

# The CNMC fines Eólica del Alfoz €958,593 and bans it from participating in public contracts for six months

- The company abused its dominant position by favouring access to the electricity transmission grid for a renewable energy facility belonging to its group over a competitor.
- As the Sole Node Interlocutor (IUN in Spanish), Eólica del Alfoz was the only entity authorised to request access to the node from Red Eléctrica.
- This is the first time that the CNMC has set out the duration and scope of a ban on a company from contracting with the public sector in a resolution.

Madrid, 5 August 2025. The CNMC has fined Eólica del Alfoz €958,593 for abusing its dominant position and, in a first, has banned a company from participating in public sector tenders or contracts for violating the Spanish Competition Act (S/0011/23).

Eólica del Alfoz gave preferential treatment to a renewable energy facility belonging to its own group over a competitor in order to gain access to the Villimar 220 KV node of the electricity transmission network. This conduct constitutes an infringement of Article 2 of Act 15/2007 of 3 July on the Defence of Competition (LDC).

## Origin of the sanction

The investigation originated from a resolution issued by the CNMC's Regulatory Oversight Chamber (SSR in Spanish) within the framework of an access dispute (CFT/DE/163/19), which determined that Eólica del Alfoz had acted improperly as the Sole Node Interlocutor (IUN in Spanish) for the Villimar 220 kV nodei.

The CNMC's Competition Directorate launched an investigation to assess whether the facts could constitute an infringement for abuse of a dominant position.

# **Sole Node Interlocutor**

Companies promoting renewable energy installations access the electricity transmission grid through access points known as 'nodes'. They must apply for access to Red Eléctrica de España, S.A. (REE in Spanish) in its capacity as transmission system operator.



When the offences were committed, the regulations required the appointment of a Sole Node Interlocutor (IUN) among the companies interested in access. The IUN's mission was to process all applications submitted to REE.

The role of the IUN gives it broad discretion to process access applications visà-vis other interested parties. It decides the order and coordinates requests, which is crucial for allocating access capacity at the node, which is always limited.

Given the special responsibility arising from this dominant position, the IUN must be objective and respect the principles of transparency, good faith and nondiscrimination to guarantee equal access rights to operators.

The CNMC has previously imposed sanctions on other companies (Enel) and (<u>Luminora</u>) for abusing their dominant position as IUNs.

#### Abusive conduct and sanctions

The abusive behaviour of Eólica del Alfoz as an IUN consisted in requiring its competitor on up to four occasions to improperly correct the access request. The latter was finally excluded from access to the network due to the exhaustion of the node capacity and raised the above-mentioned access dispute.

The santion amounts to €958,593 for committing a very serious offence under Article 2 of the Spanish Competition Act (LDC) consisting of an abuse of a dominant position at the node concerned. Furthermore, its parent company, Beta Participaciones Ibérica, S. L., is declared jointly and severally liable for the payment of the fines.

## Prohibition on entering into contracts

The resolution prohibits Eólica del Alfoz from contracting throughout the national territory with the entire public sector for works, supplies and services related to consulting, construction, operation, exploitation and maintenance of wind farms and their equipment for a period of six months.

This is the first case initiated after the CNMC published its Communication 1/2023 of 13 June 2023 on the criteria for determining the ban on public contracts for distortions of competition.



Until now, the CNMC simply declared the prohibition and sent the resolution to the State Public Procurement Advisory Board so that the Minister of Finance could determine its duration and scope.

#### Related content:

- S/0011/23
- Communication 1/2023 of 13 June 2023 on the criteria for determining the ban on public contracts for distortions of competition.



<sup>&</sup>lt;sup>1</sup> The SSR ruled to overturn the refusal of access to its facilities after concluding that its exclusion had been due to unjustified delays on the part of the IUN