

ACTIVITIES DURING 2008

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1. BACKGROUND

The Audit and Compliance Committee was created on November 5, 2007, prior to the initial public offering of Iberdrola Renovables, as an internal informational and consultative organ of the Board of Directors, without executive functions, with information-gathering, advisory and proposal-making powers within its scope of activities.

Since its creation, the Committee has published its Annual Activities Report, an initiative that is in accord with its commitment to transparency, and that is disseminated to shareholders and the market.

2. MEETINGS HELD IN 2008

A breakdown of the meetings of the Committee held during fiscal year 2008, and the list of matters dealt with at such meetings is set forth in the following table:

Meeting	Date	Agenda
5 th MEETING	19-FEB-2008	<ul style="list-style-type: none"> • Report of the Committee to the Board of Directors regarding the semi-annual financial information for the second half of 2007. • Presentation of the General Secretary and the Board of Directors: Proposal to amend the Internal Regulations for Conduct in the Securities Markets. Report of the Committee to the Board of Directors. • Presentation of the CEO: Authorization of the provision by the Auditor of services other than financial statement auditing.
6 th MEETING	07-MAR-2008	<ul style="list-style-type: none"> • Report of the Committee to the Board of Directors regarding the process for preparing and formulating the individual and consolidated Annual Financial Statements and Management Reports for fiscal year 2007, as well as regarding the proposed application allocation of profits. • Formulation of the Annual Activities Report of the Committee for fiscal year 2007. • Formulation of the report on self-evaluation of the Committee for fiscal year 2007.
7 th MEETING	11-MAR-2008	<ul style="list-style-type: none"> • Presentation of the CEO regarding certain acquisitions, pursuant to Article 25.2 h) of the Regulations of the Board of Directors. Report of the Committee to the Board of Directors.
8 th MEETING	14-APR-2008	<ul style="list-style-type: none"> • Ratification of the appointment of the head of the Internal Audit Division of the IBERDROLA RENOVABLES Group. • Report of the Committee to the Board of Directors regarding the economic and financial information for the first quarter of 2008. • Report of the Committee to the Board regarding the "General Policy on Risk Control and Management" and the specific policies thereof. • Approval of the "Auditor Hiring Policy of Iberdrola Renovables, S.A. and subsidiaries." • Report of the Committee to the Board of Directors regarding certain acquisitions pursuant to Article 25.2 h) of the Regulations of the Board of Directors. • Proposal of the Committee to the Board of Directors regarding the performance of a limited review of the semi-annual financial information by the Auditor.
9 th MEETING	20-MAY-2008	<ul style="list-style-type: none"> • Report of the Committee to the Board of Directors regarding the Annual Corporate Governance Report. • Analysis of the services rendered by the Group's Auditor, "Ernst&Young," and submission of proposal to the Board of Directors regarding the re-election thereof for fiscal year 2008. • Report of the Committee to the Board of Directors regarding the explanatory report that the Board of Directors must prepare pursuant to the provisions of Section 116.bis of the Securities Market Law. • Presentation by the Group's Auditor, "Ernst&Young": Scope of the limited semi-annual review of the financial statements and control recommendations. • Authorization for the Group's Auditor to provide services other than those of financial statement auditing. • Presentation by the Director of Internal Audit: Annual working plan and goals for fiscal year 2008.

