

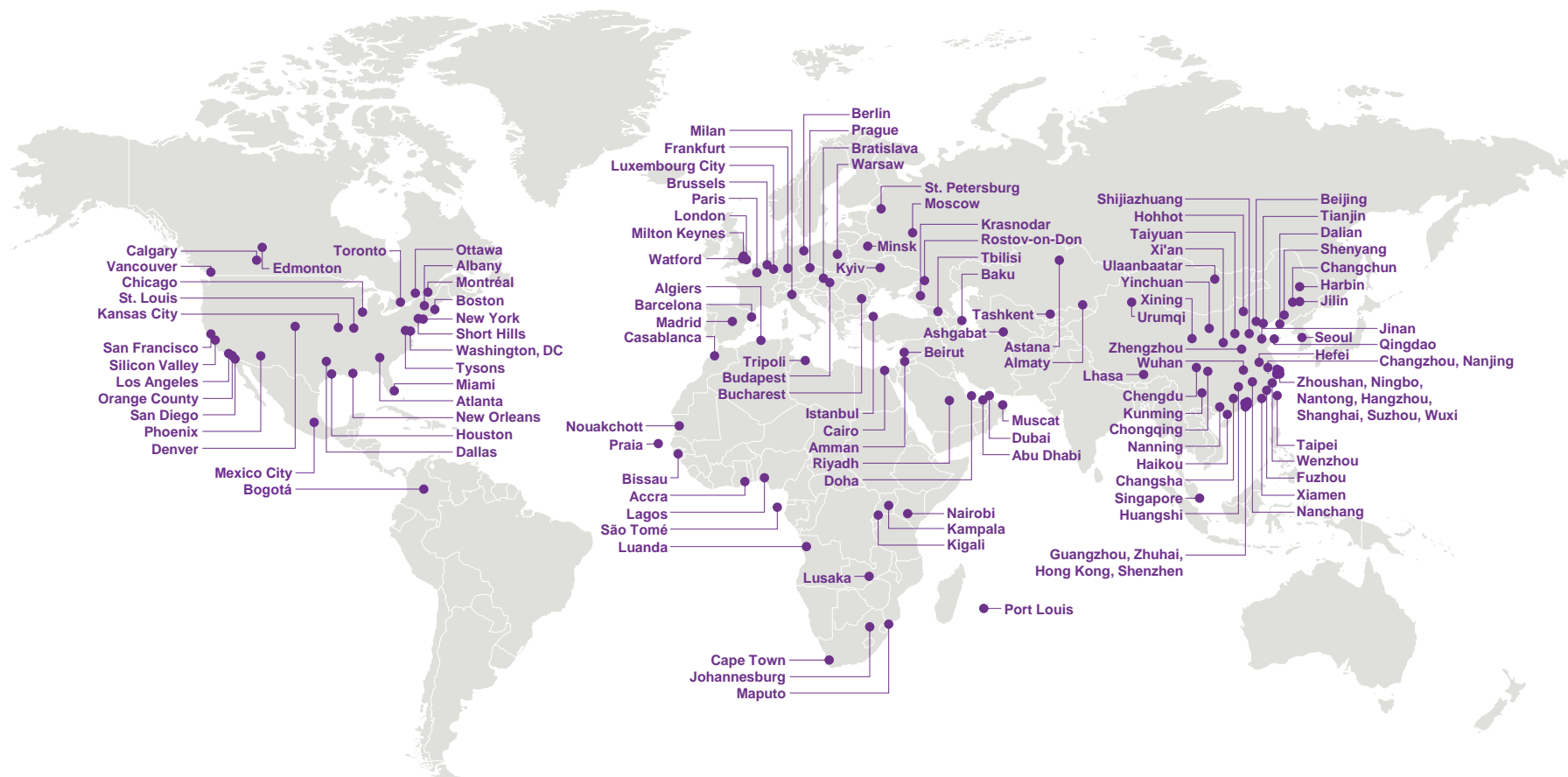
The Auction System Under the Renewable Energy Sources Act

*Presentation on the Polish RES 2020 Strategy
Regional RES Planning Workshop
Budapest, 8 June 2016*

