

# Designing Successful RES-E Auctions

18 January 2017, Sofia

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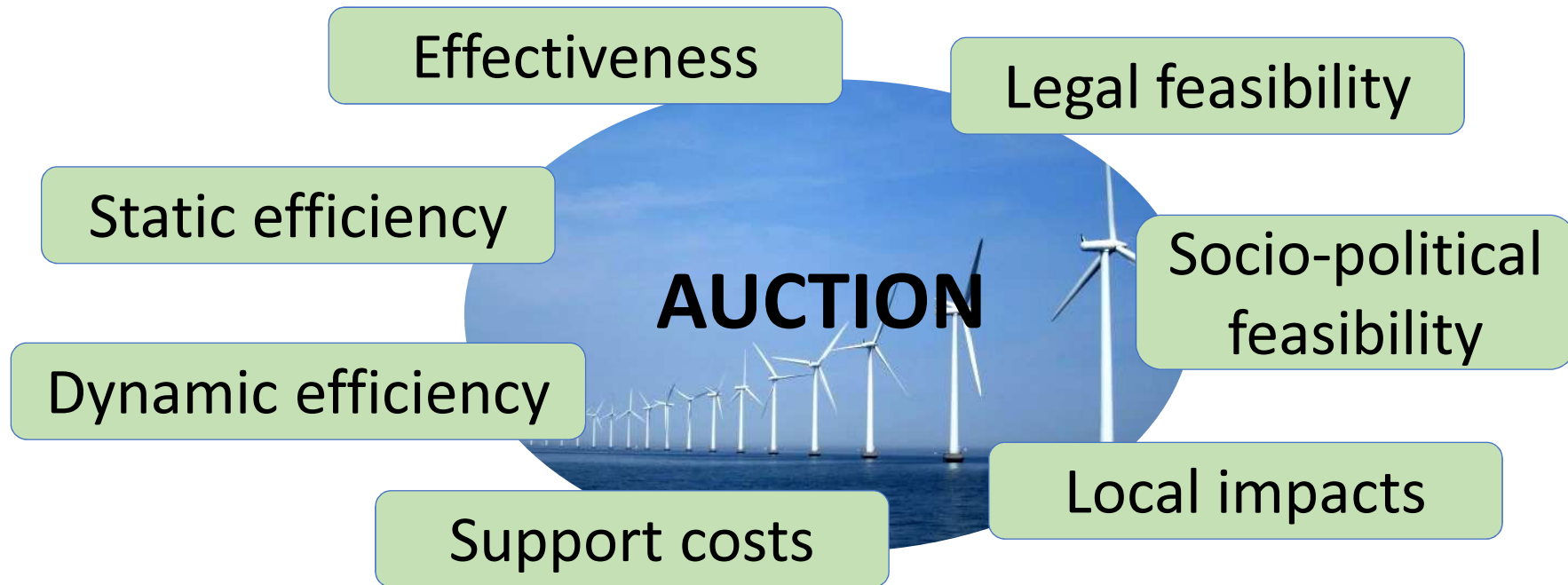
*A presentation prepared by  
Emilie Rosenlund Soysal  
(DTU Management Engineering)*



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# Successful RES-E Auctions

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# RES auction design elements (selected)

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What is auctioned?

- Technology-specific / neutral
- Output-based / investment grants
- Sliding / fixed premiums
- Support duration, adjustments,...

How much is auctioned?

- Single-item / multiple items
- Volume (capacities / budget)

How should the winners be selected?

- Price-only
- Multiple criteria

How should the price be determined?

- Pay-as-bid
- Uniform / pay-as-cleared

Should there be special bidding rules?

- Price caps / floors
- Quotas for diversity

Should there be safeguards?

- Pre-qualification rules
  - Penalties (non-compliance/delays)
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# AURES has analysed...

