

Administrative Barriers to Wind Power in Spain

A big developer's point of view



Eduardo García Iglesias
Markets and Prospective
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1. Iberdrola Renewables

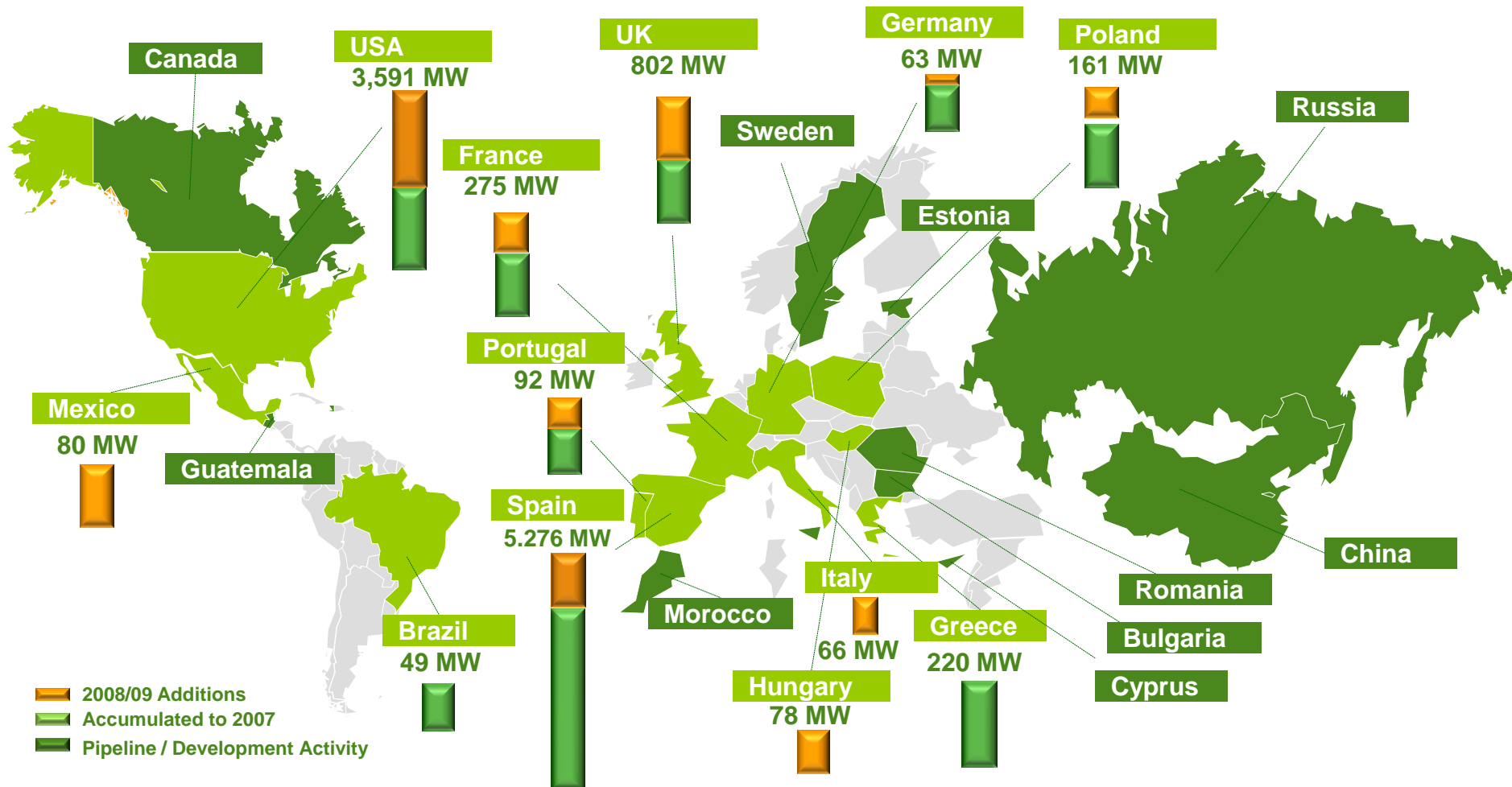
2. Iberdrola Renewables role in WindBarriers

