## Screening of best practices in Spain

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Version: 31 January 2021

## Perspective on best practices in the policy debate

The social tariff for electricity in Spain was first approved in 2009. On 6 October 2017 (Marbán and Rodríguez 2018), the Spanish parliament approved Royal Decree 897/2017, which legislates on the definition of vulnerable consumers, social bonuses and other protective measures for domestic consumers of electrical energy. So, within Spanish energy poverty policy, social policy typically takes the form of financial assistance but energy vulnerability is only defined for the case of the electricity market. Low-income households have to apply for the social tariff; it is not awarded automatically.

There is an energy poverty <u>observatory in the province of Guipuzcoa</u>, but no national energy poverty observatory. In 2018, the Comillas Pontifical University in Madrid, created the <u>Chair of Energy and Poverty</u> with the collaboration of a group of companies in the energy sector and social partners.

In October 2018, the new Spanish government launched the Climate Change and Energy Transition Bill (Gobierno de España, 2018), including some minor changes in the previous electricity social tariff, and announcing the new "heating social bonus" for the beginning of 2019, which will be linked to the electricity social tariff. The Law was finally approved in 2020.

Until 2019, no public institution was producing statistics regarding the situation of energy poverty in Spain, except the aforementioned observatory in the north of Spain, and some municipalities. This function has otherwise been carried out by a private non-institutional association, ACA (<u>Asociación de Ciencias Ambientales</u>), without public support.

Approved by the Spanish Government in March 2019, the National Strategy against Energy Poverty 2019 - 2024 (Ministerio para la Transición Ecológica, 2019) seeks to address a situation that affects between 3.5 and 8.1 million citizens, with

a goal of reducing the values of current energy poverty indicators by at least 25% and ideally by 50%. Some best practices from other European countries are included in the document approved, such as the financial mechanisms in UK (*Warm Home Discount, Winter Fuel Payment, etc.*) and the automatic qualification of eligible households for social tariffs as in Portugal, the energy efficiency programs in France (*Habiter mieux*) and also in UK (*Warm Front Scheme*), and the institutional body in France (*L'Observatoire National de la Précarite Énergétique* [ONPE]).

During the Covid-19 crisis, as part of an aid package, Spain introduced a new beneficiary category for its social tariff for electricity, i.e., self-employed workers who lost their job (Mastropietro et al. 2020). The government has also automatically extended the social electricity tariff until 30 September 2020, as it has to be renewed every 2 years, so that vulnerable beneficiaries do not have to go to administrative offices to maintain their enrolment. Furthermore, the Royal Decree-Law 11/2020 has extended, until 9 May 2021, the prohibition on interrupting the supply of electrical energy in homes that are considered to be first homes. The deadlines for utilities against households not paying their bills in this period are scheduled to start from that date.

Two regional institutions, one in Aragon and the other in Cataluña, tried to promote laws against energy poverty in 2015. In the Catalan region, the <u>Alliance Against</u> <u>Energy Poverty</u> (APE) was very active against the issue, and was the first civil society alliance to raise the problem of energy poverty to public debate. In 2016, the public reaction to this unjust situation was ignited by the tragic death of 81year-old Rosa from the city of Reus, who died in a fire caused by a candle she was using to light her home after Naturgy (former Gas Natural Fenosa) had cut off her electricity. As a consequence, Catalan government tried to give answer to the claims of APE, but the Spanish government did not allow Catalan law going ahead.

At a municipal level, the city of Cádiz is one of the more active and has its own Plan of Action against energy poverty. The Cádiz City Council promoted the <u>Cádiz</u> <u>Energy Transition Working Group</u> for civil society participation, as well as the Working Group on Energy Poverty. Both were set up to find ways to achieve a fair energy transition. Local energy forums and surveys are being used to ensure that the needs, knowledge and experiences of ordinary people are prioritised in creating this transition. Cádiz is one of the few cities in Spain to have its own municipal energy company, Eléctrica de Cádiz, which supplies and distributes electricity. Now established activists working within the local party are attempting to transform the company into an institution run by and for the city's inhabitants. In 2018, in just three months, the plan has run 60 workshops, given 640 people training on energy issues, and advised 70 families in their homes, reducing their electricity bills by 20-50%.

