

Press release

Grupo Red Eléctrica

The Balearic Islands is the region that will see the highest level of investment in Spain

The Network Development Plan with a 2026 horizon has been approved to drive a greener future for Spain

- The Network Development Plan 2021-2026 is a key instrument for developing the electricity infrastructure needed to continue guaranteeing the security of supply in addition to promoting the energy transition process nationwide to ensure that renewable energy will account for 67% of the national electricity generation mix by 2026.
- The drafting of the Plan has followed a rigorous Strategic Environmental Assessment procedure to ensure it is sustainable and environmentally friendly.
- The projects included in the Plan will contribute to achieving significant efficiencies and savings for the system as a whole, more than 1.6 billion euros per year. In addition, the investments will help boost Spain's recovery from the crisis.
- 1.169 billion euros 17% of the total national Plan has been earmarked for the Balearic Islands. Among other
 actions, it includes the second submarine electricity link between the Spanish mainland and Majorca and the
 installation of battery energy storage systems in Minorca and Ibiza to maximise the contribution and benefits
 associated with the existing submarine links. A new link between Majorca and Minorca is also planned for after
 2026.

Balearic Islands, 22 March 2022

The Network Development Plan 2021-2026, which is binding for Red Eléctrica, has been given the green light after having been approved today by the Spanish Government following its presentation in the Spanish Congress of Deputies. With an investment of 6,964 million euros, this new Plan is a strategic instrument through which the necessary infrastructure will be developed so that Spain may continue to enjoy an electricity supply with high levels of quality and will allow further progress to be made in the decarbonisation of its energy model and in its fight against climate change.

In this regard, the actions included within the Plan will size and prepare the transmission grid in the coming years to be able to connect and integrate a higher share of renewable energy generation in line with the pace set by Spain's National Energy and Climate Plan (NECP) and make it available to consumers. Thanks to the development of this infrastructure, it is estimated that in 2026 renewable energy will reach a share of 67% in the national electricity generation mix and will enable CO_2 eq emissions to be reduced by 66% compared to those recorded in 2019 (the year before the pandemic), provided that the NECP forecasts and the full implementation of this Plan are met. Similarly, the projects included in the Plan, will contribute to achieving significant efficiencies and savings for the system as a whole, more than 1.6 billion euros per year. In addition, the investments will help boost Spain's recovery from the COVID-19 crisis.

The planning process followed a rigorous Strategic Environmental Assessment procedure to ensure it is sustainable and environmentally friendly. It should be noted that the Plan took into account the environmental and

gabinetedeprensa@ree.es

www.ree.es/en > Press office

Tel. +34 91 453 33 33 / 32 81 - +34 91 728 62 17 - +34 610 39 66 98











territorial conditioning factors and has prioritised these aspects in the final design. Furthermore, the Network Development Plan 2021-2026 includes making greater use of the existing transmission grid, thus avoiding those areas that are most environmentally sensitive and reducing those actions that may have an impact on the territory. In fact, only 13% of all renewable generation expected to be connected by 2026 will require new transmission substations.

The Balearic Islands is the region in Spain that will receive the largest investment in the 2021-2026 Plan, a total of 1.169 billion euros, 17% of the total national budget. This huge investment will enable the construction of the second electricity link with the mainland and the development and optimisation of the transmission grid on the Balearic Islands. This investment will help drive the momentum that the Balearic Islands need in order to take definite steps in their energy transition process and thus place themselves at the forefront of a new green energy model that guarantees a quality electricity supply.

Furthermore, additional key actions are planned for the Balearic Islands beyond the 2026 horizon. Of particular note is the second submarine cable between Majorca and Minorca, which will complete the energy transition process in the Balearic Islands, as well as the installation of hybrid systems consisting of a synchronous condenser and a battery energy storage system on the island of Majorca .

Second link with the Spanish mainland and completion of grid improvement works currently underway

The strengthening of the interconnection with the Spanish mainland, via a second submarine cable, is one of the most important projects included in the new Transmission Grid Development Plan. This second submarine electricity link between the Spanish mainland and the Balearic Islands consists of a high-voltage direct current interconnection between the Fadrell (Castellón) and Sant Martín (Majorca) substations. It will be comprised of a bipolar link with a transmission capacity of 2x200 MW and will have an estimated length of 389 km underwater and an underground land section of 16 km (11 km in Majorca and 5 km in Castellón) and will run along the seabed at a maximum depth of 1,613 metres.

Once in service, this interconnection will significantly increase the benefits of the existing interconnection between the Spanish mainland and the archipelago. Specifically, the existing link covers more than a quarter of the energy demand on the Balearic Islands and favours the penetration of renewables in the Balearic Islands' electricity system. It also avoids the emission of 250,000 tonnes of $C0_2$ eq each year and generates savings of between 50 and 80 million euros per year for the electricity system as a whole.

Furthermore, during the period of validity of this Plan, work already underway will be completed, such as the new link between Ibiza and Formentera. The future submarine interconnection between the two islands includes the deployment of two 132 kV alternating current circuits between the 132 kV substation under construction on Formentera and the existing substation at Torrent (Santa Eulària des Riu). The link will have an underwater section of 27.15 km that will run along the seabed at a maximum depth of 62 metres, and an underground land section of 5.26 km in Ibiza and 4.8 km in Formentera.

The Plan also contemplates the completion of the South Axis in Ibiza, in order to enhance the security of the transmission grid on the Islands. These actions include the increase in the power capacity of existing lines (actions already underway), a new 132 kV substation in Sant Jordi annexed to the existing one and the new underground connection line of approximately 7 km between the Ibiza and Bossa substations.

New elements: battery energy storage systems in Minorca and Eivissa

The 2021-2026 Plan also foresees the incorporation of innovative energy storage systems that will allow the current links to be used to their maximum potential, enabling an increase in the energy they transport. These battery energy storage systemS will be used for the first time in the national transmission grid and will allow Minorca to have access



to and store more than twice the energy that its link with Majorca currently provides, doubling the associated benefits: reduction of local thermal generation, reduction of CO_2 emissions, the safe integration of renewable energy, among others. In the case of the battery energy storage system to be installed on Ibiza, the contribution of the current link with Majorca and its benefits would also be more than two-fold.

A Plan conceived by all for society as a whole

This Network Development Plan is the result of the responsible and collective efforts of all stakeholders. The public administrations and the different agents of civil society have participated in its preparation, working together with a common goal: to build, together, a useful and valuable transmission grid for everyone. For the first time, the consultation process has been open to all citizens, companies and public administrations, whose high level of participation has demonstrated the enormous interest of society as a whole in the energy transition process.

• More information at https://www.planificacionelectrica.es/