

For the period from 1 January to 30 June 2020

Auctions allocate 1,000 MW of interruptible power to large electricity consumers

- A total of 118 companies participated in this auction process in which 200 blocks of 5 MW were allocated.
- 4.38 million euros will be earmarked to the interruptibility service for large consumers for this period.

Madrid, 19 December 2019

Red Eléctrica de España has completed the process of allocating the interruptibility demand-side management service for large electricity consumers through competitive auctions which have allowed 1,000 megawatts (MW) of interruptible power to be allocated with an average price of 8,764 euros/MW per year.

Thus, according to the final auction results published by [Red Eléctrica on the System Operator Information System \(e-Sios\) website](#), already validated by the National Markets and Competition Commission (CNMC), for the period between 1 January and 30 June 2020, 4.38 million euros will be earmarked to the interruptibility service for large electricity consumers.

200 blocks of 5 MW capacity were auctioned in this allocation process, which translates into 1,000 MW of interruptible power for the aforementioned period. A total of 118 large electricity consumers took part in this year's round of auctions organised by Red Eléctrica as Auction Administrator and that were held in Madrid on 17 and 18 December.

The average allocation price was 8,764 euros/MW per year. The starting price fixed by the Secretary of State for Energy in its Resolution of 2 December 2019, was 125,000 euros/MW per year for each 5 MW block.

The process is articulated through a system of competitive reverse auctions in which the starting price is reduced progressively by 1,000 euros until there is only one bidder left for each block of capacity product.

The interruptibility service is a tool available to Red Eléctrica, as system operator, to ensure, at all times, a quality electricity supply nationwide. By way of such service, 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 the curtailment. The service is activated by Red Eléctrica and responds to technical or economic criteria.

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.