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Past implementations in:

Eight European countries



Four non-European countries

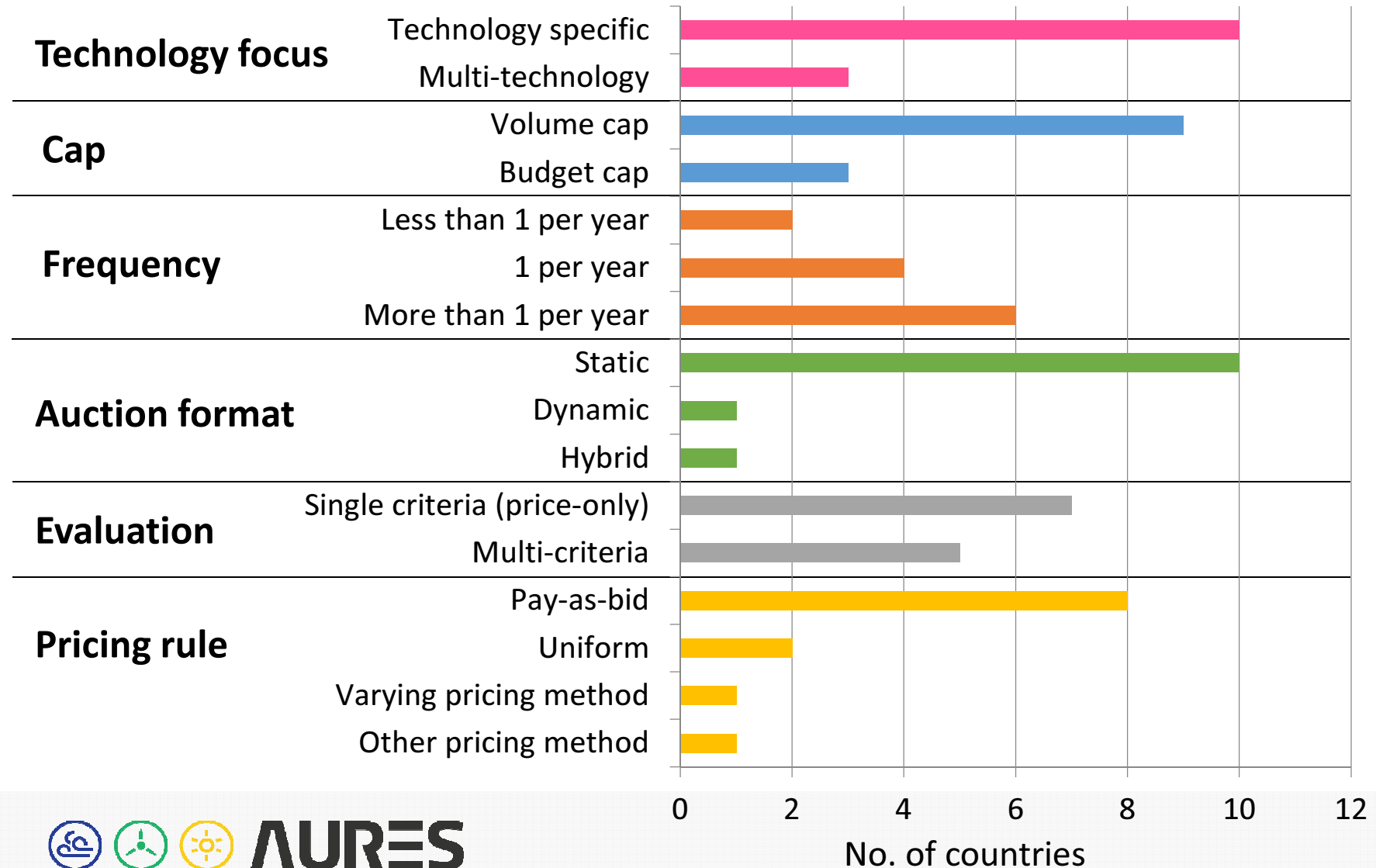


Future/ongoing implementations in:

