



Achieving energy independence during challenging times

It's no secret that supply chain issues have affected the sector since the pandemic first began, intensified further by the war in Ukraine. Timely then, for PES to speak once again with Ignacio Juan Revilla Fernandez, Head of Tracker Operations at Soltec, about how the company is overcoming current challenges.



PES: A warm welcome back to PES. I'm looking forward to hearing the latest news from Soltec. How have things been going since we last spoke?

Ignacio Juan Revilla Fernandez: It is a pleasure to be with you again. Quite a lot of work, to be honest. It has been a busy year for Soltec. A new line of business has been opened and we live in a continuous process of growth and adaptation. Soltec has very good expectations for the future.

PES: As an industry, these are busy times. I trust that is also the case for Soltec?

IJRF: Yes, the market continues to grow, and so do we. The current difficulties due to all the previously mentioned issues, plus the volatility of commodity prices and the shortage of electronic components, is making it challenging.

PES: Have you seen a significant upwards shift in demand for your systems and solutions in recent times?

IJRF: It depends on the territory and their individual legislations. As you may know, there are some countries putting more protectionist measures on the national industry, also imposing tariffs on certain products. Because of this, the demand is being reduced.

On the other hand, others, such as Colombia, are facilitating the implementation of solar, something that is making our presence in this country grow a lot.

PES: What factors do you think are primarily responsible for this growth?

IJRF: There are many countries that are becoming more interested in the green energy industry and are making a big bet on photovoltaic solar energy. In addition, with events such as the war in Ukraine, countries want to be more energy independent. This is something that is pushing the industry forward fast.

PES: How have you been able to respond to these trends with your offering?

IJRF: We faced it with a strong diversification of our supply chain, always trying to bring the material supplier closer to the final project site to reduce the risk in case of a logistics disruption, as well as the CO₂ emissions.

PES: Are there any particular challenges you have been met with and, if so, how have you overcome them?

IJRF: If I had to choose one in particular, I would say the shortage of electronic components and the current lead times offered by the market. Soltec has developed a strong supply strategy for these materials that allows us to have a continuous supply for the upcoming years.

PES: Some situations are trickier than others of course, in terms of situations out of your control. Supply chain issues, for example, are not easy to resolve, are they?

IJRF: No, of course they are not easy to solve. Soltec has had to reduce the lead times of our supplies, in order to have a safety margin in our delivery schedules.

We do this by providing suppliers with purchasing forecasts to help them better prepare for the order and asking them to make a strategic inventory to reduce delivery times. We also incentivise suppliers, thus ensuring a more competitive delivery time and automate operations via new management software.

PES: Is this a problem that you have found has become even more difficult since the pandemic?

IJRF: The pandemic brought us a situation never seen before in terms of supply chain, mainly in logistics. But it was also an opportunity to look into other solutions to our company and acquire new knowledge, which we keep applying nowadays to our projects.

PES: Are there signs of things easing and improving now, or are you finding that the situation in Ukraine and other challenges globally still hindering progress?

IJRF: I would say that we are seeing some improvements. Logistics prices are slowly going down, and the price of the commodities. Prices seem to be more stable.

The situation in Ukraine made the world look with different eyes at having energy independence, ceasing to depend on large companies as well as third countries.

That said, with resources such as oil, the demand is increasing.

PES: What do you think is the best way to deal with this from your point of view?

IJRF: As I have mentioned, the photovoltaic sector is positively affected in this search for energy independence. Our role is to be prepared to attend to it. We do this by promoting photovoltaic parks, and collaborating in international forums explaining the need to invest in renewable energies for the decarbonization of the planet.

Soltec has a company called Powertis for the

promotion from the beginning of sustainable photovoltaic projects, so that energy independence can be achieved in any of the countries we operate.

In addition, we have a product called Solarfighter within the distributed generation so that companies, communities and populations are energy independent, generating their own energy and being self-sufficient.

PES: For Soltec, how are you innovating to meet demand at this time?

IJRF: We are developing a supply chain diversification strategy, searching for new types and sources of materials in different locations, and adding new products to our catalog.

We seek solutions that can be easily extrapolated to the market, with new materials, simpler electronics and increasing the number of recycled materials. We also require this policy from our collaborators in the supply chain.

PES: Are there any new developments you are able to tell us about at the moment or plans in the pipeline?

IJRF: We announced some weeks ago our intention to take a further step in our integration strategy, gradually becoming an industrial IPP through our new business division, Soltec Asset Management. This is our asset management division, which joins the other two lines of activity of the company: the industrial division and the business development division.

As a holding company, we have structured ourselves to address the entire renewable energy cycle and offer all the possibilities to users and customers.

We have a Powertis company for the development of new photovoltaic parks, plus Industrial Soltec where engineering design, manufacturing and now also the construction in EPC mode of complete photovoltaic parks are integrated.



Ignacio Juan Revilla Fernandez

Finally, we have the new Soltec asset management company for the management of the assets that we are building and operating.

It should be noted also that Soltec Innovation is working on numerous R&D projects to provide solutions for floating solar plants, as well as the hybridization of plants with hydrogen, both developing energy storage and generation projects.

PES: Finally, if you could predict what may be to come for the solar industry and the photovoltaic sector, what do you think it may look like in three or even five years from now?

IJRF: The development of renewable energy is largely driven by the goals of transitioning the energy system to a climate neutral one. This contributes to a considerable increase in requests for the installation of new photovoltaic plants. We will clearly see an increase of demand in the next three, five and 20 years.

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