



The Portuguese government has set out the main goals of a new National Energy Strategy for the next ten years. A new window of opportunity for renewables licensing is expected but the calendar is uncertain.

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The Portuguese government approves the energy policies for the next 10 years

The Portuguese government has endorsed strategic guidelines for the energy sector by defining the National Energy Strategy for the next ten years ("ENE 2020"). Recently approved by the Cabinet Resolution no. 29/2010, it implements the "New Energy Plan ("Plan") proposed by the government.

1. The National Energy Efficiency Fund

The Fund will be the financial instrument of the National Action Plan for Energy Efficiency. It is endowed with 1.5 million euros and aims to achieve three goals, (i) encouraging energy efficiency, (ii) supporting new energy efficiency projects and (iii) promoting behaviour change.

The Fund will finance the purchase of equipment with high energy performance by citizens and companies and will grant facilities to support the investment in renewables, including the solar thermal energy through the National Reference Strategic Framework – QREN.

2. Strengthening renewable energies

The Plan includes the consolidation of the already scheduled investments on hydroelectric dams currently under construction. There is also margin for expansion in small hydro power facilities of 250 MW, helping to achieve a total of 8600 MW of hydro power. The implementation of projects of reversible capacity with integrated wind energy is also contemplated enabling the reuse and storage of hydropower energy based on wind.

By 2020, public tenders for wind farms licensing up to 3000 MW must have been launched. Several solar programmes will increase the installed capacity to 1500 MW. The government has a target of 250 MW for wave power plants and 250 MW for geo thermal energy.

3. Other investments

A system of planning and monitoring of demand and supply will be implemented in the first semester of 2010. And by 2012, a pilot project, the *smart city* of Évora, will contribute to give the majority of Portuguese consumers access, by 2020, to intelligent networks, as well as to the creation of a fund of balance tariffs.

The Plan confirms the evolution of MOBI.E, ensuring the creation of a nation wide network of charging electric vehicles, in order to substitute, approximately, 10% of fossil fuel consumption.

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