

## The Government of the Canary Islands approve the General Interest Declaration of the 'Salto de Chira' pumped-storage hydroelectric power station

- The Cabinet of the Government of the Canary Islands, at the proposal of the Regional Ministry of Ecological Transition, the Fight against Climate Change and Territorial Planning of the Canary Islands Government, has approved the decree approving the execution of the Chira-Soria pumped-storage hydroelectric power station project.

Las Palmas de Gran Canaria, 25 November 2021

The announcement of the agreement of the Cabinet of the Government of the Canary Islands highlights that this is an essential project for the advancement of renewables in Gran Canaria, and on the islands as a whole, and for the achievement of the short and medium-term targets set out in the Climate Emergency Declaration and in the Climate Change and Energy Transition Law, which is currently undergoing parliamentary approval.

The declaration of General Interest of the Salto de Chira pumped-storage hydroelectric power station project confirms the vocation to serve society that has guided its design, as it is an energy storage tool at the service of the entire electricity system that facilitates the integration of renewable energy coming from large and small facilities, large companies and family businesses as well as from domestic households with self-consumption. It represents an integrative tool at the service of all electricity system users, in line with REE's own activity. In this regard, Salto de Chira power station will increase renewable energy production on the island by 37%, over the estimated energy that would be generated without the existence of this facility, raising the average annual coverage of the demand using renewable generation to 51%, which at specific times may be much higher. This will lead to an additional 20% reduction in annual CO<sub>2</sub> emissions. In other words, with the same renewable generation installed capacity, a much higher decarbonisation of electricity is achieved, thus contributing to the efficiency of the electricity system as a whole.

From the point of view of electricity system operation, it will provide a greater guarantee of supply by increasing installed power capacity, on the one hand, and will bolster the security of the electrical energy system, a fundamental aspect for an electrically isolated system and, therefore, more vulnerable in a scenario with increasingly greater integration of renewable energy. This infrastructure will provide benefits that will lead to a generation mix that produces increasingly lower emissions and which. Additionally, in the event of a supply interruption, will speed up and drastically reduce the time required to restore the system.

This recognition as a project of General Interest is also a decisive step towards obtaining the necessary administrative permits that will enable the construction of this new infrastructure, which is essential for the ecological transition.