

## PERSEO CHALLENGE REGULATIONS

### 1. Background to the Challenge

The electricity system is the backbone of modern society<sup>1</sup>. Basically, it is the critical infrastructure on which almost all other systems or economic sectors depend in their day-to-day operations.

The decarbonization of our society, of our energy model, implies the electrification of many energy consuming sectors and, with it, the integration of renewable electricity generation technologies. This distributed generation increasingly requires a stable, robust and at the same time flexible operation of the electricity grid, which in turn implies new and larger investments<sup>2</sup>.

As a result, **grid management in the foreseeable scenarios** of intensive integration of renewable generation, self-consumption and storage, together with the electrification of industrial processes and new demands (electric mobility, heat pumps, data centers, etc.), **is evolving from a traditional model of grid capacity management**, based on simultaneity coefficients and quasi-vegetative growth in demand, towards the DSO (Distribution System Operator) model, with increasingly complex proactive management to **optimize the capacity of its regulated assets**.

The DSO needs to successfully plan and operate a **system of flexible accesses to the grid with new tools** that, based on its knowledge of regulated activity, technology, data available on the smart grid for accurate knowledge of changes in electricity delivery and demand, **can better forecast electricity flows** on the grid.

This context requires improved decision-making on the investments to be made and, given the timeframes for the processing and development of these infrastructures, to achieve the necessary grid capacity in time, modernizing the electricity demand forecasting processes, based on the data available from the smart grid and other forecasting sources that can complement them.

The **improvement of grid planning processes** seeks an updated methodology to generate net demand cases (consumption and distributed generation) in scenarios of energy uncertainty, with the support of advanced artificial intelligence techniques and new analysis and calculation tools, applied on **their available data** (*deep learning*), through guided learning and validation models, on recorded cases or their foreseeable variants.

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<sup>1</sup> Modern legislation establishes the essential nature and general interest of electricity supply for society. In this sense, the Spanish regulation for the distribution agent establishes, among its main obligations, "*to guarantee that its grid has the capacity to assume a reasonable demand for electricity distribution in the long term...*" (art. 40.1.b Law 24/2013 of the Electricity Sector).

<sup>2</sup> In Spain, the 2023 update of the PNIEC 2021-2030 anticipates until 2030 the incorporation of 102.5 GW RES (35 wind, 65 PV and 2.5 TS); 19 GW of self-consumption; 18.5 GW in storage; 11 GW of power consumption in electrolyzers; 1.5 million heat pumps; and 5.5 million electric vehicles (3.2 GW through 120,000 charging points).

## 2. Description of the Challenge

In this context, Iberdrola, through its PERSEO Start-up Program, is seeking digital solutions to model new demand and generation scenarios on its grid, with self-consumption, storage and access flexibility, in order to forecast its operational behavior and, with this, plan its investments to guarantee the capacity of this grid, assuming a reasonable demand for electricity distribution, in a time horizon of between five and ten years.

Among others, these scenarios must take into account the evolution and geolocation of:

- Current electricity demand and generation and self-consumption
- Electricity storage (domestic, industrial, utility, bess...)
- New emerging demands (short term): electric mobility, heating and cooling, decarbonization of current industrial processes, etc.
- New medium and long-term demands: digital electrification, new consumption and generations associated with technological developments and/or emerging business models (e.g. artificial intelligence, e-fuels, green hydrogen, etc.)

In this way, solutions will be favorably rated that allow:

- Proposing automatic learning methods or algorithms to generate and validate medium/long-term scenarios for the planning of grid needs based on expected demands with different levels of granularity, foreseeing that the data from the actual network operation will, in turn, allow the information system to be supplied in order to use predictive models.
- Application of these algorithms against current simulations, based on historical data, and simulations with predictive models, including parameterization based on existing and public economic, industrial, sustainability, administrative factors and other factors.
- Analyzing the necessary additional geo-referenced capacity of the grid with different levels of granularity, as well as the best use of existing capacity with the available flexibility.
- Identifying other relevant data that is not being captured, in addition to the current state of digitalization of the grid, which includes everything from smart meters to the control of primary and secondary substations (LV transformation centers).
- Quantifying the necessary investments in the distribution grid in the different scenarios and their probability, in terms of the necessary infrastructure and their cost, introducing a cost-benefit type assessment or analysis.

### 3. Participants

Candidates taking part in this Challenge (the “**Participant/s**”) may be individuals or entities.

In either case, the Participants and/or team members must be at least 18 years old, be of legal age and have full legal capacity in the jurisdiction where they live.

If you take part in the Challenge through a team or a legal entity, the proposal must be presented by a representative who will be the only valid interlocutor during the Challenge and they will be empowered to represent the team and will be liable vis-à-vis the team or legal entity.