3. WindBarriers results - Administrative barriers

4. Recommendations

Iberdrola Renewables

➤ IBR has presence in more than 23 countries



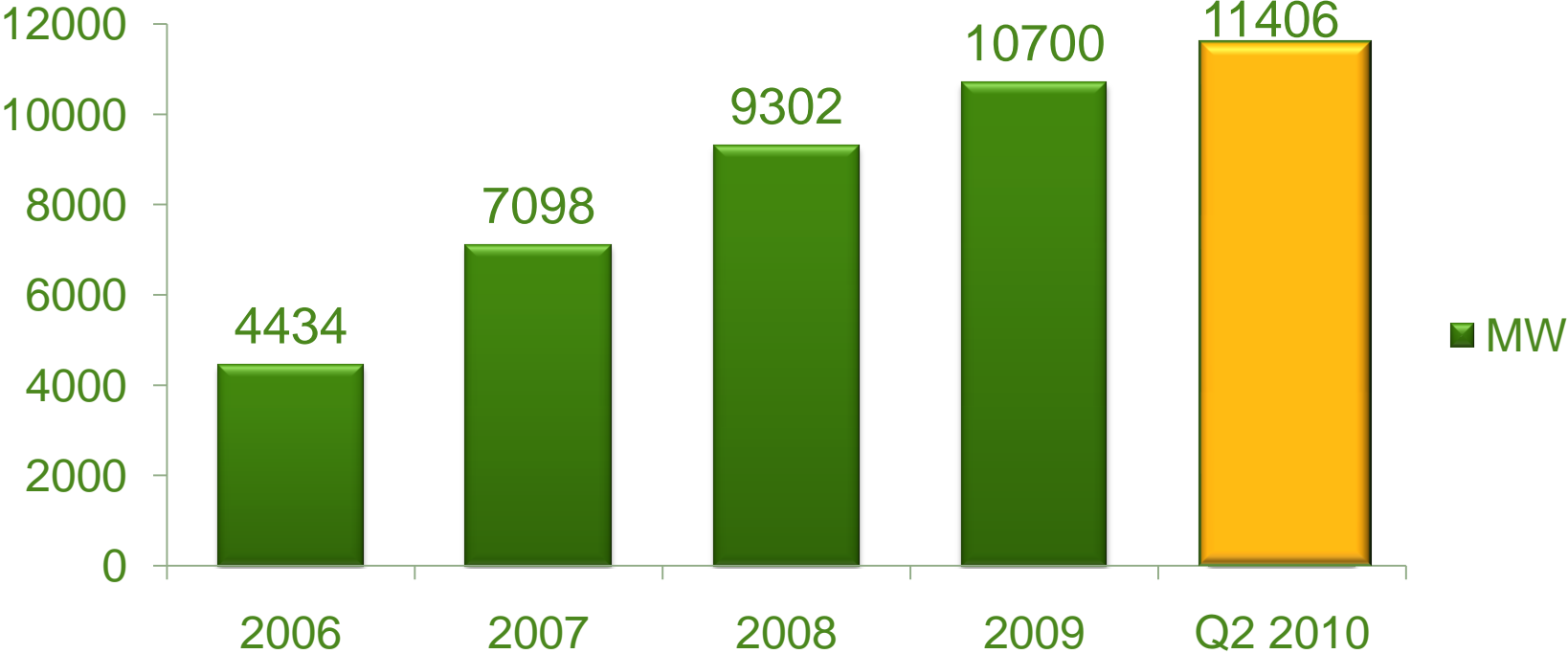
As of 31 December 2009

Iberdrola Renewables



Installed capacity evolution

➤ In less than five years IBR has increased three times its installed capacity.



