
NEWS ALERT

First auction for the granting of the renewable energy economic regime

December 15, 2020



On December 12, Resolution of December 10, 2020, of the Secretary of State for Energy, calling the first auction for the granting of the renewable energy economic regime under Order TED/1161/2020, of December 4 (the "Call Resolution"), was published in the Official State Gazette (BOE).

The Call Resolution is the third milestone that completes the legal framework of the new renewable energy economic regime. This regime is foreseen for electricity generating plants under category b) of article 2.1 of RD 413/2014, which are either new or an extension of an existing one, part of the peninsula's electricity system, and that either do not have a storage system or they do but it is used exclusively for storing the energy produced. For further information, you can consult our legal flashes on RD 960/2020 and Order TED/1161/2020.

The Call Resolution establishes the features of the auction procedure, including the following:

- **Auction timetable:** The forms and documentation for participating in the pre-classification stage (detailed in Appendix II) and in the subsequent classification stage of the auction (detailed in Appendix III) may be submitted between December 15, 2020, from 1:00 p.m., and January 10, 2021, until 1:00 p.m. The auction stage itself will take place on January 26, 2021, between 9:00 a.m. and 2:00 p.m., after conducting a trial and an access test to the system on January 22 and 25, respectively, with the final qualifying participants. A claims period will take



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place in the two hours following the closure of the auction on January 26 at 2:00 p.m. The results of the auction will then be validated within twenty-four hours from the end of the claims period.

- **Product quota:** A product quota of 3,000 MW power capacity is approved, including a minimum reserve of 1,000 MW for photovoltaic solar technology and another minimum reserve of 1,000 MW for onshore wind technology. Power capacity will be considered according to the definition in force on the closing date for submitting the documentation to participate in the auction. The percentage in excess of the quota in the matching process of the auction is set at 6%, with the maximum awardable power being 3,180 MW. Likewise, the maximum product that can be awarded to the same company or business group is set at 1,500 MW.
- **Maximum size of an indivisible section offered:** set at 180 MW.
- **Price:** the reserve price, which will be at a fixed value expressed in euros/MWh, is determined confidentially, and the risk price is set at €0/MWh.
- **Strategic plan:** a strategic plan on the estimated socioeconomic impact that the installations may have must be submitted along with the request for the installations to be included in the Registry of the Renewable Energy Economic Regime under pre-assignment status.

For additional information, please contact Cuatrecasas.

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