



## SUMMARY

Portuguese government suspends the allocation of power injection in Public Service Power Grid under the revaluation of electricity production under special regime.

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## Suspension of allocation of power injection in the Public Service Power Grid

Following the Government Program and the Memorandum of Understanding and by Decree-Law No. 25/2012 of 6 February, the Government suspended indefinitely the allocation of power injection in Public Service Power Grid for energy produced from special arrangements.

The suspension makes it impossible new power plants projects independent of the electrical system as defined in Decree-Law No. 312/2001 of 10 December, namely projects of (i) production of electricity in hydroelectric plants up to 10 MVA of installed apparent power, (ii) production of electricity from renewable energy or industrial waste, agricultural or urban, with the exception of hydropower, (iii), production of electricity in cogeneration facilities and (iv) production of electricity by Non-Binding Electricity System.

Promoters and operators of low voltage electricity production facilities with an capacity for delivery in the network of less than 100 kVA will be excluded from suspension as they are not subject to the mechanisms provided for in Decree-Law No. 312/2001 of 10 December.

The Government justified the suspension by the reduction in market demand Portuguese energy associated to the implementation of the measures taken in the Memorandum.

Since the original version of the Memorandum, the Portuguese Government has the obligation of reviewing the design and organization of the energy market, particularly in the context of schemes to support the production of energy in special regime (co-generation and renewable energy).

This measure has immediate effect, covering all applications with network connections not yet authorized or reception points not assigned and, in any case, regardless of whether favorable prior information provided by the General-Director for Energy and Geology.

However, Decree-Law No. 25/2012 creates the possibility authorizing the assignment of power injection in the Public Service Power Grid, justified by reasons of public interest, as they are concerned the objectives and priorities national energy policy. The exceptional authorization to this effect must be given by resolution of the Council of Ministers who will establish the limitations, calendars and other requirements to be followed to access the Public Service Power Grid.

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