

For the period from 1 January to 30 June 2020

## Allocation of the interruptibility service begins for large electricity consumers

- A total of 1,000 megawatts (MW) of interruptible power will be auctioned; divided into 200 blocks of 5 MW.
- Red Eléctrica de España, as system operator, manages the auctions, whose procedure and rules are defined by the Ministry for Ecological Transition.

Madrid, 17 December 2019

The competitive allocation of the interruptibility demand-side management service corresponding to the period between 1 January and 30 June 2020 has started today, through the holding of the auction convened by the Ministry for Ecological Transition and managed by Red Eléctrica at the IFEMA Trade Fair Venue in Madrid.

On this occasion, 1,000 MW of interruptible supply, divided into 200 blocks of 5 MW capacity product, will be auctioned, as established in the Resolution of the Spanish Energy Ministry of 2 December 2019, approving the calendar and the characteristics of the procedure regarding the competitive auctions for the allocation of the interruptibility demand-side management service regulated in Order IET/2013/2013, of 31 October.

The allocation mechanism will be similar to that of previous year's auctions and will be carried out through competitive reverse auctions in which the opening price will start at 125,000 euros/MW and year for 5 MW capacity products, as established in the aforementioned regulations.

During the next few days, about 120 participating companies within the large industry sector and who are intensive electricity consumers, will compete for the 5 MW capacity products linked to the interruptibility service. The final results of the auction will be published on [Red Eléctrica's System Operator Information System \(e-Sios\) website](#), once they have been validated by the National Markets and Competition Commission.

### Interruptibility service

The interruptibility service is a tool available to Red Eléctrica, as system operator, to ensure, at all times, a quality electricity supply nationwide. With this mechanism, very large consumers of electricity (industries) undertake and agree to reduce their electricity consumption as and when the electricity system requires them to do so; such consumers are financially compensated for this curtailment. The service is activated by Red Eléctrica and responds to technical or economic criteria.

The process is articulated on a system of competitive reverse auctions in which the starting price for each block of capacity product is reduced until only one bidder remains, pursuant to that established in the Resolution of the Secretary of State for Energy of 5 August 2016, approving the rules of the competitive auction procedure.

The allocation of the interruptibility service is carried out through auctions managed by Red Eléctrica and supervised by the National Markets and Competition Commission. For its part, the Ministry for Ecological Transition is the body responsible for defining this entire procedure and the rules by which it is governed.