



INFORMATIVE NOTE

As part of the STAR project for installing state-of-the-art electricity grids

IBERDROLA reaches 90% smart meters in Spain.

- **The company is deploying one of the most advanced smart grids in the world, complementing the new meters with the digitalisation of its infrastructures and systems**
- **This initiative, which the company is implementing in 10 autonomous regions, is a year ahead of schedule and the total investment will exceed €2 billion**
- **This project's main objective is to prepare the grid to provide the services required in the future, with quality and efficiency, contributing to the country's development and the well-being of its citizens**

Iberdrola Distribución has exceeded the figure of 9.5 million digital meters installed and the infrastructure that supports them has been adapted to smart grid, which means the company has modernised 90% of all its meters in Spain.

The STAR project (Grid Remote Management and Automation System), is an ambitious Iberdrola initiative that complements the legal obligation to change meters - with powers of less than or equal to 15 kilowatts, which, in Iberdrola's case, means 10.6 million devices - with an extensive modernisation and digitalisation of the electricity grid, which is preparing this critical infrastructure for the services its customers will require in the future.

This development coincides with Iberdrola's vocation to efficiently provide a quality service to its customers, ensuring its electricity grid is ready for future services and requirements, thus contributing to the growth of the country's economy and the well-being of its citizens.

Thanks to the remote management, customers can consult --via





INFORMATIVE NOTE

www.iberdroladistribucion.es-- their daily, weekly and monthly consumption curves, their peak power demand and many other items. This data reveals how the electricity consumption is distributed so as to use it more efficiently and be able to decide which rate suits the customer's profile best. Remote management enables immediate execution of the services the customer requires, such as changes of contracted power, unscheduled meter readings, contract subscription and deletion, etc.

The adaptation to smart grid enables Iberdrola to monitor and remotely and automatically control the electricity grid, enabling it to get ahead of potential incidents and improve the quality of the service it gives its customers. The information available enables the electricity distribution grid to be operated more efficiently, reducing losses and increasing safety.

Iberdrola uses the highest international standards and robust, maximum security encryption algorithms that guarantee the authentication, confidentiality and privacy of every one of its digital devices by means of unique user name and password identification. Furthermore, the digital meters use high-security cryptographic keys, in accordance with internationally established standards in the sector, ensuring data packages leave encrypted and authenticated.

The digitalisation of the grid - providing an infrastructure that carries electricity and data - facilitates the integration of the renewable energy distributed, the management of a grid that is going to be increasingly active, and the future mass integration of electric vehicles. In addition, the information received about the state of operation of the grid enables the necessary investments to be optimised, maintenance work to be improved and, in short, increases operating efficiency.

IBERDROLA boosts business sector

The gradual roll-out of smart grids in Spain once again demonstrates IBERDROLA's strong pull effect on the domestic business sector and its positive impact on job creation and maintenance.

The STAR project will require an overall investment by the company in





INFORMATIVE NOTE

Spain of over €2 billion. It is expected to be completed in the year 2018 and will involve the replacement of over 10.6 million meters and the adaptation of some 80,000 transformer stations

Iberdrola plans to develop similar projects in the countries where it is active, provided that the appropriate regulatory conditions are met, which will give the companies collaborating in the STAR project access to significant business opportunities.