Michał Motylewski
Counsel

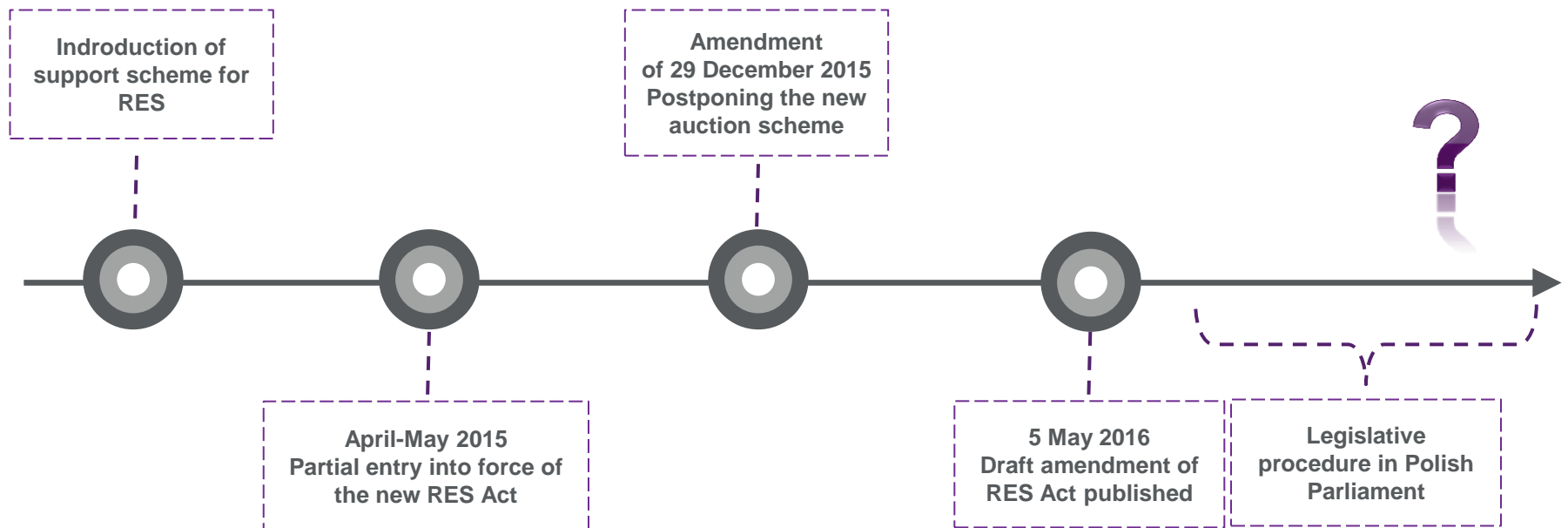
Global coverage

1000+ energy practitioners



Support System Timeline

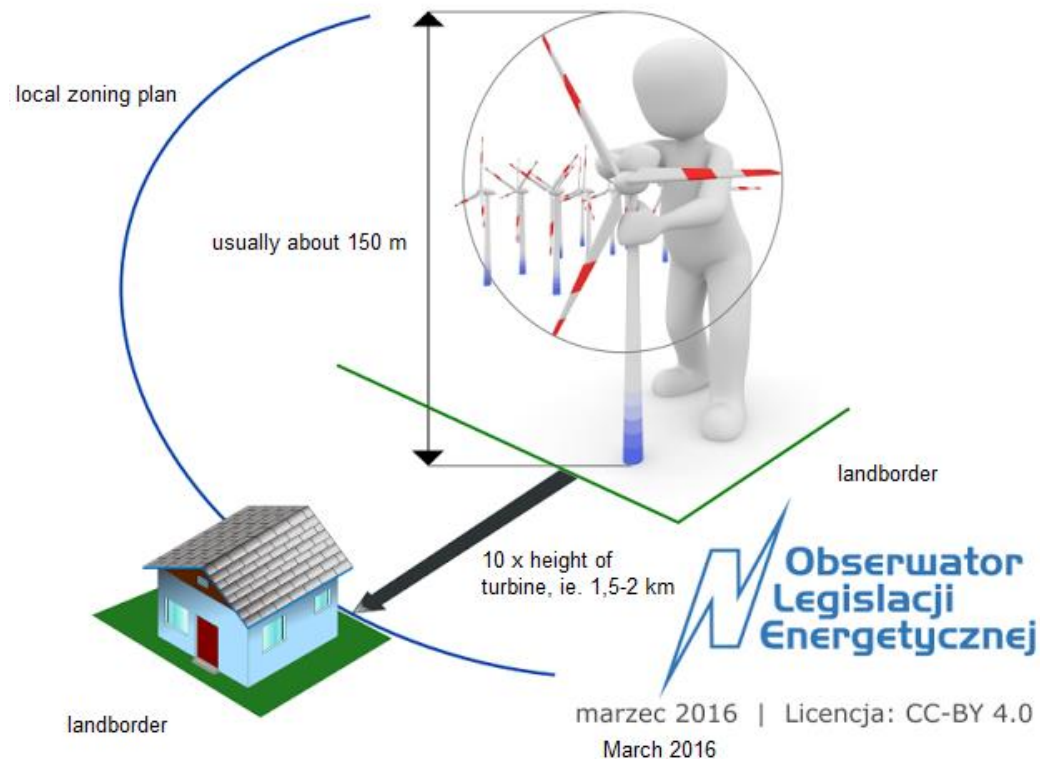
- Since 1 October 2005 the support scheme for **Renewable Energy Sources (RES)** based on tradable **green certificates** system and statutory obligation imposed on **obligated seller to purchase energy** from RES for price announced by Energy Regulatory Office
- The Auction System was introduced with the adoption of the **Renewable Energy Sources (RES) Act** in February 2015 and postponed until 1 July 2016



Act on wind turbines investments

- On 20 May 2016 the **Act on wind turbines investments** was adopted by Polish Parliament. The bill awaits final amendments in the Senat, than presidential assent and publication in the Official Journal of Laws.

Minimum distance between the wind turbine and households or buildings



Source: <http://biznesalert.pl/derski-sad-najwyzszy-ustawa-antylatarkowa-moze-byc-niekonstytucyjna/>