### 4. Overview

The Participant will submit the information to <https://bacceleratortower.com/en/b-acceleration-programs-startup-world-cup-iberia-regional> in relation to the Challenge described in section 2 (collectively referred to as the “**Proposal**”).

Each Participant may submit one or more Proposals.

Participation in this Challenge does not give any protection regarding intellectual property rights against third parties. We recommend that Participants take steps to protect their intellectual property rights before submitting their Proposal.

By submitting the Proposal, the Participant agrees to this regulation and declares, under their own responsibility, that they are the owner of or have rights to use any intellectual property rights relating to the proposal and there are no conflicts of interest.

Perseo and/or the relevant Iberdrola group company reserve the right to reject any Proposals that do not comply with this regulation.

### 5. Prize

The prize will consist of us signing a collaboration and proof of concept agreement with Perseo and/or with any other relevant Iberdrola group company and on a direct membership as a collaborator / associate of the Global Smart Grids Innovation Hub.

Perseo and/or the relevant company will:

- i. assume the costs of the collaboration and the proof of concept;
- ii. provide the winner with the necessary technical support to test the solution proposed, giving access to equipment, appliances, infrastructure, high technology sites and joint work areas; and
- iii. provide the winner with a real environment and real data to test the solution.

If the assay or proof of concept is satisfactory, Perseo and/or the relevant company, directly or indirectly through another Iberdrola group company, may offer the Participant the opportunity to scale up the solution by means of commercial agreements.

In addition, Perseo may consider investing in the Participant and/or Challenge winner.

In relation to the participation in the Global Smart Grids Hub, the start-up will be included directly in the process of joining Iberdrola’s Global Smart Grids Innovation Hub, as one more collaborator who will be able to benefit from the services, activities and resources that are made available in the GSGIHub. Among them:

1. Availability of coworking space and access to laboratories.
2. Training and talent attraction services.
3. Secretariat and coordination of technological activities.
4. Consultancy specialized in mechanisms for the protection of Intellectual Property (IP) in business collaboration projects, which provides support in the preparation of documents.
5. Identification and request for sources of public funding for collaborative projects.
6. Reception of technological surveillance reports/ Competitive intelligence.
7. Advertising in dissemination activities.
8. Possibility of participation in “networking” activities.

Winning the Challenge gives no rights other than the prize described.

Perseo may choose the winner according to its own criteria and may declare the competition void if none of the proposals fulfils its expectations.

## **6. Statements and guarantees:**

By taking part in the Challenge, the Participant manifests and guarantees that:

1. The information contained in the Proposal presented is correct, reliable and complete.
2. The Participant holds all rights, including but not limited to all intellectual property rights and has obtained each and every consent, approval and licence necessary to present the Proposal and take part in the Challenge. No third party rights are infringed.
3. Perseo and/or the relevant Iberdrola group company do not need to verify the authenticity of the ownership of the rights over the Proposal and the exclusive responsibility for any problems arising from claims from any third parties that may arise rests with the Participants.
4. The Participant has not violated any laws to participate in the Challenge.
5. The Participant releases and exempts Iberdrola and/or the relevant Iberdrola group company and its subsidiaries, affiliates, employees and agents, from all responsibility for any injury, loss or damage of any kind derived from or related to the Proposal and the Participation in the Challenge.
6. The Participant has been notified of the zero tolerance to corruption by Iberdrola and complies and will comply with principles equivalent to those assumed by Iberdrola in its Code of Ethics, which is available at <https://www.iberdrola.com/corporate-governance/corporate-governance-system/purpose-values-code-ethics>.

## **7. Applications**

Proposals will be submitted via <https://bacceleratortower.com/en/b-acceleration-programs-startup-world-cup-iberia-regional> and must be written in Spanish or English.

Each Proposal must include:

### 1) General information:

- Participant data. If the participant is a team or a legal entity, the representative submitting the application must identify themselves as such and will include a certificate of their power of attorney to represent the team or legal entity.
- Link to the website (optional).
- Address (city, country).
- Contact information (contact person, job title, email, telephone number).

## 2) Description of the Proposal:

- Description of the solution in 50 characters.
- Presentation of the company/organisation.
- Demo or video link (optional).
- Maturity of the solution (R&D, proof of concept, entire commercial proposal).
- Preliminary investment and improvements in times and CAPEX
- Description of required construction activities (see above chapter 2: “Description of the Challenge”)
- Contractual agreements.
- Reference numbers.

3) A list of all the intellectual property rights owned by the Participant, granted to the Participant under licence and/or created by or on behalf of the Participant and included in the Proposal.

