

Spanish PV Industry Needs Ongoing Govt Support: EPIA

The Spanish photovoltaic industry wants sustainable government support until it becomes competitive with conventional retail power, expected by 2015 at the latest, according to the European Photovoltaic Industry Association. The lobby group is also urging the Spanish Government to rethink draft reforms which will see State support for total new photovoltaic capacity in 2009 limited to 200 MW for roof-top systems and 100 MW for ground mounted installations, as well as premium feed-in tariffs cut by up to 35 per cent. These caps and reductions “are strongly worrying the sector as they would not encourage the further development of the market”, EPIA says. Spain has one of the world’s fastest growing photovoltaic sectors, with 512 MW installed in 2007 and more than 1 GW expected by the end of 2008. However, the Government says the strong increase is unsustainable and too costly for the Treasury. In a report published in July 2008, Spain’s national energy regulator CNE said that the Government will expect to save around €415 million per year from the draft reforms. If support is maintained at current levels, the cost to the Government will be €1.33 billion in 2009, compared with €915 million under the draft reforms. Government support for both large and small photovoltaic installations is still needed until photovoltaic power becomes competitive with conventional power, according to EPIA. It expects this to occur by 2015 when the cost of photovoltaic production will have dropped and energy prices rise. The legislation governing Spain’s support scheme for grid-connected photovoltaics expires on 29 September 2008, and the Government is working on a new law to take effect from January 2009.

[Source essa news]