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Call for Technology Specific RES Tenders - July 2020

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The current support scheme for RES and CHP projects in Greece was introduced by virtue of Law 4414/2016 (hereinafter referred to as "RES Support Law") in alignment with the EU Guidelines on State aid for Environmental Protection and Energy 2014 - 2020. The RES Support Law provides for the support of RES electricity production 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. Furthermore, the reference tariff for applicable categories of Photovoltaic plants (hereinafter referred to as "PVs") and Wind Parks (hereinafter referred to as "WPs") is secured through the successful participation in competitive tenders (hereinafter referred to as "Tenders") organized by the Regulatory Authority for Energy (hereinafter referred to as "RAE").

On the basis of the above framework, as also approved by the European Commission, RAE has conducted Tenders 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.

Previous Tenders

During the period 2018-2020, four (4) technology specific RES Tenders along with two (2) joint technology RES Tenders were conducted, resulting to the overall lowering of the reference tariffs.

More particularly, the weighted average reference tariff of the first joint technology RES Tender, held in 2019, reached €57.03/MWh (while the lowest and highest successful bids secured reference tariffs of €53/MWh and €64.72/MWh respectively).

Furthermore, in the technology specific RES Tenders which were held on December 2019 the weighted average reference tariffs were formed as follows:

- €59.98/MWh for PVs with a capacity up to 20 MW (with reference tariffs ranging from €53.82/MWh to €65.99/MWh); and
- €57.74/MWh for WPs with a capacity up to 50 MW (with reference tariffs ranging from €55.77/MWh to €61.94/MWh).

It is also worth noting that, the weighted average reference tariff of the latest joint technology RES Tender, held on April 2020, reached €51,59/MWh (while the lowest and highest successful bids secured reference tariffs of €49,11/MWh and €54.82/MWh respectively).

The Technology Specific RES Tenders – July 2020

Following the conduct of the aforementioned Tenders and in accordance with the applicable Ministerial Decisions, RAE, based on the results thereof and the license maturity of the projects currently being developed, by virtue of its decision no. 834/2020 dated May 20, 2020 and the relevant Call for Technology Specific RES Tenders no. 2/2020 and 3/2020 (hereinafter referred to as “Call for Tenders”) set the terms for the Technology Specific RES Tenders to be held on July 2020.

According to the Call for the Tenders the below projects are eligible to participate in the upcoming process:

- PVs with an installed capacity not exceeding 20 MW; and
- WPs with a maximum capacity not exceeding 50 MW;

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

- a. The maximum tendered capacity has been set to 482,03 MW for PVs and 481,45 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’ - “Participation Documentation” as provided in the Call for Tenders.

- b. The maximum bid price for the 2020 Technology Specific RES 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:
 - 63 €/MW for eligible PVs; and
 - 62,99 €/MW for eligible WPs.
- c. The duration of the Tender bidding process is set to thirty (30) minutes and no extensions shall be granted.
- d. The minimum licensing maturity stage requirements in order for a project to be eligible for participation, according to the relevant terms of the Call for Tenders, include either: (a) the issuance and acceptance of the binding Connection Terms Offer¹ from the competent Operator; or (b) the execution of the Connection Agreement² with the competent Operator.
- e. The period within which the RES projects must be commissioned is differentiated on the basis of the

¹ 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.

² Respectively the execution of the Connection Agreement requires the prior issuance of an Installation License.

interconnection complexity of said projects, ranging from 12 and up to 24 months for the PVs and from 24 and up to 42 for WPs as of the issuance of the final results of the Tenders.

- f. The participation fee according to the Call for Tenders is set to €500 for PVs and €1.000 for WPs.
- g. A “Participation Letter of Guarantee” equal to 1% of the total investment and a “Good Performance Letter of Guarantee” for the successful participants, equal to 4% of the total investment are required to be submitted (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).
- h. The Call 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 Tender procedure;
- Copy of the proof of payment of the Tender participation fee;
- Participation letter of guarantee; and
- 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.

Timeline

The timeline for the submission of applications for participation in the July 2020 Technology Specific RES Tenders shall commence on the date of publication of the Call for Tenders in the Government Gazette, i.e. as of June 2, 2020, ending on June 29, 2020 (17.00). RAE shall review the applications submitted and shall finalize the list of participants on July 23, 2020. The bids shall take place on July 27, 2020 and the announcement of the final list with the successful bidders will be published by July 31, 2020.

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