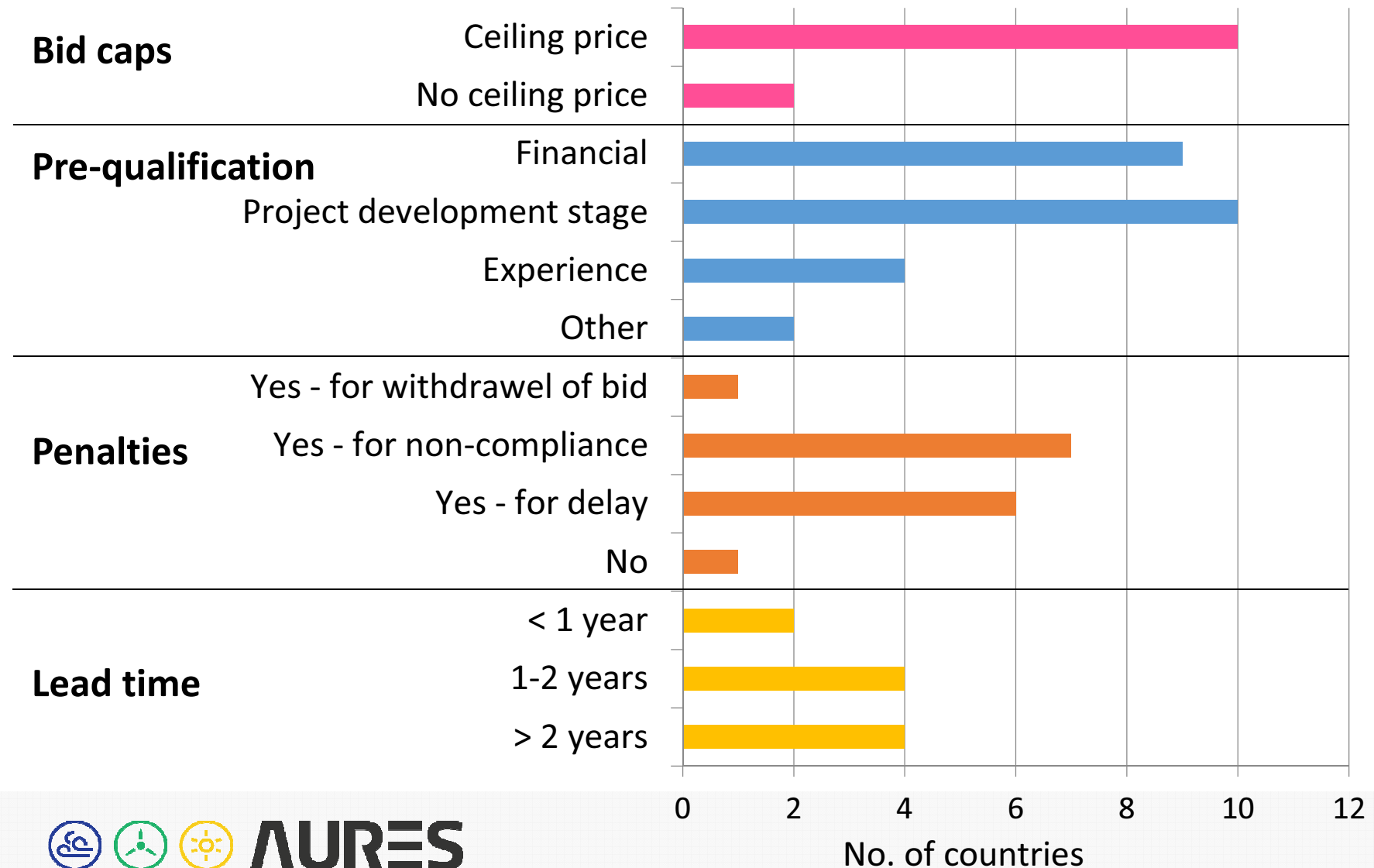


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# Design choices made by countries