Meeting	Date	Agenda
10 th MEETING	21-JUL-2008	<ul style="list-style-type: none"> • Report of the Committee to the Board regarding economic and financial information for the first half of 2008. • Presentation by the Group's Auditor, "Ernst&Young": Limited review of the Group's financial statements for the first half of 2008. • Presentation by the Director of Administration and Control: Comprehensive Risk System. Limits and indicators. Report of the Committee to the Executive Committee. • Quarterly report of the Director of the Regulatory Compliance Unit. • Presentation by the Chairman of the Committee: Proposal to implement a Committee communications channel.
11 th MEETING	23-SEP-2008	<ul style="list-style-type: none"> • Presentation by the Director of Internal Audit: Proposed Basic Internal Audit Rules. • Presentation by the Chairman of the Committee: Proposed internal procedure for the management of complaints received through the Committee communications channel. • Authorization for the provision by the Group's Auditor of services other than those of financial statement auditing.
12 th MEETING	22-OCT-2008	<ul style="list-style-type: none"> • Report of the Committee to the Board of Directors regarding economic and financial information for the third quarter of 2008. • Presentation by the Director of Administration and Control: Comprehensive Risk System. Report of the Committee to the Board of Directors. • Quarterly report by the Director of the Regulatory Compliance Unit. • Approval of the "Procedure for Supervision of the Comprehensive Risk System by the Audit and Compliance Committee." • Analysis of related-party transactions and conflicts of interest of the directors. Dispensation reports to the Board of Directors. • Approval of the Basic Internal Audit Rules submitted by the Director of Internal Audit. • Proposal by the Committee to the Board of Directors for approval of the "Procedure for the Audit and Compliance Committee Communications Channel." • Approval of the Committee's internal procedure for dealing with complaints received through the Audit and Compliance Committee Communications Channel.
13 th MEETING	18-NOV-2008	<ul style="list-style-type: none"> • Presentation by the Director of Administration and Control: Annual and semi-annual internal procedure for certification of financial information at the Group. • Presentation by the General Secretary & Secretary of the Board of Directors: Main pending litigation.
14 th MEETING	17-DEC-2008	<ul style="list-style-type: none"> • Presentation by the Director of Administration and Control: Estimate of year-end results for fiscal year 2008. • Presentation by the Group's Auditor, "Ernst&Young": Main conclusions from the preliminary review. • Approval of the Committee's self-evaluation report for fiscal year 2008. • Presentation by the Chairman of the Committee: Draft of the Committee's Activities Report for fiscal year 2008. • Presentation by the Director of Internal Audit: Annual Internal Audit Activities Plan for 2009. • Report of the Committee to the Board of Directors regarding treasury stock limits. • Authorization for the Group's Auditor to provide services other than those of financial statement auditing.

3. ACTIVITIES DURING 2008

This Report contains a summary of the main activities carried out by the Audit and Compliance Committee during fiscal year 2008 for the effective performance of the duties entrusted to it by the Board of Directors.

- a) Supervision of **the process of preparing and the integrity of the economic and financial information** published by the Company.
- b) Monitoring of the **Comprehensive Risk System** formalized by the Company in 2008, in order to verify that the principal risks of the business have been identified and that they are properly managed.
- c) Supervision of the **Internal Audit Division**, which reports to the Chairman of the Audit and Compliance Committee.
- d) Definition of the framework of relations with the **Auditor**, and supervision of the activities and independence thereof.
- e) Assessment of the level of compliance with **legal requirements and with the Codes of Professional Conduct and Good Governance**.
- f) Other activities carried out within the framework established for the Committee in the By-Laws and in the Regulations of the Board of Directors of IBERDROLA RENOVABLES.

Supervision of the process of preparing and of the integrity of the economic and financial information published by the Company

The Committee has paid special attention to supervision of the process of preparation and of the integrity of the economic and financial information published by IBERDROLA RENOVABLES, ensuring that, among other things, the interim financial information is prepared using the same accounting standards as the annual information, and watching for compliance with legal requirements, proper specification of the scope of consolidation, and correct application of generally accepted accounting principles and applicable international financial reporting standards.

Limited review of semi-annual information by the Auditor

At the recommendation of the Audit and Compliance Committee, the Board of Directors of the Company, at its

meeting of June 25, 2008, approved a limited review of the semi-annual information by the Auditor.

This review was recommended pursuant to the new requirements established by Royal Decree 1362/2007, of October 19, which further develops Law 24/1988, of July 28, on the Securities Markets, with respect to transparency requirements regarding information on issuers whose securities are traded on an official secondary market or other regulated market of the European Union, and Circular 1/2008, of January 30, of the National Securities Market Commission [*Comisión Nacional del Mercado de Valores*] (C.N.M.V.). Beginning on January 1, 2008, such documents require an express declaration of responsibility and the sign-off by Administrators on the annual and semi-annual economic and financial information of listed companies.

The Committee has followed up on the results of this limited review, which were presented by the Auditor at its meeting held on July 21, 2008.

Internal procedure for certifying financial information

During fiscal year 2008, at the recommendation of the Audit and Compliance Committee, IBERDROLA RENOVABLES implemented **an internal procedure for certifying the economic and financial information** that must be published by the Company on an annual and semi-annual basis. This procedure is intended to contribute to reasonably ensuring the trustworthiness of the financial information and the proper functioning of internal control.

The detailed procedure was submitted to this Committee at its meeting of November 18, 2008 by the Company's Director of Administration and Control.

Monitoring of the Comprehensive Risk System

The Committee has played a crucial role in designing and establishing the operational guidelines of the Integral Risk Management System at the Iberdrola Renovables Group.

