

PUBLIC CONSULTATION ON

THE PORTUGUESE FIRST CAPACITY AUCTIONS

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SUMMARY

The Portuguese Government, through the Directorate-General for Energy and Geology (“**DGEG**”), has launched a public consultation on the tender programme and specifications for two competitive procedures to award reservation of injection capacity into the Portuguese Public Electricity Grid (*Rede Elétrica de Serviço Público* - “**RESP**”), for electricity storage projects.

There are two separate tenders for:

- Standalone storage installations, with 750 MVA of capacity to be auctioned; and
- Renewable power plants with co-located storage, with 300 MVA of capacity to be auctioned.

The documents set out the rules that will govern the future auctions — capacities, locations, guarantees, the bidding model, development milestones and the consequences of default — with the auction expected to launch on 14 September 2026.

The public consultation runs from 29 June to 20 July 2026, on the **PARTICIPA** portal.

I. Background

These tenders follow the National Energy Storage Strategy and Decree-Law No. 130/2026, of 29 June, which — transposing Directive (EU) 2024/1711 and part of the RED III Directive — revised the framework of the **National Electricity System**, in order to accelerate the development of large-scale energy storage projects and to strengthen the flexibility, resilience and renewable-integration capacity of the Portuguese electricity system.

2. Summary of the two auctions

The table below summarises how the two auctions:

	Standalone storage	Co-located
Object	Standalone storage, directly connected to the RESP	Renewable power plant with co-located storage
Capacity on offer	750 MVA	300 MVA
Minimum per bidder	50 MVA	50 MVA
Maximum per bidder	200 MVA	100 MVA
Minimum BESS power	100% of injection capacity	20% of injection capacity
Minimum duration	4 hours	4 hours
Charging from the RESP	≤ 100% of injection	≤ 75% or ≤ 25% (depending on location)
Auction revenue split	70% SEN / 30% municipalities	30% SEN / 70% municipalities
Agrivoltaic uplift	Not applicable	+20% on the Effective Bid Price

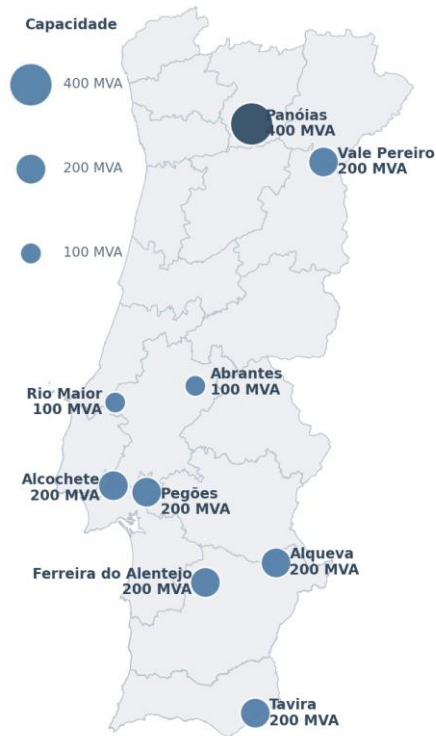
3. Locations and capacity per connection point

All connection points are located on the 400 kV National Transmission Grid (RNT).

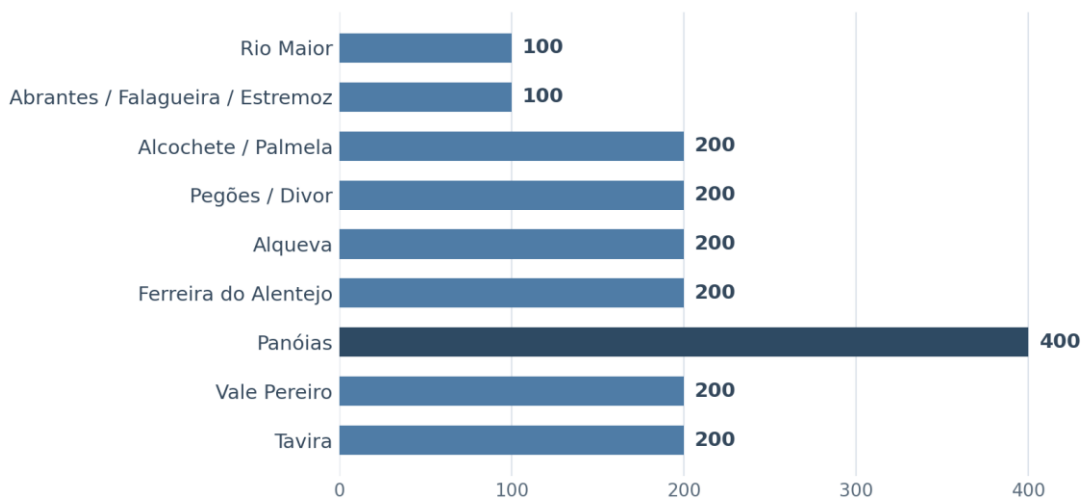
The figures per location below show the injection capacity available at each grid point — not the amount to be awarded. The total to be awarded at the auction is capped at 750 MVA (standalone) and 300 MVA (co-located).

