

PORTUGUESE RENEWABLES' NEW TEMPORARY EASING PERMIT RULES

Construction permits are temporarily waived for the installation of renewable energy generation facilities, storage facilities, UPAC (self-consumption), and hydrogen generation. The 2019 to 2021 auction projects will benefit from an additional 12 months' trial operation period, and those with lower FiT from an increase equal to the inflation from the award until they reach COD.

The Portuguese government has enacted a recent regulation ([Decree-Law 72/2022](#)) adding new easing rules to those recently published ([Decree-Law 30-A/2022](#)), setting forth new measures aimed at fostering and streamlining the licensing of renewable energy generation and storage plants.

1. Construction

- Installation of renewable energy generation facilities, storage facilities, UPAC (self-consumption), and hydrogen generation facilities is now subject to a simple prior communication procedure. A construction license and construction permit no longer are required.
- Construction may only be rejected on grounds of lack of information, non-compliance with applicable regulations, or if the installation adversely affects the landscape. In the case of the latter, rejection cannot occur if (i) the project has been subject to a favorable or conditioned environmental impact statement, (ii) or if the municipal territory has an area less than 2% of the total area allocated for this type of project.
- Construction of facilities with an installed capacity equal to or less than 1 MW are exempt from any prior control.

2. Compensation to Municipalities

- For each installed renewable energy generation facilities and storage facilities Municipalities are an entity to compensation of € 13,500 per MWh. This compensation will be supported by the Environmental Fund, not by the plant owner.

3. Agreements with the DSO/TSO

- Projects, where grid capacity reinforcement agreements have been executed with grid operators that have already obtained a favorable or conditioned environmental impact statement will benefit from priority treatment over other projects graduated in the lists published by DGEG (*Termos de Referência*) to obtain a grid capacity reservation title (TRC).

4. 2019, 2020 and 2021 Auctions new benefits

- Projects from 2019, 2020, and 2021 auctions may benefit from an additional 12-month period of trial operation (in addition to the 12-month period already provided by law).
- Those awarded under: (i) Discount to the reference tariff, (ii) Variable premium for differences, or (iii) Fixed premium for flexibility will benefit from an increase to the

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applicable tariffs linked with the inflation rate from the year of the award until the project reaches COD.

- Commissioning of the generation facility and the application of the specific remuneration scheme occurs within the deadlines set out in the auction rules plus any extensions granted and after the trial period has elapsed (if requested).

This information is provided for general purposes only and does not constitute professional advice.

These rules new rules enter into force today, October 20th, 2022, and will apply until April 19th, 2024.

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