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Iberdrola and Euskaltel sign the first PPA in Spain involving a telecommunications operator

- **The power supplied will be 100% renewable and sourced from the newly-built Nuñez de Balboa solar power station**

Iberdrola has signed a Power Purchase Agreement with Euskaltel to supply electricity produced from renewable sources on a long-term basis.

This makes it the first PPA signed between a power company and a telecommunications operator in Spain.

All of the energy supplied will come from a renewable source: the Nuñez de Balboa solar plant that Iberdrola will be building in Usagre (Badajoz-Extremadura). It is set to be Europe's biggest solar power plant, with a capacity of 391 MW.

This contract will save Euskaltel from releasing 7,740 tons of CO₂ a year and will mean a step forward in the economic decarbonisation strategy.

For Ángeles Santamaría, the Managing Director of Iberdrola Spain, "PPAs represent a huge opportunity for developing clean energy sources - the ones that will shape the future of the world's power. Renewables have proven their competitive advantage and their ability to supply power at affordable and stable prices. In the long-term, PPAs - which are already highly developed in English-speaking markets - will rise as an instrumental tool in managing the power supply for large consumers who are committed to achieving green and sustainable consumption."

The Managing Director of the Euskaltel Group, Francisco Arteché, stressed that environmental excellence is a key priority for all three of the companies involved: Euskaltel in the Basque Country, R in Galicia and Telecable in Asturias. "We aim to build a sustainable future for people and for the planet. This agreement represents a step forward in our environmental commitment and our support for policies that foster best environmental practice within our organisation, as we strive to comply coherently and responsibly with the



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2030 Agenda guided by the 17 Sustainable Development Goals defined in the Paris Agreement.”

Iberdrola's PPAs in Spain, USA and Mexico

The term PPAs stands for Power Purchase Agreement and designates long-term power supply agreements that provide stability for investments made by energy providers whilst guaranteeing a reliable supply for major energy consumers at competitive and predictable prices. These arrangements also help them to reach their sustainability and climate change goals thanks to the clean energy certificates associated with PPAs.

Over the past few years, Iberdrola has struck up long-term power purchase agreements (PPAs) in Spain, the USA and Mexico. So far, in America they have signed PPAs with U.S. multinationals for over 800 megawatts (MW), including Amazon with a wind farm in North Carolina; Apple with the newly-built solar and wind power plants in Oregon; and Nike and Google with wind farms in Oregon, Texas and South Dakota.

In Mexico, Iberdrola has built wind farms and solar power plants with an installed power of 600 MW that will be supplying energy to private industrial clients through long-term PPAs, as well as the clean energy certificates associated with these facilities.

The world's first renewable company

Iberdrola is the world's prime renewable energy company, boasting an installed capacity of over 29,400 MW, more than 15,800 of which are produced in Spain. After investing more than € 95 billion in clean energy over the past 18 years, this will continue to be one of its key courses of action. In fact, the company expects to invest € 32 billion by 2022, dedicating 37% to renewable projects.

About Iberdrola

Iberdrola is a global energy leader, the top wind power developer and one of the largest power companies in terms of world market capitalisation. The group is present in numerous countries and supplies energy to over 100 million people mainly in Spain, the United Kingdom (Scottish Power), the USA (AVANGRID), Brazil (Neoenergia) and Mexico. With a workforce of 34,000 and assets in excess of €110 billion, it posted revenues of just over €31.26 billion and a net profit of €2.8 billion in 2017.



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Iberdrola is leading the transition towards a sustainable energy model through its investments in energy from renewable sources, smart grids, large-scale energy storage and digital transformation in order to offer its customers the most advanced products and services. Thanks to its commitment to clean energy, Iberdrola is one of the companies with the lowest emissions and an international benchmark for its contribution to the fight against climate change and for the sustainability of the planet. Iberdrola is listed on numerous international sustainability indices, among them the Dow Jones Sustainability Index and FTSE4Good, and it is considered one of the most sustainable electricity utilities in the world.

About Euskaltel

Euskaltel is the leading telecommunications operator in the Basque Country. Together with R in Galicia and Telecable in Asturias, these three companies comprise the dominant telecommunications group in north of Spain, which strives to provide comprehensive coverage for people's communication needs and to boost business productivity, equipping companies with communication and information management tools, and generally driving economic and social growth in the regions where it operates. The Group is firmly committed and deeply rooted in the Basque Country, Galicia and Asturias, where business is run through its operators Euskaltel, R and Telecable.

The Euskaltel Group is backed by a team of 705 people, as well as generating over 4,200 indirect jobs in these three Spanish regions. Its scope reaches a network of 6 million people, providing some 2.4 million services every day. The Group is a leader in fibre optics (broadband, telephony, subscription TV and convergent telecommunications services), offering the broadest Wi-Fi network in the Basque Country, Galicia and Asturias and over 436,000 access points. It is also a mobile phone operator with its own 4G licence and deploys its own network thanks to an LTE licence.

In keeping with its strategy to combat climate change and its effects, and in line with the Sustainable Development Goals and with the 2030 Agenda for Sustainable Development, Euskaltel has defined and put in place an Environmental Steering Plan that involves lessening its carbon footprint among its key strategic goals. To achieve that goal, it is taking several measures, including agreements to use clean, renewable energy.