## 8. Schedule

Proposals must be submitted between **05/06/2024 at 00:00 (GMT)** and **12/07/2024 at 23:59 (GMT)**. All Participants will receive confirmation that their Proposals have been received. Any proposals received after this period will be rejected.

Proposals will be evaluated internally by Perseo and/or by employees of the relevant Iberdrola group company.

Perseo and/or the relevant Iberdrola group company may contact Participants at any time to request such additional information as they consider necessary.

Participants should send their questions and suggestions by email to: [IberdrolaChallenge@iberdrola.es](mailto:IberdrolaChallenge@iberdrola.es).

The evaluation process will end in **September 2024**, when Perseo will notify the winner.

Perseo will declare the competition void if none of the Proposals meet Iberdrola’s expectations.

After notifying the winner, Perseo and/or the relevant Iberdrola group company will publish the name and details of the winner, with a description of the winning Proposal and the reasons that it has been chosen, on the Iberdrola website and on Iberdrola group social networks.

## 9. Changes to the Regulation

Perseo may amend this regulation at any time and at its own discretion. This includes changes to the deadlines established, modifications to events, locations and specifications of the Challenge. Perseo will publish/notify participants of any changes to this regulation on the <https://bacceleratortower.com/en/b-acceleration-programs-startup-world-cup-iberia-regional> website.

## 10. Cancellation, modification or suspension of the Challenge in case of irregularities

Perseo reserves the right to cancel, modify or suspend participation by unfair participants and/or the Challenge as a whole if it considers that a participant has cheated or has introduced a virus, worm, internet bot, etc., or if a catastrophic event occurs, or any other unforeseen or unexpected event that cannot reasonably be controlled or anticipated (also called force majeure) which may affect the impartiality and/or integrity of this Challenge.

Perseo and/or the Iberdrola group company may disqualify or prohibit participation of any unfair participant in any future competition.

## 11. Data protection

Inversiones Financieras Perseo, S.L., with registered address at Plaza Euskadi 5, Bilbao 48009, Spain, hereby informs that the personal data of the Participant included when registering the Proposal will be processed by Perseo as the data controller for the purpose of operating this Challenge.

The legal basis for processing the Participant's data is the Participant's consent, granted when the Participant registers for the Challenge and accepts this Regulation. The Participant has the right to withdraw the consent given at any time without this affecting the legality of the data processing by virtue of the consent granted by the Participant before it was withdrawn.

If, as a result of the participation by the Participant in the Challenge, the Participant provides personal data belonging to third parties, before submitting this personal data, the Participant must inform those third parties that their personal data will be processed in accordance with the aforementioned documentation.

The Participant's personal data will not be communicated to any third parties. This notwithstanding, the personal data will be made available to service providers in connection with the management of the platform <https://bacceleratortower.com/en/b-acceleration-programs-startup-world-cup-iberia-regional>.

The personal data provided by the Participant will be stored for as long as needed to comply with the Challenge, as detailed above. Also:

- If the Proposal is not selected, the personal data will be deleted.
- If the Proposal is selected, the personal data processed by Inversiones Financieras Perseo, S.L. will be governed by the corresponding agreement.

However, the personal data provided may be kept, duly blocked, for the time required by law and the applicable regulations.

Perseo has implemented the necessary technical and organisational measures to protect Participants' data from accidental loss or unauthorised alteration, access, use or disclosure, and has also established procedures to react to any security incident that could affect Participants' data.

The Participant has the right to access their personal data being processed, as well as the right to request the rectification of incorrect data, or, where appropriate, request the deletion of their data when no longer necessary for the purposes for which they were obtained, and also has the right to object to or limit the processing of their data. Participants may also withdraw their consent at any time.

Participants may also exercise their rights, free of charge, by writing to the data protection officer at [perseo@iberdrola.es](mailto:perseo@iberdrola.es).

If the Participant is not satisfied after exercising their rights, they may submit a complaint to the Spanish Data Protection Agency.

## **12. Costs and taxes**

Participants will assume any costs and taxes related to their participation in the Challenge and to their receipt of the prize, if applicable. It is recommended that Participants check the costs, charges and taxes applicable in the laws of the jurisdiction in which they reside or in which they are obliged to pay taxes.

## **13. Limitation of liability**

Perseo or the relevant Iberdrola group company are not liable for problems related to computers, networks or any other problems that could cause the delay, loss or damage of any participation.

## **14. Translation of this Regulation**

This Regulation has been drafted in English, Spanish and Portuguese. In case of any discrepancies between the original and the translation, the Spanish version will prevail.

## **15. Applicable law and jurisdiction**

This Challenge and its regulations are governed by Spanish law. The courts of Madrid, Spain will have exclusive jurisdiction to settle any disputes.