



Next Generation REACT-EU Extraordinary Funds

REACT-EU FUNDS

The European Union response to the pandemic of COVID-19

Within the extraordinary Next Generation funds, approved by the European Union to alleviate the consequences of the COVID-19 pandemic, is the REACT-EU (*Recovery Assistance for Cohesion and the Territories of Europe*) programme. This aims to mitigate the economic effects of COVID-19 and to promote the creation of more sustainable and resilient European societies, better prepared for the challenges and opportunities of the ecological transition and the digital transformation.

Canal de Isabel II as a beneficiary of REACT-EU funds: The Solar Plan

Canal de Isabel II's Solar Photovoltaic Energy Plan, known as the Solar Plan, is part of this recovery objective. The plan promotes the production of energy through renewable generation sources to reduce grid consumption, thus contributing to mitigate climate change and reduce greenhouse gas emissions. It also aims to maximise synergies in the water-energy nexus, so photovoltaic panels will be installed on those areas available at each location where no other use is foreseen. Depending on the surface available in each case, they can be installed on the ground or on the roofs of water tanks, storm tanks, filters, warehouses, offices, or other buildings. The last phase also contemplates their installation on a floating surface. Furthermore, with the Solar Plan, Canal de Isabel II reinforces one of the objectives of its 2018-2030 Strategic Plan: Within the extraordinary Next Generation funds, approved by the European Union to alleviate the consequences of the COVID-19 pandemic, is the REACT-EU (*Recovery Assistance for Cohesion and the Territories of Europe*) programme. It aims to mitigate the economic effects of COVID-19 and to foster the creation of more sustainable and resilient European societies, better prepared for the challenges and opportunities of the ecological transition and the digital transformation.

To be the first company in our sector in Europe to produce an amount of energy equal to or greater than what we consume.

PHASES AND CHARACTERISTICS OF THE SOLAR PLAN

The Solar Plan is structured in four phases that will be implemented successively. The first three have already been selected for financing under the REACT-EU programme.

For the fourth and last phase (the floating solar or “*flotovoltaic*” phase for implementation from 2024 onwards), co-financing has been requested with ERDF 21-27 funds.



The main features of the Solar Plan are:

- 25 photovoltaic plants to be executed.
- More than 35 MW of installed capacity.
- More than 45 million euros of total investment.
- Deadline for the execution of the projects to be financed: 31/12/2023.

Another noteworthy feature is that most of the production of the photovoltaic installations will be consumed on site, thus reducing the electricity demand of the grid for each of these infrastructures. In addition, some of these facilities will produce occasional surpluses that can be fed into the grid, thus helping to increase the share of renewables in the energy mix. In some of these infrastructures, photovoltaic installations will co-exist with pre-existing generation technologies (hydro, micro-hydro, biogas motor-generation or biogas microturbines, among others), thus increasing the possibilities of energy management and optimising the use of existing resources.

Table of premises and power to be installed:

Phase	Name of the premises	Estimated power (MW)	Installation type	Location
0	Depósito Torrelaguna	1,696	floating	Torrelaguna
0	EDAR Arroyo Culebro CMA	0,886	ground	Pinto
0	Depósito El Pinar	1,860	roof	Colmenar Viejo
0	ETAP Majadahonda	1,061	roof	Majadahonda
1	EDAR Arroyo Quiñones	1,579	ground	San Sebastián de los Reyes
1	EDAR Algete II	0,465	ground	Algete
1	EDAR La Reguera	1,148	ground	Móstoles
1	EDAR Meco	0,771	ground	Meco
1	EDAR Arroyo Culebro Cuenca Baja	2,140	ground	Getafe
1	Secadero de lodos Loeches	2,000	ground	Loeches
1	EDAR Torrejón de Ardoz	1,250	ground	Torrejón de Ardoz
1	Depósito ETAP Valmayor II	3,259	roof	Colmenarejo
1	ETAP Griñón	0,449	roof	Griñón
1	Tanque tormentas Butarque	2,340	roof	Madrid
1	ETAP Navacerrada	0,451	roof	Navacerrada
1	ETAP El Tajo	0,653	roof	Colmenar de la Oreja
1	ETAP Pelayos de la Presa	0,431	roof	Pelayos de la Presa
2	Depósito Vallecas	2,057	roof	Madrid
2	Depósito Retamares	3,337	roof	Madrid
2	Depósito Getafe	3,236	roof	Getafe/Leganés
2	Depósito de Hortaleza	1,156	roof	Madrid
2	Tanque tormentas Abroñigales	1,900	roof	Madrid
2	EDAR Arroyo Valenoso	1,000	ground	Boadilla del Monte
2	Depósito El Palomar	0,500	roof	Colmenar de la Oreja
2	Depósito La Perlita	0,450	roof	Arganda del Rey

CANAL DE ISABEL II AS A BENEFICIARY OF RECOVERY AND RESILIENCE MECHANISM FUNDS

The cornerstone of the *Next Generation* funds is the Recovery and Resilience Mechanism (RRM), which accounts for 80% of the budget. It aims to support investment and reforms for sustainable and resilient recovery, while advancing climate and digital priorities.

Through the **Environment Sectorial Conference**, which is the co-operation body made up of the Ministry for Ecological Transition and the Demographic Challenge (MITECO) and the environment departments of the autonomous communities, Canal de Isabel II is executing two operations that will be financed with funds:

- **Improving supply and reducing losses in networks in small and medium-sized municipalities** (< 20,000 inhabitants). To this end, a subsidy of 2.9 million euros has been granted until 2025, the beneficiary municipalities of which will be: Miraflores de la Sierra, Villaconejos, and Orusco de Tajuña. The actions to be carried out in these three small municipalities will be executed within the plan to renew 1,200 kilometres of our supply network, which forms part of our Strategic Plan 2018-2030 and is already underway.

- **Digitalisation of the water cycle in small municipalities** (< 20,000 inhabitants). To this end, the Community of Madrid has been granted a subsidy of 3 million euros until 2026, which will be distributed among 50 municipalities.

On the other hand, Canal will present several projects for European co-financing in the **Strategic Project for the Recovery and Economic Transformation (PERTE) for the Digitalisation of the Water Cycle**. This is a new formula for public-private collaboration to develop projects of a strategic nature, with great potential for economic growth, employment and competitiveness of the Spanish economy.

This line of action has a direct investment of 1,700 million euros, which will entail an additional mobilisation of 1,120 million euros in public-private collaboration.

REACT-EU FUNDS



Funded by the
European Union
NextGenerationEU

Canal
de Isabel II