Standalone storage — total to be awarded: 750 MVA

Available injection capacity by location (MVA)

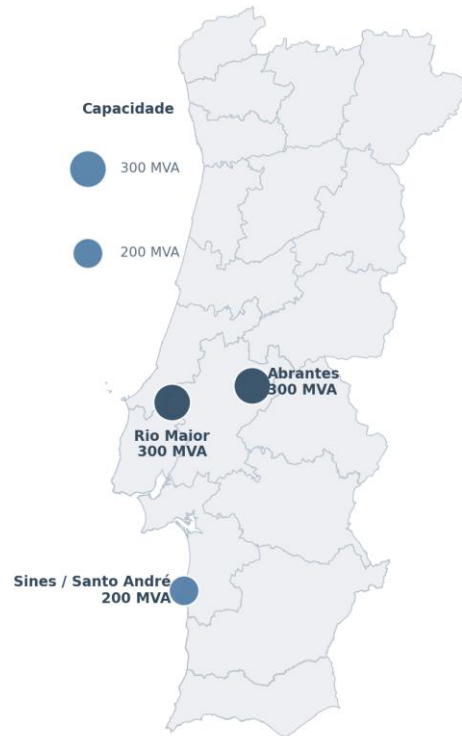


Standalone storage — Injection capacity by connection point (MVA)

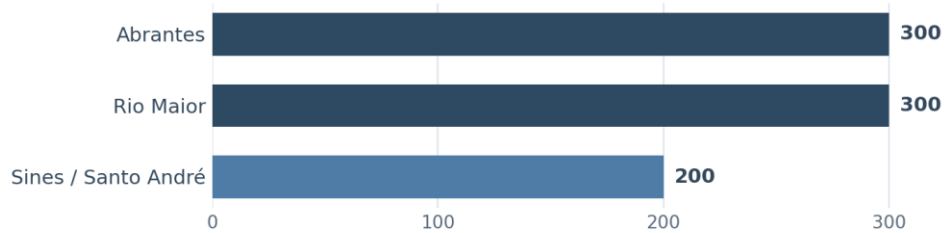


Co-located storage — total to be awarded: 300 MVA

Available injection capacity by location (MVA)



Co-located storage — Injection capacity by connection point (MVA)



Connection costs are borne entirely by the title-holder.

Injection of electricity into the grid is subject to congestion-related curtailment of up to 750 equivalent hours/year (standalone) or 1,100 equivalent hours/year (co-located), and the grid operator may require shared connections at certain points.

4. The auction procedure

Winning bidders are selected through an electronic auction run by the DGEG. The auction is operated on an electronic platform managed by OMIP (the Portuguese end MIBEL market operator)

Feature	Detail
Format	Anonymous ascending-clock electronic auction, held in successive rounds. The first round starts at €0/MVA and prices rise in whole €/MVA increments
Price	Uniform. All winners in each cycle pay the same unit price — the auction's closing price
Stages	(i) Qualification (ii) Bidding (iii) Award
Platform	Electronic platform managed by OMIP. Qualified electronic signature required
Who can bid	Individuals or legal entities. One bid per bidder, alone or as a consortium (joint and several liability, with a common representative). If awarded, the consortium must incorporate a special-purpose vehicle (SPV) before the title is issued
Contracting authority	The Portuguese State, acting through the DGEG.
Agrivoltaic uplift (co-located)	Solar projects that combine generation with continued farming of the land may apply as an agrivoltaic project and receive a 20% uplift for the purpose of the Effective Bid Price. This is a competitive advantage. In return, the winning bidder is bound to build and maintain the agrivoltaic component, failing which it loses the capacity reservation.

