

PORTUGAL SETS RULES FOR ELECTRICITY

CAPACITY ALLOCATION IN HIGH-DEMAND AREAS

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SUMMARY

Ministerial Order No. 15/2026/I established an exceptional procedure for capacity allocation in the Portuguese electricity grid (RESP - *Rede Elétrica de Serviço Público*) in high-demand areas (“**Ministerial Order**”). It addresses an urgent infrastructural bottleneck by combining administrative recovery mechanisms with market-based allocation tools, seeking to balance economic growth (namely billion-dollar investments in data centers) with security supply and public interest priorities.

The key points covered are:

- Definition of the scope and timeline of the exceptional procedure;
- Regulation of the security deposit;
- Monitoring compliance with the allocated capacity schedule; and
- Definition of auction lots for the allocation of available capacity.

BACKGROUND

Portugal has become an attractive destination for hyperscale data centres due to its abundant renewable energy resources, strategic transatlantic connectivity, favourable climate, and investment incentives. However, connection requests have far exceed the available grid capacity in key regions (Lisbon, the Tagus Valley, Sines), with pending data centres requests surpassing Portugal’s historical peak demand. This situation has exposed structural weaknesses in the "first come, first served" allocation model, namely:

- Reservation of unused capacity by delayed or abandoned projects;

- Speculative requests lacking firm investment commitment; and
- Lack of prioritization for projects of public interest.

The exceptional procedure for the allocation of connection capacity to the Public Electricity Grid is based on the prior recognition of “zones of high demand”, as set out in [Decree-Law No. 80/2023](#) and as subsequently amended by [Decree-Law No. 120/2025](#). A zone is recognised as being of high demand where, within a given area, two or more requests for the connection of new electricity consumption installations cannot be met within the required timeframes, even taking into account the planned grid investments.

In such cases, the grid operator prepares a technical report, subject to an opinion from the Energy Services Regulatory Authority (ERSE), and submits a proposal to the Government for the recognition of the zone of high demand. This recognition triggers the opening of the exceptional procedure and suspends, until its closure, the allocation of new capacity to affected customers outside that regime.

The procedure unfolds through successive phases, which may or may not be triggered depending on the available capacity, namely:

- Expression of interest and provision of a security deposit;
- Identification and recovery of unused capacity;
- Alignment of project timelines with grid reinforcement schedules; and
- Auction for the allocation of available capacity where the supply resulting from grid reinforcements and recovered capacity remains insufficient.

MAIN FEATURES

The new Ministerial Order establishes new rules for the new exceptional procedure, namely:

- Power thresholds for medium - and high-voltage access requests that fall outside the exceptional regime established by [Decree-Law No. 80/2023](#);
- The formula for calculating the financial guarantee required under the exceptional procedure,
- applicable deadlines, and
- Matters such as the public consultation process, compliance with the allocated capacity timetable and the definition of auction lots for capacity allocation.

POWER THRESHOLDS AND SCOPE OF THE EXCEPTIONAL PROCEDURE

The following medium and high-voltage grid access applications are excluded from the scope of the exceptional procedure applicable to high-demand areas, as provided for in Decree-Law No. 80/2023:

- Applications for a power equal to or less than 50 MVA, where intended for (i) the provision of essential public services; (ii) predominantly residential projects, including subdivision developments and urbanisation works; (iii) the operation of charging points for electric vehicles and vessels.
- Applications for a power equal to or less than 20 MVA in all other cases.

These applications are not subject to the suspension of capacity allocation associated with the exceptional procedure and therefore remain ruled by the general grid access regime, under which connection capacity may be allocated to them, subject to and to the extent of available capacity.

To check these thresholds, the values are calculated per high-demand area, taking into account the total power requested by entities under the same ownership or corporate group.

DEADLINES

The Ministerial Order establishes the deadlines for all stages of the exceptional procedure, from the public consultation, which must last 20 business days, to the issuance of grid connection capacity titles. While intended to ensure procedural efficiency, these deadlines may be extended once, for an equivalent period, in cases of duly justified complexity.

PUBLIC CONSULTATION

The public consultation for expressions of interest in the allocation of grid connection capacity is promoted by the grid operator responsible for conducting the exceptional procedure and is published by the Portuguese Energy Ministerial Department (DGEG - *Direção-Geral de Energia e Geologia*) in the Official Gazette (*Diário da República*).

CALCULATION OF THE SECURITY DEPOSIT

Applicants seeking the allocation of grid connection capacity in high-demand areas are required to provide a financial deposit at the time of submitting their expression of interest. Under the exceptional

procedure established by Decree-Law No. 80/2023, the calculation of this guarantee is based on capacity tiers, as follows:

- € 13,500 per MVA up to 20 MVA;
- € 20,250 per MVA between 20 and 60 MVA;
- € 30,375 per MVA between 60 and 120 MVA;
- € 35,437.5 per MVA between 120 and 240 MVA; and
- € 40,500 per MVA above 240 MVA.

These amounts are automatically updated on an annual basis, every January, in accordance with the consumer price index (excluding housing) applicable in mainland Portugal. The deposit is refunded upon connection of the facility to the public grid.

COMPLIANCE WITH THE ALLOCATED CAPACITY SCHEDULE

To ensure the effective use of allocated grid connection capacity, the Ministerial Order establishes monitoring criteria to verify compliance with the timetable associated with the exceptional procedure. Compliance is assessed on a phase-by-phase basis, by reference to the maximum recorded power drawn from the public grid during the 12 months following the start of each phase. Such power must be equal to or greater than 50% of the cumulative capacity scheduled for that phase and must not exceed the cumulative capacity allocated to that phase or, where already initiated, to the subsequent phase.

Grid operators are responsible for monitoring compliance with these criteria, and non-compliant facilities must be required to comply, with the non-compliance being reported to the Directorate-General for Energy and Geology (DGEG) for monitoring purposes and potential further action.

AUCTIONS

The Ministerial Order also rules the organization of potential auctions for the allocation of available capacity, establishing that the auctions lots must comply with principles of transparency, fairness, competition, and non-discrimination.

ENTRY INTO FORCE

The Ministerial Order entered into force on January 10, 2026, except for the security deposit scheme, which will only enter into force on January 1, 2027.

Promoters of large projects in high-demand areas must now prepare for increased scrutiny, financial commitments, and potential competitive processes.

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