Barcelona launched its own municipal energy company, <u>Barcelona Energy</u>, in 2018. This is a public metropolitan electricity operator that supplies renewable electricity to the City Council and other municipal companies, as well as street lighting. Among its goals, it was stated to "have an active role in the energy market to make it more fair, efficient and sustainable". This includes providing electricity to families in difficulties.

In contrast to the insufficient response of the Spanish government, some private institutions, most of them around the third sector, were pioneers in this field. For example, Ecoserveis participated in the first European project: <u>European Fuel</u> <u>Poverty and Energy Efficiency</u> (EPEE) over 10 years ago.

# **Private institutions contribute to best practices formulation**

Best practices come mainly from private associations, filling in some of the gaps in public policy.

#### **General framing**

As mentioned above, the only research studies on energy poverty in Spain were produced by ACA (*Asociación de Ciencias Ambientales*). These were supported by a crowdfunding campaign.

Other collaborations between civil society associations, such as <u>Platform for a New</u> <u>Energy Model</u>, are active in the public debates related to energy poverty in Spain.

#### <u>Advocacy</u>

Since its inception, APE has worked to stop water and energy supply cuts in Catalonia, and have confronted the large multinationals of the water, electricity and gas sectors to demand access to water and energy. For APE, access to basic supplies such as energy and water is a fundamental human right. Together with the PAH (Platform for People Affected by Mortgages) and the Observatory DESC, as well as many other entities and groups, APE has worked to promote and pass a law that has stopped more than 40,000 supply cuts in Catalonia. APE has developed into a mutual support network that accompanies affected people, and an important channel for political education and change.

#### **Curative measures**

The three oldest associations working in this field, ECODES, ACA and ECOSERVEIS, have multiple programs and activities. We include here the three Spanish winners of the "Social Innovation to Tackle Fuel Poverty" programme – i.e. ECODES, ACA and AEIOLUZ – and two additional interesting initiatives. The following serves only as an example of initiatives.

<u>ECODES</u> – an organisation that runs the project "*Ni un hogar sin energía"* ("No home without energy"), which offers a technological solution to overcome fuel poverty. Its website includes a questionnaire that manages to gather social, household, and energy contract data from vulnerable people and returns a personalised report with advice on how to reduce energy consumption and energy costs. It also offers an interactive map that allows anyone to find initiatives and subsidies to tackle fuel poverty in their city or region.

<u>ACA</u> – an organisation working on PICE (*Puntos de Información al Consumidor Energético*) networks to empower people in the use of domestic energy and reduce the risk of falling into fuel poverty. It is a network of information points composed by heterogeneous organisations that provide information to their population from their own premises.

<u>AEIOLUZ</u> – an energy service provider cooperative that aims to end energy poverty and serve as a tool to change the current model towards a more sustainable one. It focuses on energy counselling and training for schools, municipalities, NGOs, and private companies to learn about energy efficiency, renewable energies, active energy management, and intelligent energy networks.

<u>ECOSERVEIS</u> – if not the first working on energy poverty in Spain, one of the first. The city council of Barcelona built a joint initiative with the third sector to promote insertion of long-term unemployed people while fighting against fuel poverty; it thus deals with information obstacles and at the same time improves the capabilities of long-term unemployed. It follows the same approach as the Soleni project in Grenoble (France). A similar idea was funded by the European Commission, the Energy Check for Low Income Households (EC-LINC)

<u>GoiEner</u> – an energy cooperative that does not manage contracts of families in a situation of fuel poverty as they cannot offer the social tariff (as it is a non-reference retailer), but engaged in a collaboration with the social services of two municipalities to help low-income households in tariff switching. After reviewing household energy bills, GoiEner organised workshops in energy advice, aiming to build an autonomous dynamic at the social services. To do so, social services and families were trained on the issue of electricity bills. The basic idea is to start the

dynamics of the intervention and afterwards it will continue alone with minimum assistance from GoiEner.

#### **Preventive measures**

To the author's knowledge, there is little interesting currently available in the realm of preventative measures for energy poverty, such as renovation programs of the building stock that aim to target low-income households. Some local programs exist, although there is no national plan, and none of the local programs are focused on families in difficulties. Nothing focusing on private rental situations exists.

