

Spain

Renewable Energy Fact Sheet

Policy Background

The EU is working to reduce the effects of climate change and establish a common energy policy. As part of this policy, European Heads of State or Government agreed in March 2007 on binding targets to increase the share of renewable energy. By 2020 renewable energy should account for 20% of the EU's final energy consumption (8,5% in 2005). To meet this common target, each Member State needs to increase its production and use of renewable energy in electricity, heating and cooling and transport.

Although renewable energies are an integral part of our fight against climate change, they also contribute to growth, job creation and increase our energy security.

Country targets

The renewables targets are calculated as the share of renewable consumption to gross final energy consumption. Renewables consumption comprises the direct use of renewables (e.g. biofuels) plus the part of electricity and heat that is produced from renewables (e.g. wind, hydro), while final energy consumption is the energy that households, industry, services, agriculture and the transport sector use. The denominator for the RES share includes also distribution losses for electricity and heat and the consumption of these fuels in the process of producing electricity and heat.

Spanish target: 20% (2005 = 8.7%)

Key issues

Spain is currently far from its RES-E target. In 1997, a strong support programme in favour of RES was introduced. In 2004, hydro power still provided 50% of all green electricity, while onshore wind and biomass had started penetrating the market. PV energy is also promising, with an average growth rate of 54% per year. Proposed changes to the feed-in tariffs and the adoption of a new Technical Buildings Code (2006) show increased support for biomass, biogas, solar thermal electricity, and solar thermal heat.

Main supporting policies

RES-E in Spain benefits from the following support mechanisms:

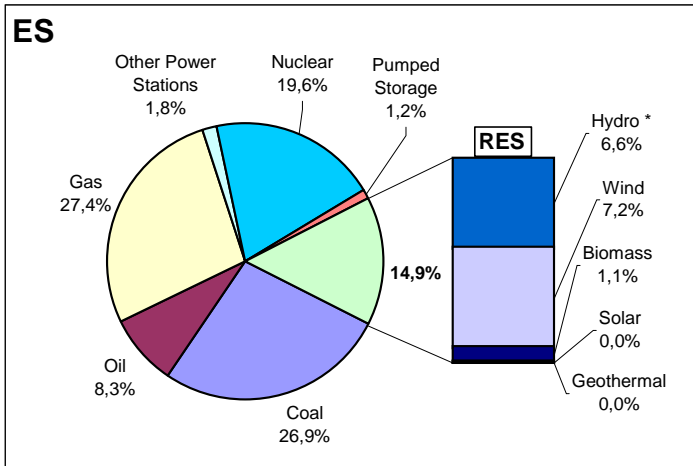
- A feed-in tariff or a premium price is paid on top of the market price. The possibility of a cap and floor mechanism for the premium is being considered. Also proposed in the draft law published on 29 November 2006 is reduced support for new wind and hydro plants and increased support for biomass, biogas and solar thermal electricity.
- Low-interest loans that cover up to 80% of the reference costs are available.
- New renewable energy legislation was passed in May 2007 which increased the tariffs for renewables from 50-100% for biomass, and from 16-40% for biogas.

The fuel tax exemption currently in place is applied specifically to the volume of biofuel eg zero euros per 1,000 litres. Adjustments might be made to prevent overcompensation.

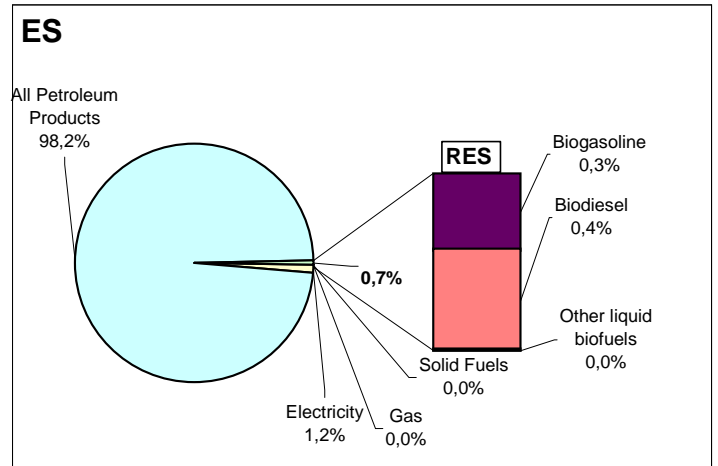
RES-H is supported through the new Technical Buildings Code (CTE, 2006). This includes an obligation to cover 30-70% of the domestic hot water demand from solar thermal energy and it applies to all new buildings and renovations. The assumed volume of hot water demand and the geographical location of the building determine the exact percentage that applies. Investments in RES-H are eligible for investment subsidies of 36.4% of the total cost.

Key figures¹

Gross Electricity Generation by fuel (2005)



Final Energy Consumption by Fuel, Transport (2005)



Source: Eurostat

* Not including generation from hydro pumped storage, but including electricity generation to pump water to storage. Municipal Solid Waste, Wood waste, Biogas included.

For further information

To find out more about renewables, go to: http://ec.europa.eu/energy/res/index_en.htm
http://ec.europa.eu/energy/intelligent/index_en.html

To find out more about the current situation of renewables in the Member States, go to
http://ec.europa.eu/energy/res/legislation/electricity_member_states_en.htm
http://ec.europa.eu/energy/res/legislation/share_res_eu_en.htm

To find out more about support measures, go to
http://ec.europa.eu/energy/res/legislation/support_electricity_en.htm

To find out about a project or contact an energy agency in your region, go to
<http://www.managenergy.net/emap/maphome.html>

¹ Reliable and complete data for heating and cooling is not yet available from Eurostat

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What is meant by.....?

RES: Renewable energy sources

RES-E: Electricity production from renewable energy sources

RES-H: Production of heat and cold from renewable energy sources

Biofuels: Mainly includes biodiesel and bioethanol

Biomass: Includes solid biomass, biowaste and biogas

PV: Photo-voltaic - technology for the production of electricity from solar energy

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