Act on wind turbines investments – breaking points

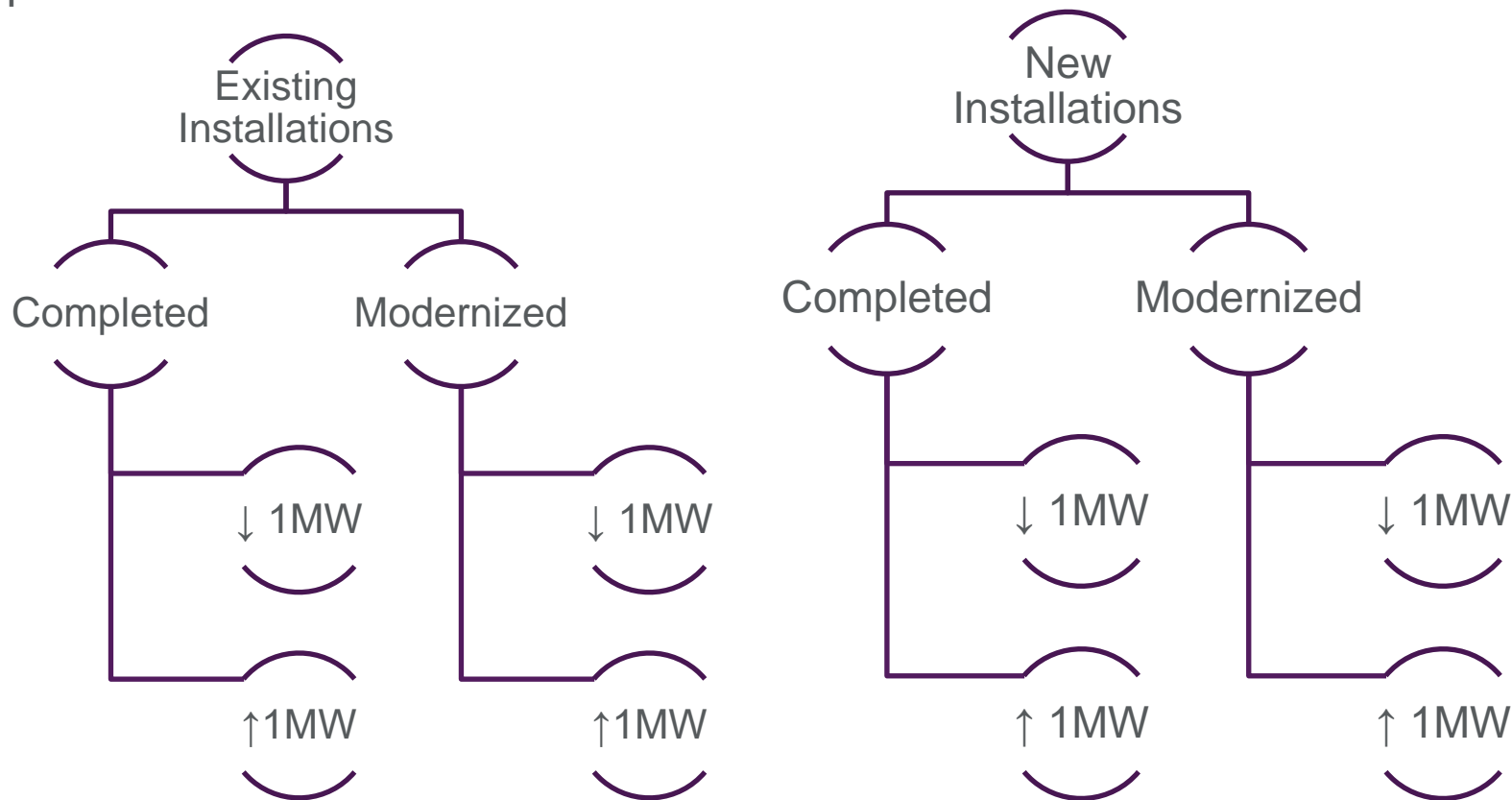
- The minimum distance between the wind turbine and households or buildings of mixed purpose should be **equal to or higher than ten-times total height** of the wind turbine (mast plus blade);
- New wind turbines may be only located on the basis of a **local zoning plan**;
- Operating wind turbines which do not meet the distance requirement may only undergo repair and maintenance works;
- Issued building permits will remain in force under the condition that the occupancy permit will be obtained within 3-years from the entry in force of the Act;
- Where existing local zoning plans allow for location of wind turbines new building permits will not be issued if the minimum distance requirement is not met.

