

KEYNOTE INTERVIEW

Blowing in the right direction



Europe's renewable energy space has evolved markedly over the past 10 years and there is plenty more development to come, says Glennmont Partners' Isabel Rodriguez de Rivera Ruiz

Back in 2013, renewable energy met 15 percent of the EU's energy demand, according to Eurostat, and in 2023, renewables are nearing 40 percent of total electricity generation in the EU, according to a recent report by Ember. It's quite a shift, driven by technological developments that increase efficiency and lower cost. Yet the market is not without its challenges as price volatility and development bottlenecks have emerged over recent years. It is also clearly an area that needs to foster talent – in particular female talent, which is currently underrepresented in the industry – if it is to grow to meet the needs of a decarbonising world.

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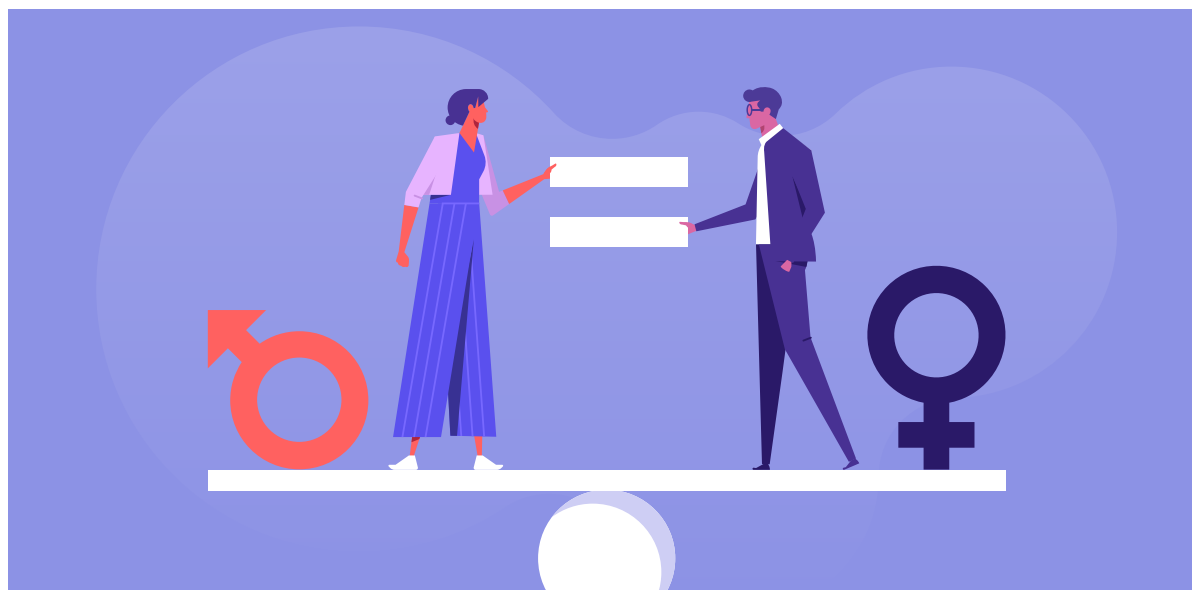
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We spoke to Isabel Rodriguez de Rivera, managing director at Glennmont Partners, about how the environment and market has developed and what it will take to reach gender parity in what is arguably a male-dominated industry.

Q How would you describe the renewable energy landscape in Europe today and how has it changed recently?

It's important to consider how much this has evolved over the space of just

10 years. There has been an incredible amount of development around technology and costs so that there is no longer a need to rely on subsidies for wind and solar. The efficiency gains we've seen have been quite remarkable. The early onshore wind farms in Spain had a capacity of around 1.5MW, whereas today, it is double or more than that. Solar technologies have also developed strongly, allowing solar panels to be deployed in areas where irradiance isn't high, such as the UK. Renewables have demonstrated resilience through turbulent times and geopolitical conflict, such as covid and the war in Ukraine, both of which have caused



Q Where would you like to see the infrastructure industry develop in terms of gender balance in the next five to 10 years?

I would like to see more balanced boards and greater female representation across investment, financial and asset management roles.

I'm a big supporter of the Women on Boards initiative because it promotes the presence of females in senior board positions so that they are part of the strategic decision-making process. We also need to support our younger female colleagues – I am passionate about improving the representation of women in the industry.