# Design choices made by countries



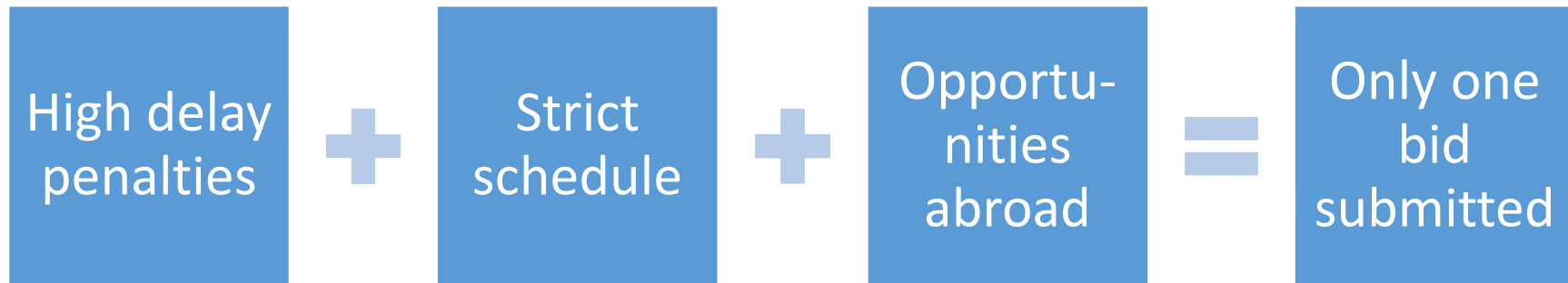
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# Examples

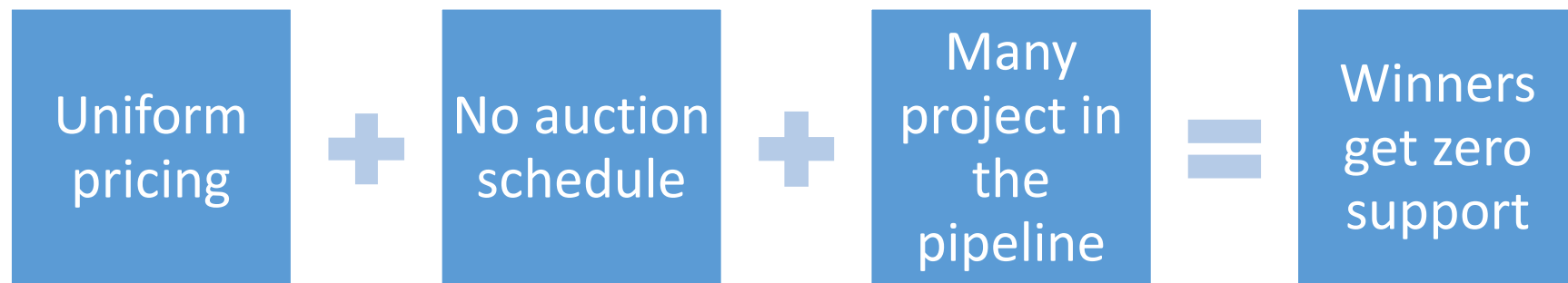
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Off-shore wind auction, Anholt (2009/10)



Onshore wind and biomass auction (2016)



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# Examples

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AER III auction, mainly onshore wind (1997/98)

No pre-qualification  
on planning  
permissions



Difficulties  
obtaining  
permission



Low  
realisation  
rates



Solar PV, 100-250 kW (2012)

Unclear pre-  
qualification  
requirements



Inexperienced  
bidders



Only 60%  
of the bids  
eligible



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# Conclusion

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- Many design options
  - affect both competition level and ability to realise project
- No one-size-fits-all
  - design needs to match the market environment
  - past experiences guide towards best practices

# Thank you!

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