Article 25 of the Regulations of the Board of Directors of IBERDROLA RENOVABLES, which further develops the responsibilities of the Audit and Compliance Committee, provides that it shall have, among other functions, that of periodically reviewing the internal control and risk management systems, in order to identify, manage and adequately understand the principal risks.

This precept provides that the Committee must work to ensure that the risk control and management policy identifies at least the following:

- the various types of risks (operational, technological, financial, legal, reputational, etc.) faced by the Company, including among the financial or economic risks, contingent risks and other off-balance sheet risks;
- the setting of the risk level that the Company deems acceptable;
- the measures provided to mitigate the impact of risks that have been identified, in the event that they materialize; and
- the internal information and control systems that will be used to control and manage such risks, including contingent liabilities and off-balance sheet risks.

During fiscal year 2008, the Company made a great effort to formalize its Comprehensive Risk System and establish the basis for the operation thereof. In this regard, the Committee has labored continuously to supervise the activities performed by the Company, informing the Board regarding

the adaptation of the proposed risk management and control policies and working to ensure that the principal risks of the business are identified and properly managed.

Reports of the Audit and Compliance Committee regarding the Comprehensive Risk System

- At its meeting of April 14, 2008, the Committee analyzed the **“Risk Control and Management Policy” and the specific policies thereof** (investment policy, financing and financial risk policy, treasury stock policy, policy on the risks of shares in listed companies, insurance policy, framework policy on the mitigation of reputational risk, policy on the operational risk of facilities, and policy on the risk of energy management), and issued a positive report to the Board of Directors, as it believes that such policies constitute an appropriate framework for the control and management of the principal risks faced by the Company with the framework of its 2008-2012 strategic plan.

These policies were approved by the Board of Directors at its April 2008 meeting.

- At its meeting of July 21, 2008, the Committee analyzed the limits and indicators corresponding to the risk policies approved by the Company in April 2008, and reported positively thereon to the Executive Committee.
- At the request of the Committee, during the October 22, 2008 meeting, the Director of Administration and Control presented a summary of the activities carried out during fiscal year 2008 relating to the Comprehensive Risk System, as well as the quarterly reporting systems established by the Company to ensure proper monitoring of the significant risks of the business. The Committee issued a positive report to the Board of Directors, as it believes that the Company is working correctly on the formalization of an appropriate Comprehensive Risk System.

Procedure for supervision of the Comprehensive Risk System by the Audit and Compliance Committee

At its meeting of October 22, 2008, the Committee approved the Procedure for Supervision of the Comprehensive Risk System by the Audit and Compliance Committee. This procedure includes the principal duties of the Audit and Compliance Committee, as an internal body of the Board of Directors, for supervising the significant risks of IBERDROLA RENOVABLES.

The duty of supervision, which shall be exercised with the support of the Internal Audit Division, is thus focused on verifying:

- Compliance with established procedures, policies and limits.
- Proper identification, evaluation and prioritization of risks.
- That the elements of the System are in accordance with the General Policy on Risk Control and Management approved by the Board of Directors, applicable legal provisions, and the corresponding Strategic Plan, and that the elements have been adapted to the requirements of an environment that may be changing, thus causing the appearance of new risks.
- That the System operates effectively and efficiently, such that all significant risks affecting the achievement of the corporate objectives of IBERDROLA RENOVABLES and its Group are reasonably identified, measured and controlled.

In no event shall the Audit and Compliance Committee or the Internal Audit Division exercise the following duties, the responsibility for which shall rest with other Divisions and governance bodies of the Company participating in the Comprehensive Risk System:

- The establishment of risk limits.
- The direct management and control of risks.
- The making of decisions in response to risks.

Supervision of the Internal Audit Division

In 2008, an independent and corporate-wide Internal Audit Department was set up at the Iberdrola Renovables Group.

Pursuant to recommendation 50.1.c) of the Unified Good Governance Code, during fiscal year 2008, the Committee ratified the appointment of the head of the Internal Audit Division as a first step towards the creation of an Internal Audit Division within the Group.

The Internal Audit Division was created as a global independent function, the principal objective of which is to provide the Board of Directors, through the Audit and Compliance Committee, **with efficient supervision of the significant internal control and risk management systems of the IBERDROLA RENOVABLES GROUP.**

In order to comply with its duties and perform its activities, the Internal Audit Division has adopted a structure based on highly qualified multi-disciplinary teams that are formally organized by geographic area and working pursuant to a single Annual Activities Plan. These teams share work based on their qualifications and their potential for professional development, aligning their work with the best international practices.

