INTERVIEW WITH ALEASOFT IN THE SPANISH NEWSPAPER EXPANSIÓN

Interview with **Antonio Delgado Rigal, Doctor in Artificial Intelligence and CEO of AleaSoft**

ALEASOFT: 20 YEARS AS FORECASTING PROVIDER IN THE EUROPEAN ENERGY SECTOR

AleaSoft reviews its achievements during its 20 years of history as forecasting provider in the European energy sector, the challenges of the present in the midst of the revolution in the energy sector, and its future plans where it hopes to continue being a leader in its field.

What were the first steps and main customers?

AleaSoft was founded in October 1999. A set of scientific developments in the field of Artificial Intelligence applied to the field of forecasting in the energy sector gave rise to a new methodology from which AleaSoft created a forecasting platform. From the first years, this platform began to be used by the main companies in the sector in Spain: Endesa, Iberdrola, Unión Fenosa, Gas Natural and Viesgo.

Subsequently, this forecasting platform was extended to other Spanish and European companies such as BBE, Shell, Electrabel, REE, Terna, Statnett, EDF, ELIA, ENEL, Repsol, BP and EON.

As users of our forecasts, we can mention some companies associated with renewable energies such as Siemens Gamesa, FRV, aventron, Canadian Solar, Trina Solar, ECOHZ, im2, EDP Renovables, Sonnedix and Acciona.

To what kind of clients are you oriented?

We are oriented to all kind of companies within the energy sector because they all need forecasting for demand, production and market prices. For these companies, having a vision of the future is fundamental for daily operations, risk management and strategy. Our clients are Transmission System Operators (TSOs), generators, traders, retailers, large consumers, manufacturers and investors of wind and photovoltaic power plants.

Now, Artificial Intelligence is fashionable, but how is the model you have been using for 20 years?

In recent times, Artificial Intelligence has become fashionable, perceived as something new. In AleaSoft we have been using our Artificial Intelligence models in the main companies of the energy sector for 20 years. Right now, we have in operation more than 400 forecasting models based on Artificial Intelligence.

At AleaSoft we have developed a hybrid model that combines techniques of Classical Statistics, SARIMA Time Series of Box-Jenkins and Recurrent Neural Networks. The constant R&D is fundamental in our company to be up to date and increase the quality of the forecasts.

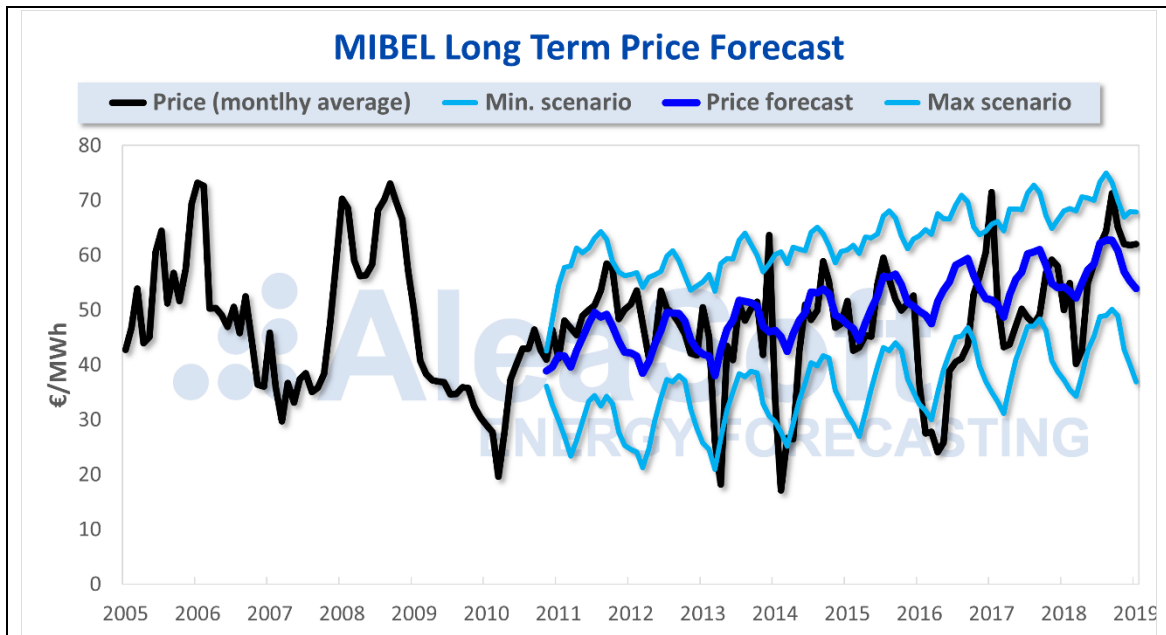## *We are generating long-term forecasts for PPAs in all European markets*

Is there a revolution in the energy sector with the low prices of photovoltaics? What is a PPA?

The low costs of photovoltaic technology have made it possible to install power plants that can be profitable by selling energy directly to the market. It is a clean and profitable source of electricity generation that together with wind energy will decarbonise the electricity sector. Due to its geographical location, Spain, and especially their southern regions, are an inexhaustible "mine" of solar energy that in a few years can lead Spain to be a net exporter of energy.

A PPA (Power Purchase Agreement) is a long-term contract that allows financing the construction of a solar photovoltaic or wind farm and guarantees its exploitation during the contract period. In a PPA the forecast of the price of electricity at the long term is fundamental for all the agents that intervene:

banks, investors, manufacturers, installers, managers and consumers. We are generating long-term forecasts for PPAs in all European markets.

MIBEL Long Term Price Forecast

What are the future plans?

We have plans to expand the customer base in Europe by providing price forecasting services for electricity markets in all horizons and in all European markets. Besides offering forecasting for electricity and gas demand, solar, hydroelectric and wind energy production.

We are expanding the bases to collaborate with other companies in the energy sector with complementary services and with which we can create synergies. We are doing it in Spain, in Europe and in other continents, opening fields of collaboration to promote our expansion and to get our forecasting services in the energy sector to the largest number of countries.

Keywords: **market price forecasting, energy forecasting, photovoltaic energy, wind energy, demand forecasting, renewable energies, energy sector, PPA, TSO**.