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Iberdrola Renewables paper in WindBarriers



- Help developing the questionnaire to collect the necessary information.
- As an utility operating wind farms in Spain, Greece, France, Portugal, Germany and Poland, we submitted 26 questionnaires, covering more than 540 MW.
- Analysis and recommendations based on the information provided by participants.



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WindBarriers results

Administrative barriers

1 2 3

Relative country performance:

- “+” performs 10% or more better than the EU average.
- “-” performs 10% or more below the EU average.
- “0” performs at EU average, within a 10% range.

	Total lead time (months)	Number of authorities to be contacted directly	Number of authorities with indirect contact	Administrative lead time (months)	Administrative costs (of overall project costs)	Transparency of the administrative procedure (1-5)	Authority attitude (1-5)
Austria	+	+	-	+	-	+	-
Belgium	+	+	-	+	+	+	0
Bulgaria	+	-	+	+	+	-	-
Czech Republic	+	-	-	+	-	0	-
Denmark	+	+	+	+	+	-	+
Estonia	+	-	-	+	+	+	-
Finland	+	0	-	+	+	0	-
France	+	-	-	+	+	0	-
Germany	0	+	-	+	-	0	0
Greece	0	-	-	-	-	-	-
Hungary	-	-	-	+	+	0	-
Ireland	0	+	0	+	+	+	+
Italy	+	-	+	+	+	0	0
Latvia	+	+	+	+	+	0	-
Lithuania	+	-	-	+	-	-	-
Netherlands	+	+	+	0	-	-	-
Poland	+	+	-	0	0	0	0
Portugal	-	+	+	-	+	+	+
Romania	+	0	+	+	+	0	-
Spain	-	+	+	-	-	0	0
Sweden	+	+	-	0	-	+	+
United Kingdom	+	+	-	+	0	0	0
Offshore EU	+	+	-	+	-	0	0