During this first year of the Internal Audit Division's activities, the Committee has worked to ensure that the service **has the resources** and that its professionals have the qualifications needed for the proper performance of their duties.

Despite its recent creation, the Internal Audit Division has had a high degree of completion of its activities during 2008, with the Director of Auditing having attended all of the meetings held by the Committee since her appointment, reporting on a timely basis on the significant aspects and recommendations resulting from the activities performed.

Basic Internal Audit Regulation

At its October 22 meeting, the Committee approved the Basic Internal Audit Regulations. This is an internal document inspired by the corporate governance rules of IBERDROLA RENOVABLES and, in particular, by the provisions of Article 38.2 of its By-Laws and Article 25.3 of the Regulations of the Board of Directors, and is intended:

- To define the nature, activities, organization, operation, basic powers, and responsibilities of the Internal Audit Division.
- To establish the framework of relations between the Internal Audit Division, the Board of Directors, the Audit and Compliance Committee and the Management of the Group.
- To serve as a unique reference document to disseminate knowledge of the functions, activities and responsibilities of the Internal Audit Division among the IBERDROLA RENOVABLES GROUP.

In October, the Committee approved the Basic Standard of Internal Audit, which is based on the Company's corporate governance standards and governs the department's function.

Internal Audit Annual Activities Plan for fiscal year 2009

At its December 17 meeting, pursuant to the provisions of Article 25.3 of the Regulations, the Audit and Compliance Committee approved the **Internal Audit Annual Activities Plan for fiscal year 2009**.

This is a global activities plan, the scope of which covers all of the IBERDROLA RENOVABLES Group, and prepared based on a process of analysis and deep reflection regarding the current reality of the Group as well as potential risks arising from the current economic environment.

The principal objectives of the Internal Audit Activities Plan for fiscal year 2009 are:

- To support the Audit and Compliance Committee in compliance with the responsibilities assigned thereto.
- To supervise compliance with the objectives of the Company's Strategic Plan by means of the performance of work focused on the Group's significant risks.

The Plan contemplates a significant number of tasks, with activities throughout all of the organizations and geographical areas of the Group.

Establishment of the framework of relations with the Auditor and supervision of the Auditor's activities

Pursuant to the provisions of Article 25.5 of the Regulations of the Board of Directors, the main duties of the Audit and Compliance Committee include the supervision of the activities of the Auditor. In particular, the Committee:

- Proposes the appointment of the Company's Auditors to the Board of Directors, for submission to the shareholders at the General Shareholders' Meeting.
- Receives information from the Auditors regarding issues that might place the independence thereof at risk, that are related to the financial statement auditing process, and, in general, regarding any other matters provided for in legislation on financial statement auditing and in the technical auditing regulations in effect from time to time.

In this regard, the Committee at its April 14, 2008 meeting approved the *"Auditor Hiring Policy of Iberdrola Renovables, S.A. and Subsidiaries"*. This policy establishes a series of mechanisms that seek to ensure the independence of the external auditor within the principle of maximum transparency, and governs the framework of relations with the Auditor.

Pursuant to such policy, the Committee has played an active role in monitoring the independence of the Auditors,

authorizing in advance the contracting of all work performed by the Auditor for services other than auditing, ensuring that applicable rules regarding the provision of services other than auditing, as well as the limits regarding concentration of the Auditor's business, are respected at all times.

In April 2008, the Committee approved the "Policy for Appointing Auditors" with a view to establishing the measures to ensure their independence

In the exercise of its duties, the Committee at its May 20, 2008 meeting resolved to submit to the Board of Directors its proposal to re-elect the Group's Auditor, Ernst&Young, for approval by the shareholders at the General Shareholders' Meeting.

In addition, the Committee reviews the content of the Audit Reports in order to avoid any qualifications prior to the issuance thereof, assessing the results of each audit and serving as a channel of communication between the Board of Directors and the Auditor.

In accordance with the foregoing, the Committee has encouraged the appearance of the Company's Auditors before the full Committee to present its working conclusions and to establish a fluid channel of communication with the members of the Committee. The most significant activities carried out during 2008 were the following:

Meeting	Date	Agenda
9 th MEETING	20-MAY-2008	<ul style="list-style-type: none"> Presentation by the Group's Auditor, "Ernst&Young": Scope of the limited semi-annual review of the financial statements and recommendations on control.
10 th MEETING	21-JUL-2008	<ul style="list-style-type: none"> Presentation by the Group's Auditor, "Ernst&Young": Limited review of the Group's financial statements for the first half of 2008.
14 th MEETING	17-DEC-2008	<ul style="list-style-type: none"> Presentation by the Group's Auditor, "Ernst&Young": Main conclusions from the preliminary review.



