

THE REVISED PORTUGUESE NECP HEADS TO THE PARLIAMENT

The revised Portuguese NECP sets a goal of 93% energy production from renewable sources, focusing on increasing the installed capacity of solar projects from the current 3.9 GW to around 20.8 GW. It maintains a 1 GW battery storage capacity, despite concerns from market players who view this as insufficient.

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On October 30th, 2024, the Portuguese Government approved a revised version of the National Energy and Climate Plan for 2030, known as "NECP 2030". This plan is Portugal's primary energy and climate policy instrument, outlining long-term goals and commitments to reduce greenhouse gas emissions and promote the energy transition.

This is the first revision of the NECP 2030 since its publication in 2020, which has been subject to two phase public consultation. From March to April 2023, where 58% of the participants considered the goals ambitious, while 35% viewed them as not ambitious enough, highlighting the importance of establishing higher storage capacity. In the second phase, from July to September 2024, on the final proposal incorporating recommendations from the European Commission, 177 contributions were received, reflecting similar feedback to the previous phase.

The final version of the NECP 2030 establishes more ambitious targets than the version released for public consultation. It sets a goal of 93% (instead of 85%) of energy production from renewable sources by the end of 2030. The final version outlines a solar capacity target of 20.8 GW by 2030, representing an increase of 0.04 GW:

- Centralized photovoltaic production capacity reaching 15.1 GW (instead of 14.9 GW)
- Self-consumption solar production is set to reach 5.7 GW (instead of 5.5 GW).

Regarding wind energy, the NECP maintains the estimates of 12,4 GW for installed capacity unchanged from the first version.

For green hydrogen production, the target has been reduced from 5.5 GW to 3 GW by 2030, establishing a less ambitious goal.

The target for installed battery storage capacity is set at 1 GW, despite a consensus that this amount is inadequate for the needs of the Portuguese electrical system. This limitation may lead to higher costs for consumers and could impact grid stability as increasing battery storage capacity is an effective way to address these challenges, according to the public consultation responses.

To know more on the PNEC: [Portugal updates its 2030 Energy and Climate Plan](#).

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