WindBarriers results

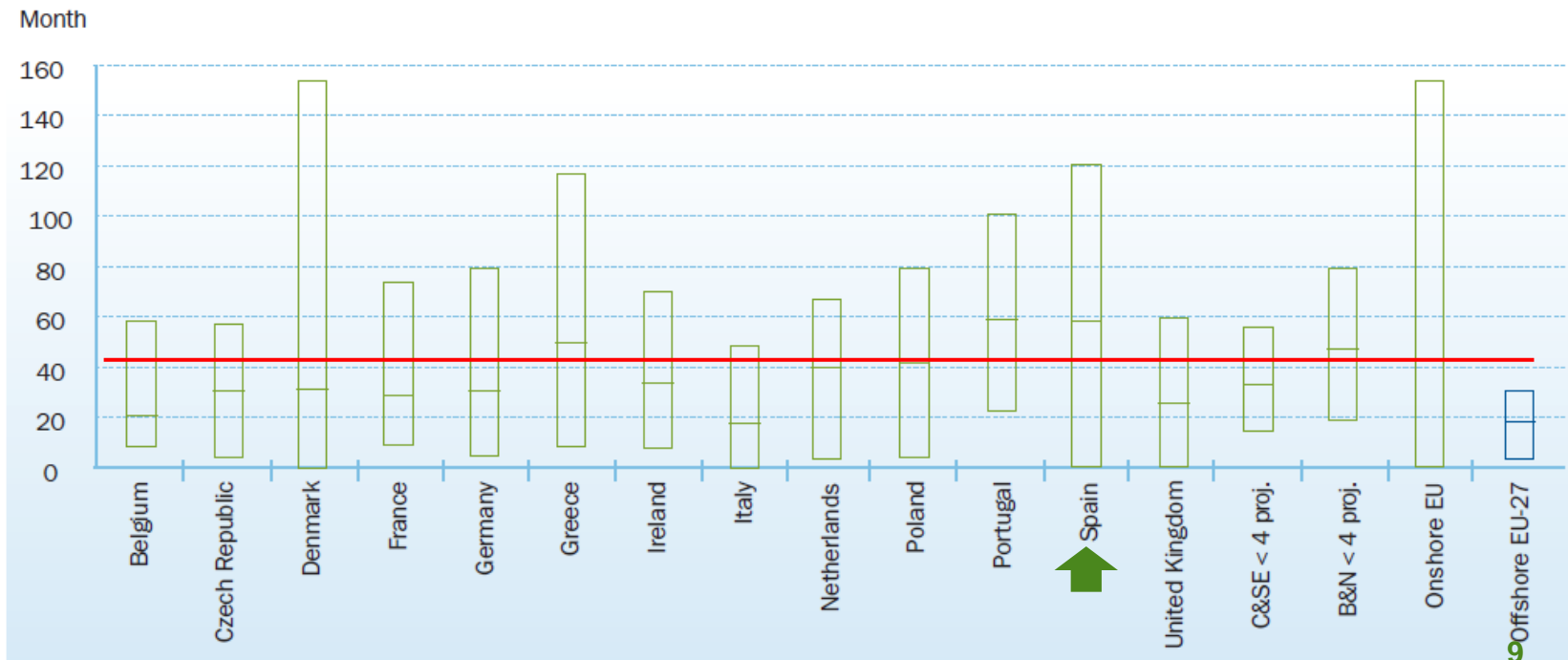
Administrative barriers

1. Number of Authorities

- EU average contact authorities:
 - ✓ Nine directly and nine indirectly for onshore projects
 - ✓ Seven directly and 16 indirectly for offshore projects

2. Time

- EU average for the administrative lead time is:
 - ✓ Three and a half years for onshore projects
 - ✓ One and a half years for offshore projects

