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**ENERGY, UTILITIES & INFRASTRUCTURE PRACTICE**

# The Results of the 2nd Round of Technology Specific RES Tenders for December 2019

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The current support scheme for RES projects in Greece was introduced by virtue of Law 4414/2016 (“RES Support Law”) in alignment with the EU Guidelines on State aid for Environmental Protection and Energy 2014 - 2020. RES Support Law initiated the sliding feed-in premium operating aid for the Photovoltaic plants (“PVs”) and Wind Parks (“WPs”) which is secured by having successfully participated in the competitive tenders (“Tenders”) organized by the Regulatory Authority for Energy (“RAE”).

The European Commission approved the above framework and on this basis RAE organized Tenders (2018-2019) in accordance with the provisions of Article 7 of the RES Support Law which along with the provided thereto secondary legislation (Ministerial Decisions) set out the tendering process.

## *Tenders – December 2019*

In the Tenders which were held on December 2019 (no. 4/2019 for PVs and no. 5/2019 for WPs) the weighted average reference tariffs were further decreased.

Based on RAE’s decision no. 1246/2019, the aforementioned Tenders resulted as follows:

- €59,98/MWh for PVs with a capacity up to 20 MW; and

- €57,74/MWh for WPs with a capacity up to 50 MW.

In the PV Tender, the tendered capacity was approximately 105 MW and the maximum bidding price was set to €66.02/MWh. Seventeen (17) PV projects qualified having secured reference tariffs ranging from €53.82/MWh to €65.99/MWh. The weighted average reference tariff was decreased by 9,15% in comparison with the maximum bidding price set by RAE.

In the WP Tender, the tendered capacity was approximately 225 MW and the maximum bidding price was set to €68.25/MWh. Seven (7) PV projects qualified having secured reference tariffs ranging from €55.77/MWh to €61.94/MWh. The weighted average reference tariff was decreased by 15,4% in comparison with the maximum bidding price set by RAE.

## *Tenders 2020*

According to the RAE’s decision no. 1246/2019, the maximum bidding price for the first Tenders of 2020 has been set

to €63/MWh for PVs and to €62,99/MWh for WPs. The non-allocated capacity shall be transferred to the said Tenders, i.e. 182,03 MW for PVs and 1,45 MW for

WPs. The below capacities are expected to be tendered within 2020:

- 482,03 MW for PVs;
- 301,45 MW for WPs; and
- 517,78 MW for the joint technology RES Tender.

### *Special Remarks*

1. As a result of the consecutive reduction of the bidding prices during the years 2018-2019 which are expected to be further decreased on 2020, the selling prices of the electricity generated by PVs and WPs progressively converge with the market prices. On this point, according to the most recent data published by the RES Operator (DAPEEP), the weighted average System Marginal Price (SMP) in November 2019 was €56,73/MWh for PVs and €54,01/MWh for WPs. For this reason, it is of high importance the Article 20 of Law 4643/2019, according to which the RES producers may opt to be exempted by the current support scheme (and the subsequent obligation to participate in Tenders) and solely participate in the wholesale market, directly or through a RES Aggregator.
2. By virtue of the Article 21 of Law 4643/2019, the RES stations with a capacity of over 250 MW, as well as RES station clusters with common interconnection point with the System and an aggregate capacity of over 250 MW, may optionally be exempted from the Tenders in accordance with the provisions of the “Guidelines on state aid for environmental protection and energy 2014-2020” (European Commission Communication EU 2014/C 200/01).

The eligible projects are specified by virtue of a decision by the Minister for Environment and Energy, which also determines the minimum supporting documents and information to be included in the application file for requesting the granting of aid, the relevant assessment criteria, indicatively the licensing maturity, the RES technologies combination of each project, the corporate or shareholding structure of the applicant, the possible alternatives for the interconnection to the electricity network and the timetable for the implementation of the project.

The applications submitted to the Ministry for Environment and Energy are examined by the Committee for Monitoring the Support Schemes of RES and CHP stations which opines to the Minister Environment and Energy on the necessity of notifying a draft decision for the provision of individual aid to the European Commission. In the event that the above individual aid is considered, by the European Commission, to be compatible with the principles of European Law, the final decision on granting individual aid is issued by the Minister for Environment and Energy. Otherwise, the Minister for Environment and Energy issues a decision for the rejection of the pertinent application.

In case that during the assessment of the application, the applicants successfully participate in a Tender, they should notify the Minister for Environment and Energy and the Committee for Monitoring the Support Schemes of RES and CHP stations. In such a case, the application for granting individual aid is rejected as inadmissible by decision of the Minister for Environment and Energy. In cases where a

prior notification of the draft for individual aid has taken place, the decision of the aforementioned subparagraph is notified to the European Commission.

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