

Spain: EIB supports modernisation of electricity distribution facilities with EUR 500 million loan to Endesa

The European Investment Bank (EIB) is providing a EUR 500 million loan to Endesa to support the necessary investment to upgrade its distribution grid. The aim of the project, which will be implemented over the next two years, is to improve the quality and efficiency of Endesa's electricity supply facilities, making them more environmentally friendly and sustainable, and expanding its network of connections to renewable energy sources. The loan agreement was signed in Madrid today by EIB Vice-President Román Escolano and Endesa's CEO, José Bogas.

The grid enhancements will be carried out in six Spanish regions (Aragon, the Balearic Islands, Catalonia, the Canary Islands, Andalusia and Extremadura) and over 17,500 jobs will be created during the project implementation phase.

Most of the schemes will involve rolling out new connections to renewable electricity sources and will enable Endesa to expand its customer network and supply power for public transport. Distribution grid improvements include laying new low-voltage lines and replacing overhead power lines with underground cables to reduce both the environmental impact and power cuts caused by fallen trees and branches.

The project financed by the EIB will also contribute to automating electricity facilities, improving the remote control of Endesa's substations, which will also be equipped with new systems to detect leaks and unauthorised supply connections. The company's five power grid control centres in Zaragoza, Barcelona, Palma de Mallorca, Seville and Las Palmas de Gran Canaria will be set up to operate anywhere across the distribution grid.

The technology revamps will also benefit customers through the installation of over 2.5 million smart meters that can provide information to enable them to tailor their electricity consumption to the different time-based tariffs.

At the signing ceremony in Madrid, **EIB Vice-President Román Escolano** said that *"One of the EIB's priorities is to ensure the necessary finance is available to guarantee a secure and sustainable power supply. We are therefore pleased to support this project to revamp electricity facilities, with a two-fold objective: to enhance supply quality and contribute to tackling climate change through a more sustainable electricity system"*.

Endesa's CEO, José Bogas, stressed that the EIB loan will help *"boost the efficiency of distribution activities and increase the grid's capacity to meet the demand for new energy services while enhancing the grid integration of renewable energies in the system."*