As an innovation during fiscal year 2008, following best practices in this regard and upon the proposal of the Audit and Compliance Committee, IBERDROLA RENOVABLES has included a Limited Review Report signed by the Auditor among its public financial information for the first half of the fiscal year.

Evaluation of the level of compliance with legal requirements and the requirements of the Codes of Professional Conduct and of Good Governance

The Committee has worked to ensure compliance with legal requirements and the requirements of the Codes of Professional Conduct and Good Governance approved by the Board of Directors, submitting proposals for improvement that it deemed appropriate to the Board of Directors, with an emphasis on:

- i) The creation of an Internal Audit Division (Recommendations 47 and 48 of the Unified Good Governance Code);
- ii) Implementation of a Communications Channel with the Committee so that employees might report potentially significant financial and accounting irregularities found within the Iberdrola Group, respecting in all cases the personal data protection rules and the fundamental rights of the parties involved (Recommendation 50 of the Unified Good Governance Code).

Audit and Compliance Committee Communications Channel

A communication channel has been made available to employees whereby they can report, confidentially, any irregularities they detect in the course of their duties, in particular financial or accounting irregularities, with implications for the firm.

The Company's Board of Directors at its October 22, 2008 meeting, upon a proposal of the Audit and Compliance Committee, approved the implementation of an Audit and Compliance Committee Communications Channel, fully respecting all pre-existing mechanisms of Communications between the Company and its employees, in compliance with the provisions of:

- Recommendation 50 of the Unified Good Governance Code, which provides *"that with respect to the internal information and control Systems, the Audit Committee is to establish and supervise a mechanism that allows employees to confidentially and, if they deem it appropriate, anonymously, communicate potentially significant irregularities, especially financial and accounting, that they encounter within the company."*
- Article 25.7 of the Regulations of the Board of Directors of the Company, which includes among the functions of the Audit and Compliance Committee, to *"establish and supervise a mechanism to allow employees to report on a confidential and, if deemed appropriate, anonymous basis, potentially important irregularities, particularly of a financial and accounting nature, observed in the company, complying in all cases with the rules and regulations regarding the protection of personal information and the fundamental rights of the parties involved."*

Pursuant to Article 25.1 of the Regulations of the Board of Directors, the application of this procedure shall extend to Iberdrola Renovables, S.A. and to the Companies making up its Group, understood in the sense of Section 4 of Law 24/1988, of July 28, on the Securities Market, without prejudice to the communications that may have to be made to the Audit and Compliance Committee or other equivalent body of other listed companies of the IBERDROLA RENOVABLES Group that have a similar procedure.

Since the approval thereof, the Committee has been closely following its implementation and has prepared and approved an internal procedure for managing complaints that it receives through this channel.

The approval of the "Procedure for the Audit and Compliance Committee Communications Channel" by the Board of Directors took place on October 22, 2008.

Other activities performed within the powers established for the Committee in the By-Laws and in the Regulations of the Board of Directors of IBERDROLA RENOVABLES.

2007 Annual Corporate Governance Report

Pursuant to the provisions of Articles 25.2 f) of the Regulations of the Board of Directors and 46.1 of the By-Laws, the powers of the Audit and Compliance Committee include that of examination of the Annual Corporate Governance Report prior to the approval thereof by the Board of Directors of IBERDROLA RENOVABLES.

The examination of the Annual Corporate Governance Report is performed in order to ensure:

- Compliance with legal requirements as regards the transparency of information; and
- Consistency of information contained in the report with internal rules of the Company and the records of the C.N.M.V.

The Annual Corporate Governance Report for fiscal year 2007 was approved by the Board of Directors on May 20, 2008, after examination by the Audit and Compliance Committee, which examined the document at its meeting held on that date.

Amendment of the Internal Regulations for Conduct in the Securities Markets

The Internal Regulations for Conduct in the Securities Markets of IBERDROLA RENOVABLES was approved by the Board of Directors on November 5, 2007. During fiscal year 2008, there was an **amendment of the Regulations** in order to adapt them to the new requirements regarding transparency. At its February 19, 2008 meeting, the Committee analyzed such amendments and reported favorably thereon to the Board.