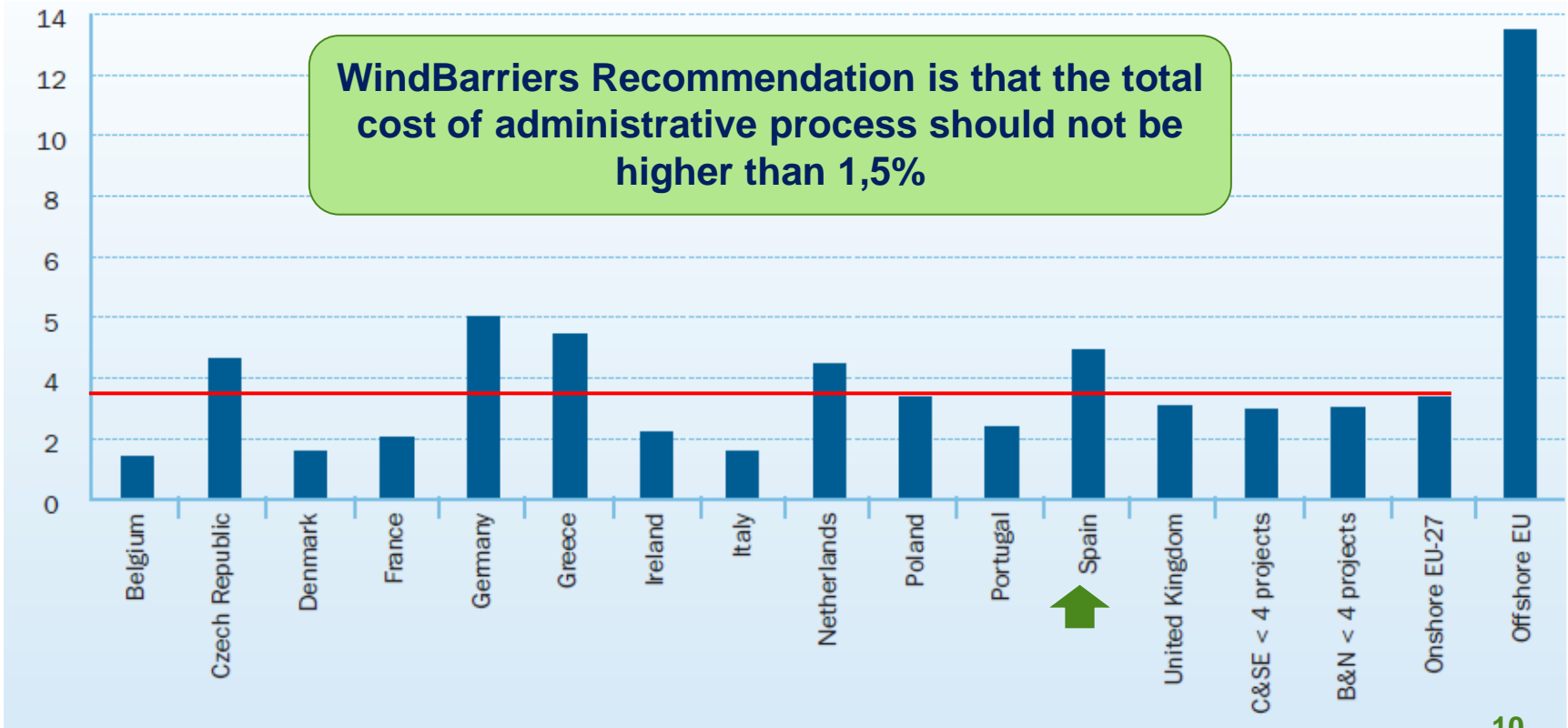


WindBarriers project results: Administrative barriers



3. Administrative Costs

➤ The average of the administrative cost of the overall project cost in the EU is:
✓ 2.9% in onshore projects
✓ 14% in offshore projects