It is fundamental to support women in understanding that they do not need to be perfect at everything and emphasise the importance of minimising self-induced pressure. Dealing with these factors will allow for growth.

And finally, we need to attract, develop and nurture the next generation of talent – both male and female. What it takes to do this is different from previous generations because younger professionals tend to value different things compared to how it was 10 to 15 years ago; flexibility is now a top requirement for younger generations both male and female and organisations need to be able to adapt whilst not losing efficiency and productivity.

volatility in the market.

Yet there is still a lot of scope for further development. There is an increasing need to invest in electrification and grid to allow an efficient energy system across Europe avoiding the so called “energy islands”. The decarbonisation goals necessary have to take this into consideration in order to have the right regulatory support in Europe. We need to focus on making renewables more flexible and the next few years will see Battery Storage Energy Systems being developed on both a standalone basis and co-located with other renewable energy facilities to enhance flexibility, but we will need the right regulatory

framework to make that happen. We're also seeing the development of other non-conservative renewables such as hydrogen and we will see further growth of EV charging and distributed generation in the near future.

Q What about the market environment. How would you characterise that today?

It has been volatile. The market has witnessed an increased EPC price which is starting to stabilise after covid together with a downward trend on electricity prices and increased financing costs. These three factors are impacting returns and causing a shift in

the market when it comes to expected developer's premium. We will see this balance out over time. All this demonstrates the need to look at each project on its own merits, with special focus on the LCOE (levelised cost of electricity). This, along with the right government and policy initiatives, will help avoid speculation in the market.

Q And how are development bottlenecks playing out?

They continue to be a challenge and the industry needs a better regulatory framework to provide investor certainty. Covid caused significant delays in project development which continues

to hinder progress. Having a clear permitting regulatory framework is crucial to enable renewable growth.

Q As a senior female in the infrastructure investing space, what do you think is needed to move further towards gender parity at both fund and portfolio levels?

Despite the important progress made to date there are still areas of improvement. I feel proud to be a senior female representative in the firm and there are other colleagues at senior levels too which can help attract others to more senior levels.

As a starting point, the industry needs to ensure that it has equal representation in candidate lists - that is something I ask for when recruiting - but then it also needs to create the right environment for the women to thrive and grow. That comes down to having the right conditions that make women feel entitled to have both family and career progress. This can be as straightforward as having an understanding approach to women needing to visit the doctor frequently when pregnant, for example, and ensuring that maternity leave is supportive.

What probably matters more than this, though, is what happens after a woman returns from maternity leave since this is when organisations tend to lose women - it's often why there are few women in more senior positions. Women need flexibility when their children are young and so policies that allow the right balance of flexibility help retention. You also need to offer this to men, since women need support at home, too.

I also think it's important for organisations to strive for female representation at every company level including at board level. At Nuveen there is consideration to the gender pay gap which continues to exist, and companies should focus on constantly reducing this until equality is achieved. The existence of these reports [*Infrastructure*

“Women need flexibility when their children are young and so policies that allow the right balance of flexibility help retention”

“Having a clear permitting regulatory framework is crucial to enable renewable growth”

Investor Women in Private Funds] is an important step to tackle this issue.

Q What do you think are some of the common barriers women face in infrastructure?

I think there are internalised barriers that have developed as a result of how society views women and how business cultures have developed historically. In some cases I have seen that women very often hold themselves to a higher standard than men do and this can hold them back. They are more likely to pass on applying for a promotion because they don't feel 100 percent qualified for the role, yet their male colleagues may take the view that they can just learn on the job. This is in my view an important lesson to learn from our male colleagues, to be ready to embrace a new challenge and for the fear of failure not to hold us back.

We have to get past that psychological barrier. We don't need to be perfect and mentoring can help with this. I've been a mentor twice for Women in Wind, which attracts people from the whole ecosystem, from engineers and infrastructure specialists through to accounting. It's really helpful for women to have the space to talk about their experiences and to support each other.

I also think we need to promote different ways of thinking so that men and women can grow together in an organisation. And by that I mean that we should embrace different management and leadership styles so that we achieve the diversity of thinking and approach that can be so beneficial to organisations.

In the past, many women have felt that they needed to imitate male management styles, but that shouldn't be the case. Men and women often have different ways of showing emotion, for example, and so we need to develop an understanding of this. That takes education and creating a culture that allows people to feel entitled to embrace their own style. ■