Highlights of the auction system for RES

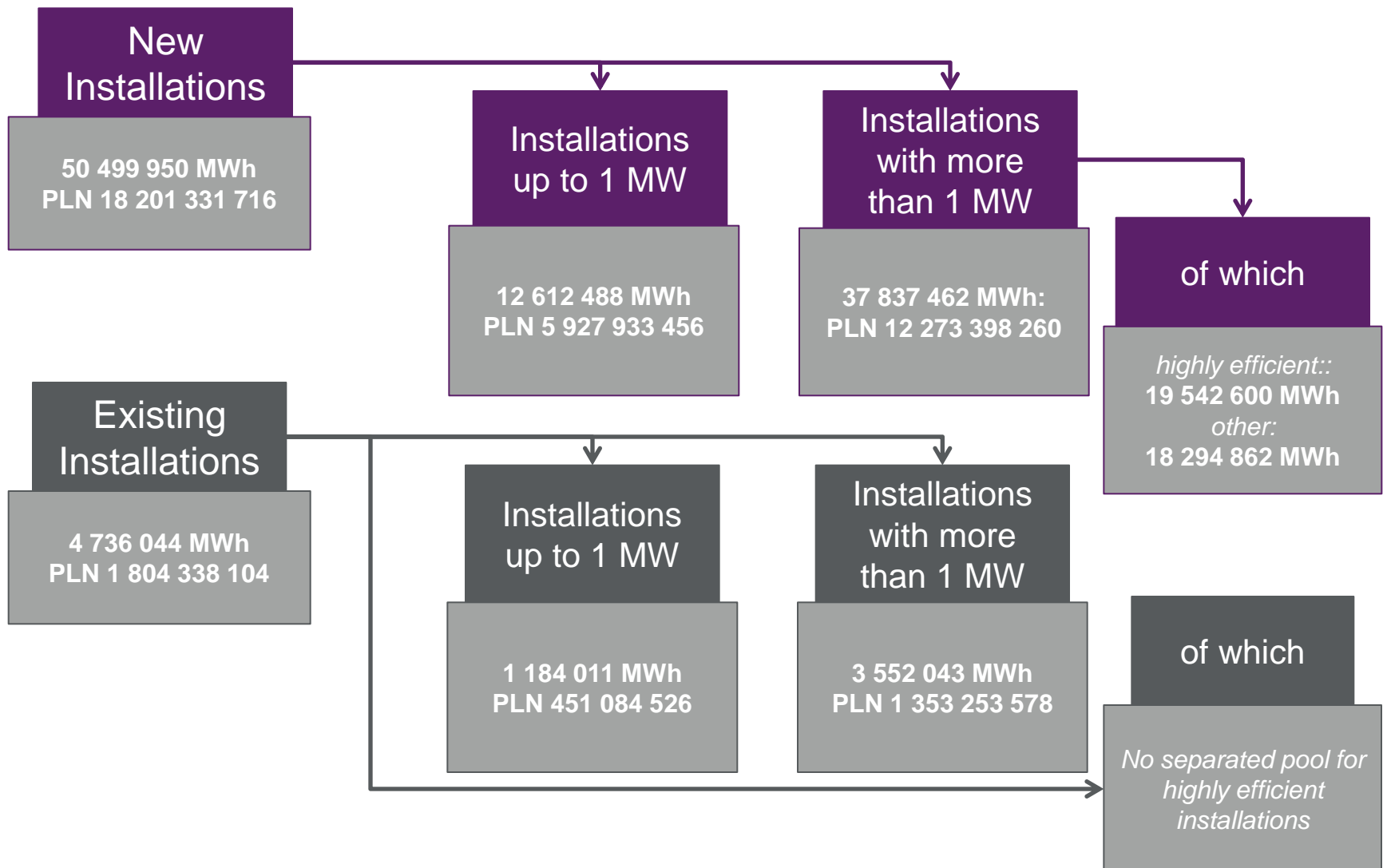
- The Auction System involves a **competitive procedure in which RES installations compete for state aid** in the form of subsidies for each generated MW/h of electricity. The RES installations will propose prices for their energy in a bidding process.
- Successful **RES installations with more than 500 kW installed capacity** will receive **subsidies covering the difference between the price they bid at the auction and the market price.**
- Installations with up to 500 kW installed capacity will have all the energy they auctioned off purchased by the so-called Obligated Seller, for the bid price, under a PPA
- Support will be provided **for 15 years**, counting from the start of energy generation

Auction budget – division of the auctions and auction pools (plus new technology baskets)

- The budget is distributed among **eight groups** of installations in accordance with specific criteria:



2016 auction budget – expected to change significantly

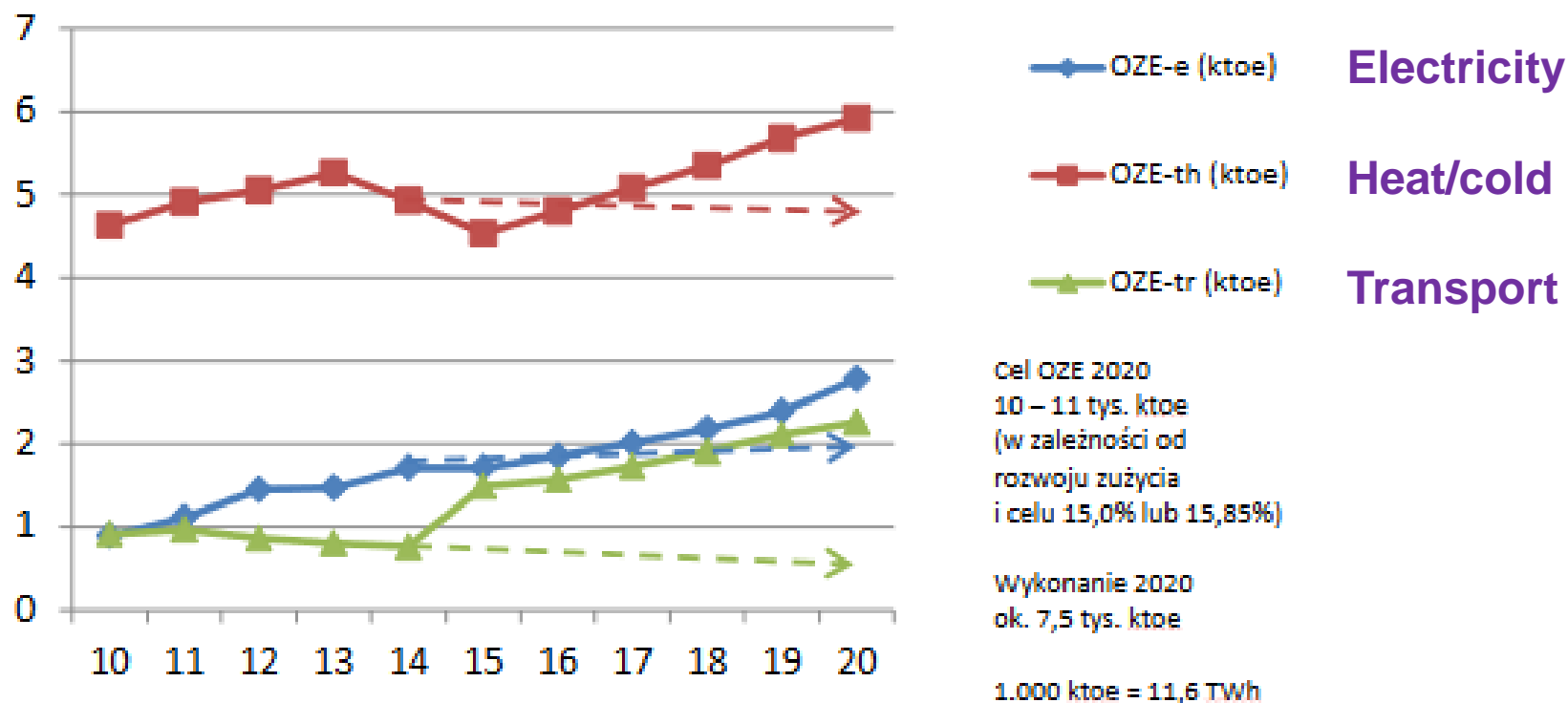


Draft amendment to the RES Act

- New auction pools with focus on:
 - Biomass co-firing – watered down eligibility criteria
 - Energy clusters – a vision of local cooperation, currently non-specific
 - Agricultural bio-gas installations
 - High efficiency/availability installations (over 3504 h/year or over 40% availability)
- Change of support conditions for operating installations
 - Cancelling mandatory offtake of RES electricity at a regulated price (quarterly market average) – only installations up to 500 kW of installed power will remain eligible
 - Preference for bio-gas installations – new special pool of tradable certificates

Polish debate on 2020 targets

UDZIAŁ ENERGII Z OZE 2010 - 2014 (JEST) I 2015 - 2020 (KPD/TENDENCJA)



Rysunek 2: Udział OZE w 2010-2014 roku, (Źródło: dane KPD, opracowanie własne)

Source: <http://wysokienapiecie.pl/oze/1497-znikajacy-cel-oze>

Contact

DENTONS



Michał Motylewski

Counsel, Legal Advisor
Energy and Natural Resources
Practice

T +48 22 2425 666
michal.motylewski@dentons.com



Dentons
Rondo ONZ 1
00-124 Warsaw

T +48 22 242 52 52
F +48 22 242 52 42

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Dentons Europe Oleszczuk sp. k.
Rondo ONZ 1
00-124 Warsaw
Poland

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