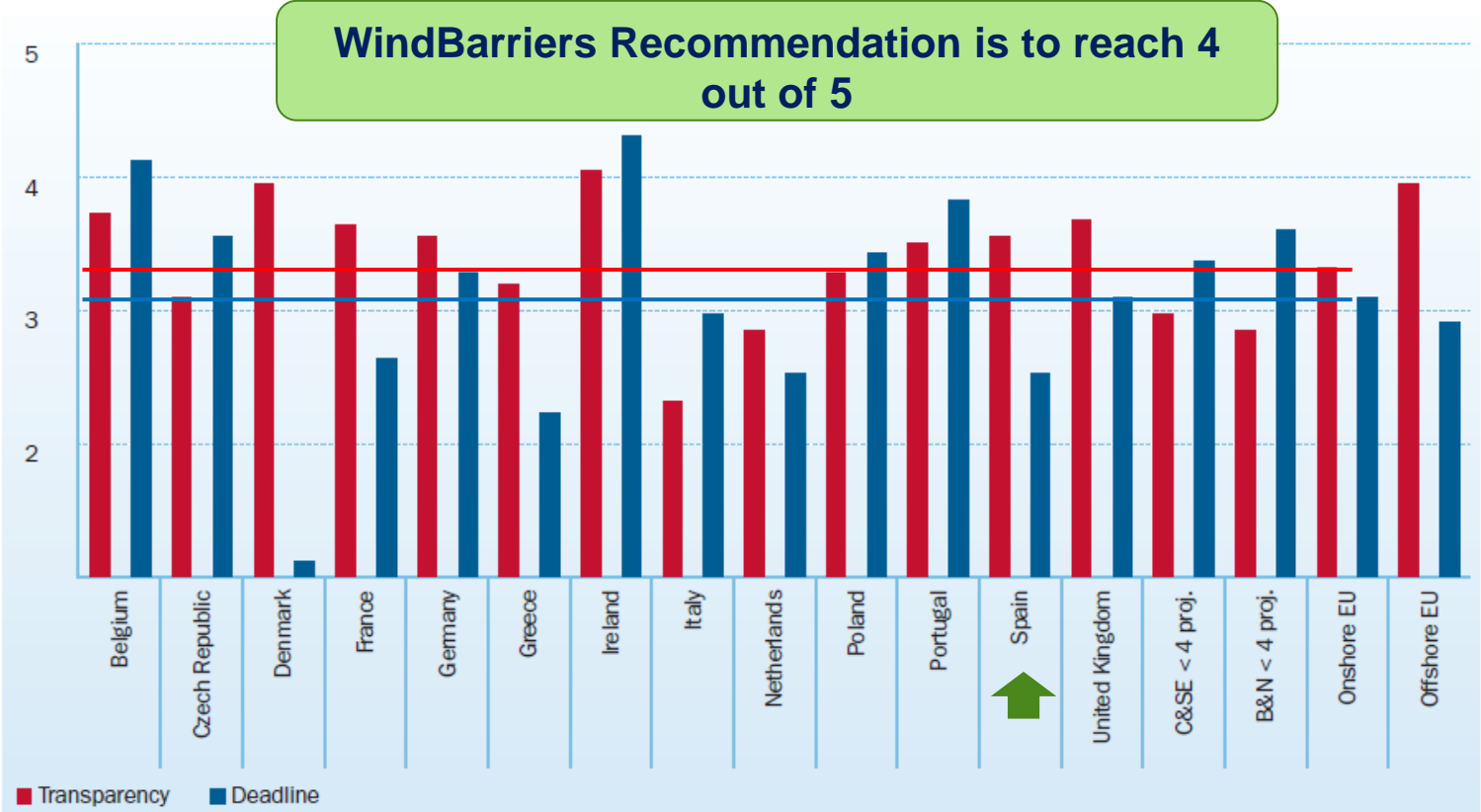


WindBarriers project results: Administrative barriers



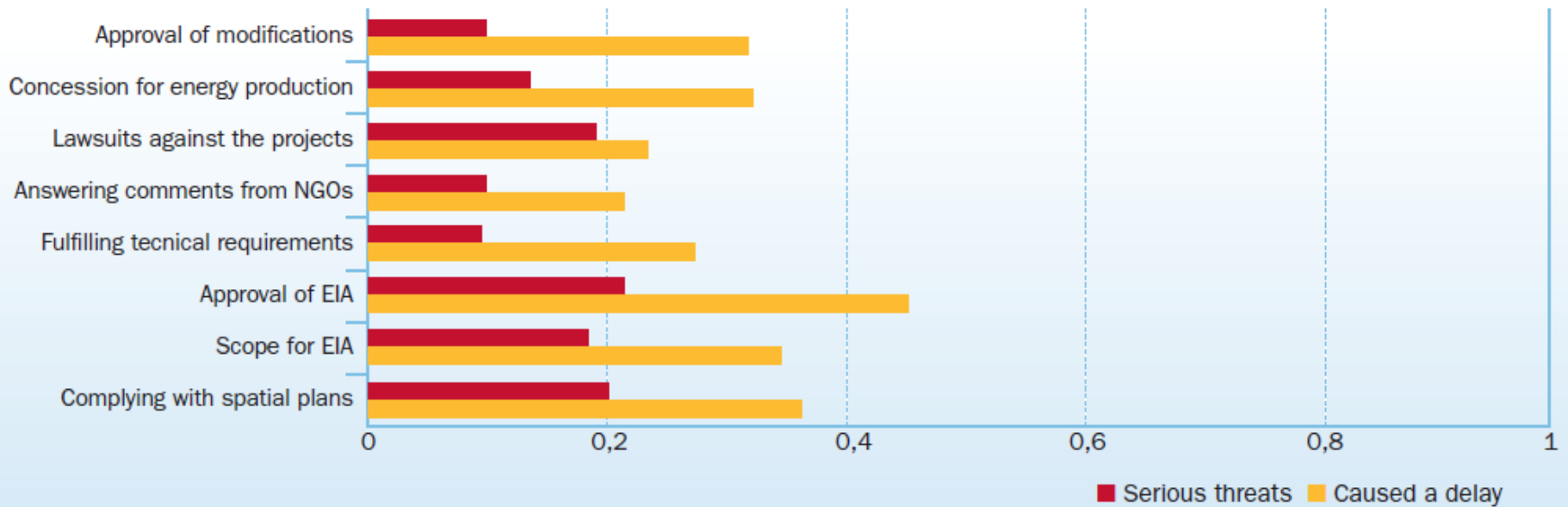
3. Transparency

➤ The transparency of the administrative procedures in the EU is:
✓ 3,21/5 for onshore projects
✓ 3,36/5 for offshore projects



