



The Second Round of Technology Specific (Pvs & Wps) RES Tenders For 2019

The next round of two technology specific tendering processes for wind (WP) and photovoltaic (PV) parks of capacities of 287,11 and 225,45 MW respectively, are set for December 12th 2019 - Applications to be submitted until November 4th 2019.

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 New RES Support Law which along with the provided thereto secondary law (Ministerial Decisions) sets out the entire process from the pre-tendering phase to the launch of the Tenders.

The past year, 2018, saw the conduct of two (2) rounds of technology specific Tenders which resulted to the lowering of the average reference tariffs 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 WPs 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.

Finally the latest Tenders, which took place on July 2019 the average tariffs were formed as follows:

- €62,78/MWh, for PVs with a capacity up to 20 MW; and
- €67,32/MWh, for WPs with a capacity up to 50 MW.

Following the aforementioned Tenders and in accordance with the applicable Ministerial Decisions, RAE, based on the results and the license maturity of the projects currently being developed, by virtue of its decision no. 828/2019 set the terms of the second round of Calls for Tenders for 2019 (jointly referred to as the “Second Calls for Tenders”).

The *Second Calls for Tenders* consists of:

- The Call for Tender no. 3/2019, for PVs with a capacity up to 20 MW and
- The Call for Tender no. 4/2019, for WPs with a capacity up to 50 MW.

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

¹ for WPs with a capacity > 50 MW, PVs with a capacity > 20 MW, WP Clusters⁽²⁾ with total capacity > 50 MW, PV Clusters⁽²⁾ with total capacity >20MW and Mixed WP + PV Clusters with total capacity >50 MW

- a. The **maximum tendered capacity** has been set to 287,11 MW for PVs and to 225,45 MW for WPs. The actual tendered capacity will be established by reference to the total capacity of the projects included in the final list of participants which must exceed the actual tendered capacity **by 40%**. For instance, if the maximum tendered capacity is set to 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 (= 90 / 1,40) for the purposes of fulfilling the rule for sufficient competition levels. The actual tendered capacity will be determined 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:
 - €66,02 /MW for eligible PVs and
 - €68,25 /MW for eligible WPs.
- c. **The timeline** for the submission of applications shall commence on October 7, 2019, ending on November 4, 2019 (17.00). RAE shall review the applications submitted and shall finalize the list of participants on December 9, 2019. The bids shall take place on December 12th and the announcement of the successful bidders will be published by December 20, 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 WPs.
- 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 WP projects).
- i. The Second Calls for Tenders further define in the Annexes thereof 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.

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