



The Regulatory Authority for Energy Procures the 2019 Technology Specific Tendering Processes for Photovoltaic Plants and Wind Parks

The next two tendering processes of capacities of 300 MW for wind (WP) and photovoltaic (PV) parks respectively, are set for 1st of July 2019 - Applications to be submitted until the 31st of May 2019
Two types of licenses

The new support scheme for RES and CHP projects was introduced in Greece by virtue of the New RES Support Law (Law 4414/2016, GG Issue A' 146/09.08.2016) in alignment with the **EU Guidelines on State aid for Environmental Protection and Energy 2014-2020**. Same Law envisages the reform and implementation of new measures which transform the RES area status quo and align it to the European axis, while concurrently safeguard future investments. More specifically, the New RES Support Law, in an effort to reduce the final cost of electricity, provides for the support of RES electricity plants on the basis of operating aid in the form of a sliding feed in premium added to the compensation

received from the participation in the electricity market in order to reach a reference tariff, which for the applicable PV and WP categories is secured through the successful participation in competitive tenders (the “**Tenders**”).

In early 2018, the European Commission approved the above framework and on this basis, the Regulatory Authority for Energy (“**RAE**”) commenced the organization of the Tenders in Greece, in accordance with the provisions of Article 7 of the Law 4414/2016 which sets out the entire process from the pre-tendering phase to the launch of the Tenders along with the provided thereto specific Ministerial Decisions.

The past year, 2018, saw the conduct of two (2) round of technology specific Tenders which resulted to the lowering of the average reference tariff to:

- €66,66/MWh for PV plants with a capacity up to 1 MW

- €63,81/MWh for PV plants with a capacity higher than 1MW and up to 20 MW and
- €58,58/MWh for W/Ps with a capacity higher than 3 MW and up to 50 MW.

Respectively, the reference tariff of the joint technology Tender¹, conducted in early 2019, reached €57,03/MWh.

In accordance with the applicable Ministerial Decisions RAE shall further procure the Tenders for the auctioning of 430 MW for PV plants 400 MW for W/Ps within 2019.

Following the two technology specific Tenders of 2018 and the joint Tender of early 2019, RAE, based on the aforementioned results and the license maturity of the projects being developed, by virtue of its decision no. 441/2019 set the terms of the first round of Calls for Tenders for 2019 (jointly referred to as the "Calls for Tenders").

The *Calls for Tenders* consists of:

- The Call for Tender no. 2/2019, for PVs with a capacity up to 20 MW and
- The Call for Tender no. 3/2019, for W/Ps with a capacity up to 50 MW.

The main *characteristics* of the Calls for Tenders as set out by RAE:

a. The **maximum tendered capacity** has been set to 100 MW for each category. The actual tendered capacity will be

¹ for W/Ps with a capacity > 50 MW, PVs with a capacity > 20 MW, W/P Clusters⁽²⁾ with total capacity > 50 MW, PV Clusters⁽²⁾ with total capacity >20MW and Mixed W/P + PV Clusters with total capacity >50 MW

established by reference to the total capacity of the projects of the final list of participants which must exceed said capacity **by 40%**. For instance, if the maximum tendered capacity is 100 MW and the total capacity of the projects of the final list of participants is 90 MW, RAE will determine the actual tendered capacity to 64,29 MW (= 75 / 1,75) for the purposes of fulfilling the rule for sufficient competition levels. It is provisioned that the capacity will be set upon completion of Stage A' "Evaluation of the Applications" as provided in the Call for Tenders.

b. The **maximum bid price** for the 2019 technology specific Tenders has been set by RAE, in accordance with the provisions of Ministerial Decision under no. DAPEEK/34495/1107/15.04.2019, to the amounts of:

- €69,26/MW for eligible PVs and
- €69,18/MW for eligible W/Ps.

c. **The timeline** for the submission of applications shall commence as of ten (10) days following the date that the respective Calls for Tenders shall be published in the Government's Gazette, ending on May 31, 2019 (17.00). RAE shall review the applications submitted and shall finalize the list of participants on June 27, 2019. The bids shall take place on July 1st and the announcement of the successful bidders will be published by July 5th, 2019.

d. The **duration of the Tender bidding process** is set to thirty (30) minutes and no extensions shall be granted.

e. The minimum **licensing maturity stage** requirements in order for a project to

be eligible for participation, according to the relevant terms of the Calls for Tenders, include either: (a) the issuance and acceptance of the binding Connection Terms Offer² from the competent Operator; or (b) the execution of the Connection Agreement³ with the competent Operator.

f. The period in which the RES projects must be commissioned is differentiated on the basis of type and the **complexity** of said projects, ranging from 12 and up to 42 months as of the issuance of the final results of the Tenders.

g. The participation fees according to the Call for Tenders are:

- €500 for PVs and
- €1.000 for W/Ps.

h. A **“Participation Letter of Guarantee”** equal to 1% of the total investment and a **“Good Performance Letter of Guarantee”** equal to 4% of the total investment are required by each of the Calls for Tender mentioned above (the amount of the investment is calculated on the basis of a cost of €1.000/kW of installed capacity for PV projects and €1.250/kW of maximum capacity for W/P projects).

i. The Call for Tenders defines in the Annexes the precise form of the documents

which are required to be submitted based on the legal form of each Applicant.

The following application documentation is referenced for general information purposes:

- Application – Solemn Declaration by the Participant;
- Participant’s administrative body’s resolution for the participation in the RES Tender procedure;
- Copy of the proof of payment of the Tender participation fee;
- Participation Letter of Guarantee;
- Proof of the final submission of the Application for participation in the Tender as received by the Tender process electronic platform with reference to the participation ID number.

² Pursuant to the Greek legislation, the granting of the final connection terms offer requires the prior completion of the environmental licensing process, as such is provided for RES projects while the acceptance thereof requires the submission of a Letter of Guarantee.

³ Respectively the execution of the Connection Agreement requires the prior issuance of an Installation License.

CONTACT

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