WindBarriers project results: Administrative barriers

Barriers most encountered by developers across EU-27



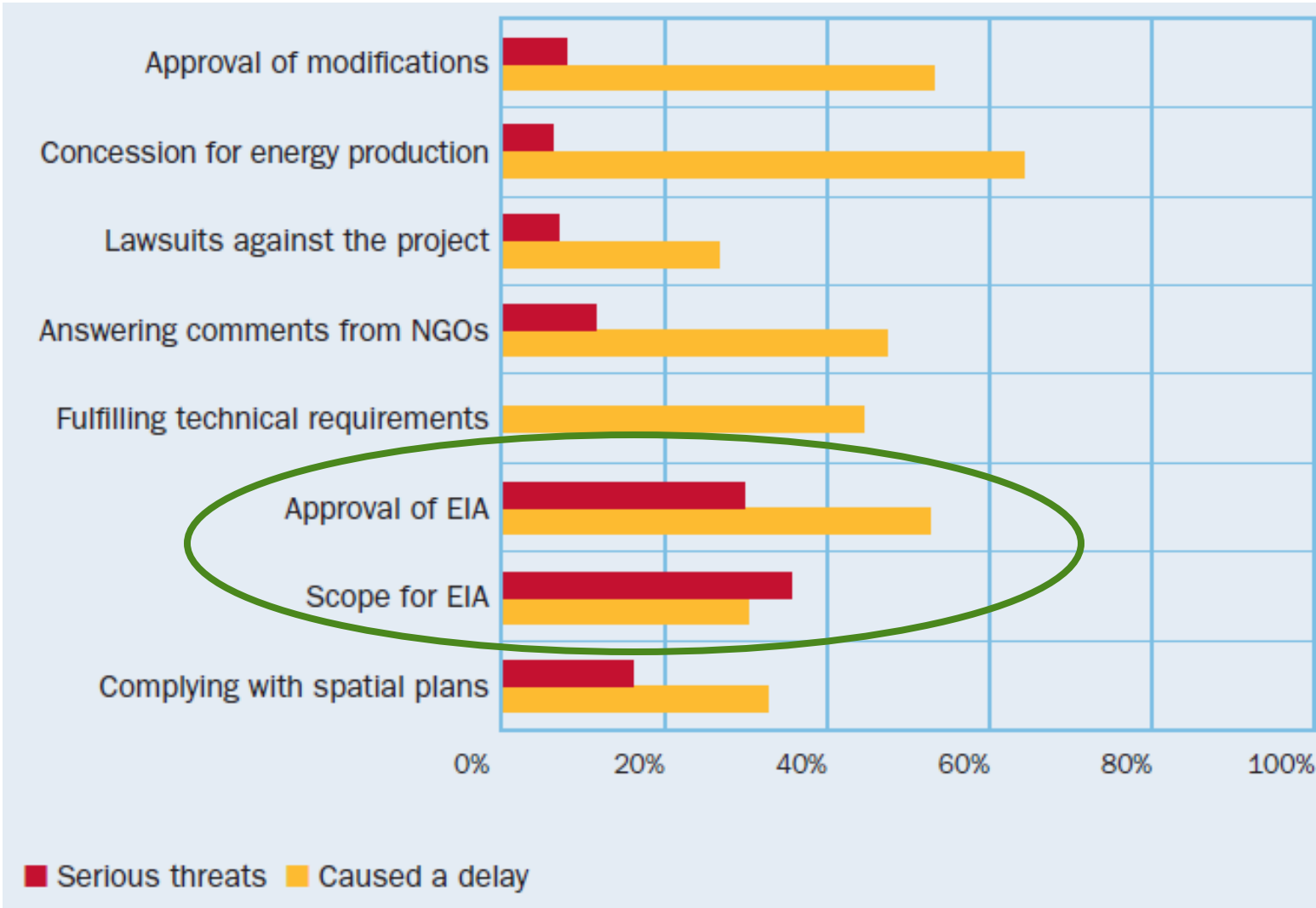
Source: DWIA and Fraunhofer ISI 2010, WindBarriers survey

