

EREF

European Renewable Energies Federation

H.E. Mariano Rajoy Brey
President of the Spanish Government

Cc. Mr Guenther Oettinger, European Commissioner for Energy

Brussels, 17 October 2013

Subject: Spanish RES policies are threatening investment security in Europe

Dear Mr. Rajoy,

With due respect and fully acknowledging the difficult political situation for your Government, we wish to convey to you our serious concerns about the regulatory instability that Spain is demonstrating in the energy sector, especially regarding the dismantling of support schemes for renewable energy sources (RES). This is truly jeopardizing the achievement of the 2020 European goals for RES.

The retroactive measures by the Spanish Government with severe cuts and standstill of the established Spanish support mechanism lead to serious detrimental impact for existing RES projects. They are undermining the legitimate expectations of RES producers as investors in your country. The respect of existing investments is crucial to promote economic stability. With Spain being one of the major economies in the Eurozone and a former frontrunner in energy system change towards renewable energies, we are worried about potentially infectious effect of these measures on investment insecurity for RES in the whole of Europe.

In addition to your being already strongly criticized by the European Commission for your policies in this field, a continuation of those detrimental measures could lead to an even more severe loss of credibility of Spain in the eyes of the investment sector in general.

These measures include, for instance, the complete elimination and substitution of the current RES electricity promotion scheme by a new scheme with unknown parameters or new barriers for RES electricity self-consumption through the introduction of new grid charges even for those who are completely self-consuming the produced electricity.

We strongly encourage a prompt and full rectification of these unpredictable and retroactive policies that have not been well assessed due to a lack of independent expert evaluation. We are ready to assist you in defining a framework, which is in compliance with the enormous effort your government has to undertake to find a way out of a difficult economic situation by re-establishing the positive economic effect of renewable energy industry for Spain.

Yours sincerely,

Rainer Hinrichs-Rahlwes
President



EREF is a federation of national renewable energy associations from EU Member States, such as wind, solar, small hydro, bio-energy, tidal, wave, and geothermal sources. EREF is striving to defend the interests of independent power, fuel and heat production from renewable sources and to promote non discriminatory access to the energy market. EREF is a member of EREC, the European Renewable Energy Council.