer will play a much more active role, thanks to the digitisation of the grid, which will help manage consumption more effectively and thus increase energy efficiency.

“All this will entail a profound transformation of the traditional electricity companies, who will have to change their business model until they become, what the Massachusetts Institute of Technology has termed the *utility of the future”,* Ignacio Galán affirmed.

In this respect, the chairman of Iberdrola explained that the company has been progressing in this direction for 15 years, after making investments of 90,000 million Euro in the period. This has led it to become, today, the world leader in installed terrestrial wind power, while reducing its emissions in Europe by 75% since 2000, reaching levels 70% lower than the average for European companies in the sector.

Galán also reminded the audience that the International Energy Agency (IEA) estimates that the electricity sector will require over 19 billion dollars in investment up to 2040, over 75% of which will be assigned to renewable grids and energies.

[1] Source: International Energy Agency.

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In this regard, the Chairman of IBERDROLA said: "We must not forget the opportunities these investment needs present in wealth generation terms. In Iberdrola's case, we employ over 280,000 people and we are contributing to revitalising industrial sectors like shipbuilding, iron and steel and the equipment industry."

Finally, Galán wished to congratulate the commissioner Miguel Arias Cañete "for a package of measures that lays the bases for companies to be able to invest in the transformation of the electricity sector with the ultimate aim of providing a sustainable, competitive and quality service to Europe's citizens".