➤ The barriers that most frequently cause problems for developers are the approval and the scope of the Environmental Impact Assessment (EIA), and complying with spatial planning procedures.

WindBarriers project results: Administrative barriers



Barriers most encountered in Spain



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Recommendations

WindBarriers Recommendations

Total lead times:

- **Reduce the average total lead time in the EU to 24 months;**
- Make clear requirements on Environmental Impact Assessments (EIAs) (fixed deadlines, how many EIAs need to be carried out depending on the size of the park, its location) and reduce the number of irrelevant documents;
- Develop spatial planning by defining the most appropriate locations and wind development areas, lowering investment risks and streamlining project application procedures;
- Train and allocate enough civil servants to handle the expected applications;

Number of authorities to be contacted directly and indirectly:

- Develop and implement the **‘one-stop-shop’** approach in all member states;
- The authorities should disseminate clear information to developers on the administrative procedures and decision-making processes;

Recommendations

WindBarriers Recommendations

Administrative lead times:

- Lower the average **administrative lead time to a maximum of 20 months**, to ensure that the total lead time in the EU stays below 24 months;
- Perform onshore and offshore spatial planning and define the most suitable wind development areas, with streamlined administrative procedures in these areas;
- Provide clear definitions of the administrative requirements, in terms of procedures, deadlines and EIA content;
- Set deadlines for the administrative process. If the authority is not able to meet the deadline, the project automatically goes to the next stage;
- Train and allocate the necessary civil servants to handle the expected applications;

Authority's attitude:

- **Improve the attitude of local authorities across the EU to an average of 4 out of 5**
- National authorities should make sure local and regional authorities are aware of the targets set out in their NREAP, and of the necessity for their country to meet them;
- Disseminate transparent and unbiased information to the authorities at all levels on wind energy technology and developments, addressing the myths associated with wind energy.

Recommendations

WindBarriers Recommendations

Administrative costs:

- **Lower the average administrative costs in the EU to 1.5% of the total project costs;**
- Perform a preliminary environmental assessment;
- Give incentives to competent authorities to gather data and studies collected under the EIA process and make them public;
- Limit the administrative requirements to the key relevant elements, in particular the ones identified through past projects. Update procedures regularly;
- Learn from past projects, and avoid requiring similar information from other projects with the same conditions;
- For offshore, maritime spatial planning should give special importance to cross border cooperation and to developing synergies with other sea users.

Transparency of the administrative procedure:

- **Improve the transparency of administrative procedures across the EU to an average of 4 out of 5;**
- Inform both the developers and the local authorities of the applicable rules and regulations;
- Set deadlines for the administrative process. If the authority is not able to meet the deadline, the project automatically goes to the next stage.

Recommendations

Iberdrola Considerations

The objectives in Spain for the 2020 published in the PANER are ambitious:

- 35.000 MW onshore
- 3.000 MW offshore

Offshore:

- RD 1028/2007
- One-stop-shop (centralize)
- **Guarantee (2% of the total cost)**
- **EIA very expensive. Is the MSP the solution?**
- **Offer a tariff at the start of the process and is permanent and binding.**

Learn and copy from other countries (good coping)

Onshore: regulation stability.

The Commission published on July of 2009 a report based on the application and effectiveness of the EIA Directive (85/337/EEC).

A public consultation about this report was open until last month.

The End

Any questions before lunch?



IBERDROLA
RENOVABLES