



## Portuguese first 2020 Solar auction

*The 2020 solar auction was announced but does not have a launch date. It includes a new remuneration scheme specially designed for projects with storage capacity.*

Today, the Portuguese Energy Secretary of State announced in an [online session](#) that the first 2020 solar auction will be, on the whole, similar to the 2019 solar auction. Despite the announcement, there is no date for the auction's launch, due to the Covid-19 pandemic's effects on the market.

The injection capacity to be auctioned will be of 700 MW, all in the Alentejo and Algarve areas.

The promoters may apply to the following remuneration schemes:

- *a market scheme without storage* where the promoters bid for a contribution made to the National Electric System ("SEN"), in €/MWh. The Promoters available to pay larger contributions will be awarded with the capacity title;
- *a fixed guaranteed tariff structure*, where the bids will express a discount to the reference feed, to be announced (in 2019, was 45€/MWh);
- *a market scheme for power plants incorporating a storage system*. A value of an annual payment to be made to SEN, in MW, will be announced and the promoters interested in this new option offer a discount to this value.

The obligations for the awarded bids in the auction will be similar to those of the 2019 solar auction and they include a performance bond (60.000€/MWh) to guarantee the compliance with a tight schedule to connect the plant to the grid.

A few days ago the Portuguese government also enacted [Decree 80/2020](#), of 25 March initiating the simplified licensing for small production units (up to 1 MW). Through this proceeding, the Promoters may apply for a guaranteed remuneration for 15 years. On a monthly basis, until offering a total of 20 MW, the Portuguese Energy Authority ("DGEG") will organize sessions where the Promoters bid among themselves. The Promoters will offer a discount to the reference feed (45 MW/h). The first session is scheduled to June of 2020, however due to the Covid-19 pandemic' effects, there is some uncertainty regarding this date.

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