Discussion on the side effects of low-carbon policies is not yet on the agenda. Within the discussion of the energy transition in Spain, the fact that low-income families do not normally have access to direct benefits of these low-carbon programmes, and may even suffer adverse effects such as low-carbon gentrification, has not yet been taken into account.

## **Research perspective on best practices in Spain**

The following is a list of on-going projects, interesting from the point of view of the author.

#### **General framing**

Fortunately, there are works taking into account gender aspects of energy poverty in Spain (Sánchez et al. 2020), e.g. thanks to Carmen Sánchez-Guevara, a researcher at the Technical University of Madrid. Also, within the H2020 call LC-SC3-EC-2-2018-2019-2020 - Mitigating household energy poverty, the project "Empowering women to take action against energy poverty in the Mediterranean" was approved. Project participants include the Autonomous University of Barcelona, the Energy Research Institute of Catalonia (IREC), and the Catalan chapter of Engineers Without Borders (in close relationship with APE).

Taking into account the dynamic role women play in an economy, the EmpowerMed programme will connect women with health practitioners in a series of awareness pilot programmes to reduce energy poverty, assess its impact on health, and share knowledge for policy building at local and EU-wide level.

For more information: <u>https://cordis.europa.eu/project/id/847052</u>

Supported by the European Union, the Urban Innovative Action's EPIU (Energy Poverty Intelligence Unit) is being carried out in Getafe (Madrid, Spain). Apart from

the municipality of Getafe, the Technical University of Madrid, the utility Naturgy, and ACA are also participating in the project.

Getafe's main challenge is to identify and fight hidden energy poverty (HEP). Between 15% and 30% of the Getafe's population could be affected by energy poverty, although only 1991 families seek support from the City Council. Energy poverty is usually defined by the percentage of rent that a household dedicates to energy consumption, but for EPIU energy poverty implies that people are unable to keep their household at a comfortable temperature whether it is because they cannot pay for a sufficient amount of energy for its domestic needs and/or because it is forced to allocate an excessive part of its income to these needs. This situation is aggravated by the economic situation of Getafe, whose average income is €5071 lower than the rest of the Madrid Region. In addition, 52% of its current housing stock was built between the 1960s and 1980s with low quality and energy efficiency standards and without heating systems in most cases. The city has two Urban Deprived Areas and Neighbourhoods declared as critical areas for the rehabilitation and regeneration by Madrid's regional government. These two areas have an increased incidence of energy poverty and are inhabited mainly by elderly and migrants.

For more information: <u>https://www.uia-initiative.eu/en/uia-cities/getafe</u>

Studies on children and energy poverty have also been initiated (Gonzalez, 2020), thanks to Irene Gonzalez and the Catalan chapter of Engineers Without Borders.

#### Curative measures

Also, within the H2020 call LC-SC3-EC-2-2018-2019-2020 the project "Empowering Energy Poor Citizens through Joint Energy Initiatives" was awarded to GoiEner energy cooperative, among others.

The main objective of POWERPOOR is to develop support programmes/schemes for energy poor citizens and to encourage the use of alternative financing schemes (e.g. establishing energy communities / cooperatives, crowd funding).

Members of energy cooperatives are a key part of the whole history of energy poverty alleviation, including both worker-member as well as members volunteering, building a volunteer-assisted energy advisory mechanism in the choice of electricity tariffs/prices to support social services working with vulnerable households.

For more information: <u>https://cordis.europa.eu/project/id/890437</u>

#### **Preventive measures**

Led by the Andalusian Energy Agency, the European Commission approved the POWERTY project in the framework of the Interreg Europe 2014-2020 Programme.

The general objective of POWERTY is to increase the use of renewable energies in vulnerable groups. This way, thanks to the project, new renewable energy installations will be facilitated to provide safe and clean energy to vulnerable households. In addition, POWERTY will encourage companies supplying renewable energies to offer technological solutions that are adapted to vulnerable groups, activating their corporate social responsibility.

For more information: <u>https://www.interregeurope.eu/powerty/</u>

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