Supervision of the activities performed by the Regulatory Compliance Unit

The Committee supervised the activities performed by the Regulatory Compliance Unit, requesting the quarterly appearance of the head of the Unit to report on the measures adopted to promote knowledge of and ensure compliance with the provisions contained in the "Internal Regulations for Conduct in the Securities Markets" and, generally, the legal provisions applicable to the Securities Markets.

Conflicts of interest and related-party transactions

Pursuant to the provisions of the "**Procedure for conflicts of interest and related-party transactions with Directors, significant Shareholders and Senior Management,**" the Committee has analyzed the communications regarding conflicts of interest and related-party transactions sent to it periodically by the Regulatory Compliance Unit.

Reports to the Board regarding special purpose entities

Pursuant to the provisions of Article 25.2 h) of the Regulations of the Board of Directors, the Committee must report to the Board of Directors prior to the adoption thereof of decisions regarding the creation or acquisition of interests in special purpose entities or entities domiciled in territories that are considered to be tax havens.

During fiscal year 2008, at its meeting on March 11, and April 14, the Committee performed a specific analysis of the risks and implications of these or similar projects that have taken place during the fiscal year and that were reported to the Committee for its assessment thereof.

Review of claims by and against the Company

At its meeting of November 18, 2008, the General Secretary and Secretary of the Board appeared to present the Report on Claims by and against the Company for fiscal year 2008, reporting on the volume of IBERDROLA RENOVABLE's claims against third parties and the claims of third parties against IBERDROLA RENOVABLES, of the evolution of the principal claims, and of the potential legal risks that affect the Company.

Dispensations of Directors

At its meeting of October 22, 2008, the Audit and Compliance Committee presented the corresponding reports to the board of directors of the Company regarding the appropriateness of giving dispensation for certain activities or services performed by Messrs. Egea Krauel, Moreu Munaiz and Videgain Muro, as they were deemed not to endanger the interests of the Company.

Appearances of Management before the Committee

In order to optimally comply with its duties, the Audit and Compliance Committee may, when it deems necessary, re-

quest the appearance of the Company's senior managers before the full Committee.

In this regard, there were 19 appearances by senior managers of the Company, a breakdown of which is set forth in the following table:

Date	Division	Presentation
19-FEB-2008	Director of Administration and Control General Secretary & Secretary of the Board of Directors CEO	Pro forma consolidated annual reports and financial statements as of December 31, 2007. Internal Regulations for Conduct in the Securities Markets. Proposal for hiring consulting services.
07-MAR-2008	Director of Administration and Control	Annual Reports and Management Report for fiscal year 2007.
11-MAR-2008	CEO	Acquisitions with respect to Article 25.2 h) of the Regulations of the Board of Directors.
14-APR-2008	Director of Administration and Control	Economic and financial information – first quarter 2008.
20-MAY-2008	Director of Internal Audit	Annual working plan and goals for fiscal year 2008.
21-JUL-2008	Director of Administration and Control Director of Administration and Control Director of Regulatory Compliance Unit	Economic and financial information for first half of 2008. Comprehensive Risk System. Limits and indicators. Quarterly report of the Regulatory Compliance Unit.
23-SEP-2008	Director of Internal Audit	Internal Basic Audit Regulations.
22-OCT-2008	Director of Administration and Control Director of Administration and Control Director of Regulatory Compliance Unit Director of Internal Audit	Economic and financial information –third quarter 2008. Comprehensive Risk System. Quarterly report of the Regulatory Compliance Unit. Internal procedure for dealing with complaints received through the Communications Channel.
18-NOV-2008	Director of Administration and Control General Secretary & of the Board	Procedure for certifying financial information. Main pending litigation.
17-DEC-2008	Director of Administration and Control Director of Internal Audit	Estimate of results for year-end 2008. 2009 Annual Activities Plan.



CONCLUSION

During fiscal year 2008, the first full year of activity of IBERDROLA RENOVABLES' Audit and Compliance Committee, the Committee has been very active and has complied with its duties under the law and the By-Laws, based on the cooperation of the members of the Company's Senior Management and the support of the Internal Audit Division.

As a result of their work, the members of the Committee:

1. Believe that the Committee satisfactorily performed the duties previously entrusted to it by the Board of Directors and which are set forth in the By-Laws and the Regulations of the Board of Directors.
2. State their approval of the Company's economic and financial information reviewed during the fiscal year, the efficiency of its internal control systems related to significant risks, and the level of compliance by IBERDROLA RENOVABLES with good governance standards and recommendations.
3. Have reported to the Board of Directors and to the Management of the Company on potential areas for improvement within their respective areas of responsibility.