5. Guarantees

Both auctions require two guarantees in favour of the DGEG, provided by deposit, bank guarantee or surety insurance:

- Provisional guarantee: €500,000 per bid (€10,000/MVA × 50 MVA minimum), valid for 6 months. It is returned if no capacity is awarded, on exclusion, or once the definitive guarantee is provided. It is called if the winning bidder fails to provide the definitive guarantee.
- Definitive guarantee: €10,000/MVA of capacity definitively awarded, valid for 50 months, provided within 10 business days of the award notice. It is released once operation begins.

6. Payment scheme and revenues

At the auction, bidders compete on what each is willing to pay for the injection-capacity reservation title granting the right to inject electricity into RESP (*Título de Reserva de Capacidade* - “TRC”).

The award value is a one-off amount (€/MVA × MVA awarded), paid in a single instalment within 15 business days of the award notice.

The developer’s revenue comes from participating in the market, entering into bilateral contracts and providing flexibility services; there are no guaranteed tariffs, premiums or contracts for difference.

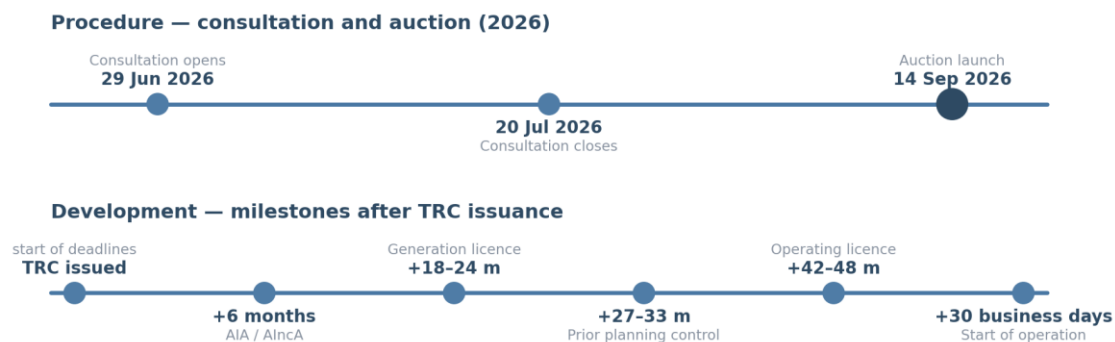
The financial flows of the procedure are as follows:

Flow	Amount	Deadline
Award value	Price of the reserved capacity: closing unit price (€/MVA) × MVA awarded.	15 business days after the award notice
Definitive guarantee	Performance guarantee (€10,000/MVA). Called if the licensing milestones are missed.	10 business days after the award notice. Held until operation begins.
Operating revenue	Sale of energy on organised markets, bilateral contracts and system and flexibility services	Throughout the project’s operation.
Compensation to municipalities	2.5% of annual net operating revenue	Annual, paid by 31 May of the following year

7. Development milestones and obligations

Procedure timeline and milestones

Deadlines in business days · milestones counted from TRC issuance



The development milestones run from the issue of the TRC and are identical for both auctions:

Milestone	With AIA / AlncA	Without AIA / AlncA
Submission of AIA (Environmental Impact Assessment) / AlncA (Environmental Incidence Assessment)	6 months	6 months
Generation licence	24 months	18 months
Municipal planning and construction control	33 months	27 months
Operating licence	48 months	42 months
Start of operation	30 business days after the licence	30 business days after the licence

8. Key points

	Standalone	Co-located
Revenue model	Pure market: no tariff, premium, contract for difference or regulated payment.	Revenue only from the market, system services and flexibility

	Standalone	Co-located
Entry cost	<ul style="list-style-type: none"> (i) Provisional guarantee (€500,000), valid for 6 months. Returned if no award, on exclusion, or once the definitive guarantee is provided. (ii) Award value (€/MVA × MVA); (iii) Definitive guarantee of €10,000/MVA. Released once operation begins 	
BESS size	Power ≥ 100% of injection, 4 h duration	Power ≥ 20% of injection, 4 h duration
Charging from the RESP	≤ 100% of injection	≤ 75% or ≤ 25% (depending on location)
Municipal payment	2.5%/year of net revenue	
Competitive lever	—	Agrivoltaic uplift of +20% on the Effective Bid Price

9. How to take part

The public consultation runs until 20 July 2026 on the PARTICIPA portal, in the form of comments on the tender documents for each procedure.

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