



M&A Advisory



Project Finance



Strategic Advisory

# RESULTS ANALYSIS

## PORTUGAL SOLAR TENDER – 1<sup>st</sup> SESSION

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### Photovoltaic power plants

August 12<sup>th</sup>, 2019

# CONTEXT



REPÚBLICA  
PORTUGUESA

AMBIENTE E  
TRANSIÇÃO ENERGÉTICA

As part of a national plan to move to a carbon neutral economy by 2050, Portugal has launched its first solar tender this June 2019. During this auction, bidders competed to win connection injections capacities on specific locations. Two types of revenues schemes were also offered.

Today, we analyse **the results of this first session**, for which results have been disclosed on August 10th, 2019 by the Portuguese Energy Agency ADENE.

## SCOPE OF THE TENDER

- ✓ Total allocated capacity 1,15 GW
- ✓ Bidding volume 10,29 GW
- ✓ Capacity 10-150 MW
- ✓ Type Photovoltaic power plants
- ✓ Revenue types Feed-in-tariff (15 years PPA) and Merchant tariff.

## REVENUE MODELS

### Merchant tariff

- ✓ Competitors bid for a **connexion point**
- ✓ They offer a yearly contribution in €/MWh to the system
- ✓ The projects with **highest bid** are selected

### Feed-in-tariff

- ✓ Competitors bid for tariff guaranteed by the authorities
- ✓ They offer to be paid at a certain fixed tariff, calculated as a discount <sup>(1)</sup> of reference price.
- ✓ Projects with **lowest bid** are selected

## KEY METRICS – PORTUGUESE SOLAR TENDER– 1<sup>ST</sup> SESSION

	Merchant tariff	Feed-in-tariff
✓ Allocated capacity	288 MWp	862 MWp
✓ Total number of projects awarded	9 projects	15 projects
✓ Average tariff for winning projects	€ 18,36/MWp	€ 22,25 /MWp
✓ Application deadline	July 5 <sup>th</sup> 2019	

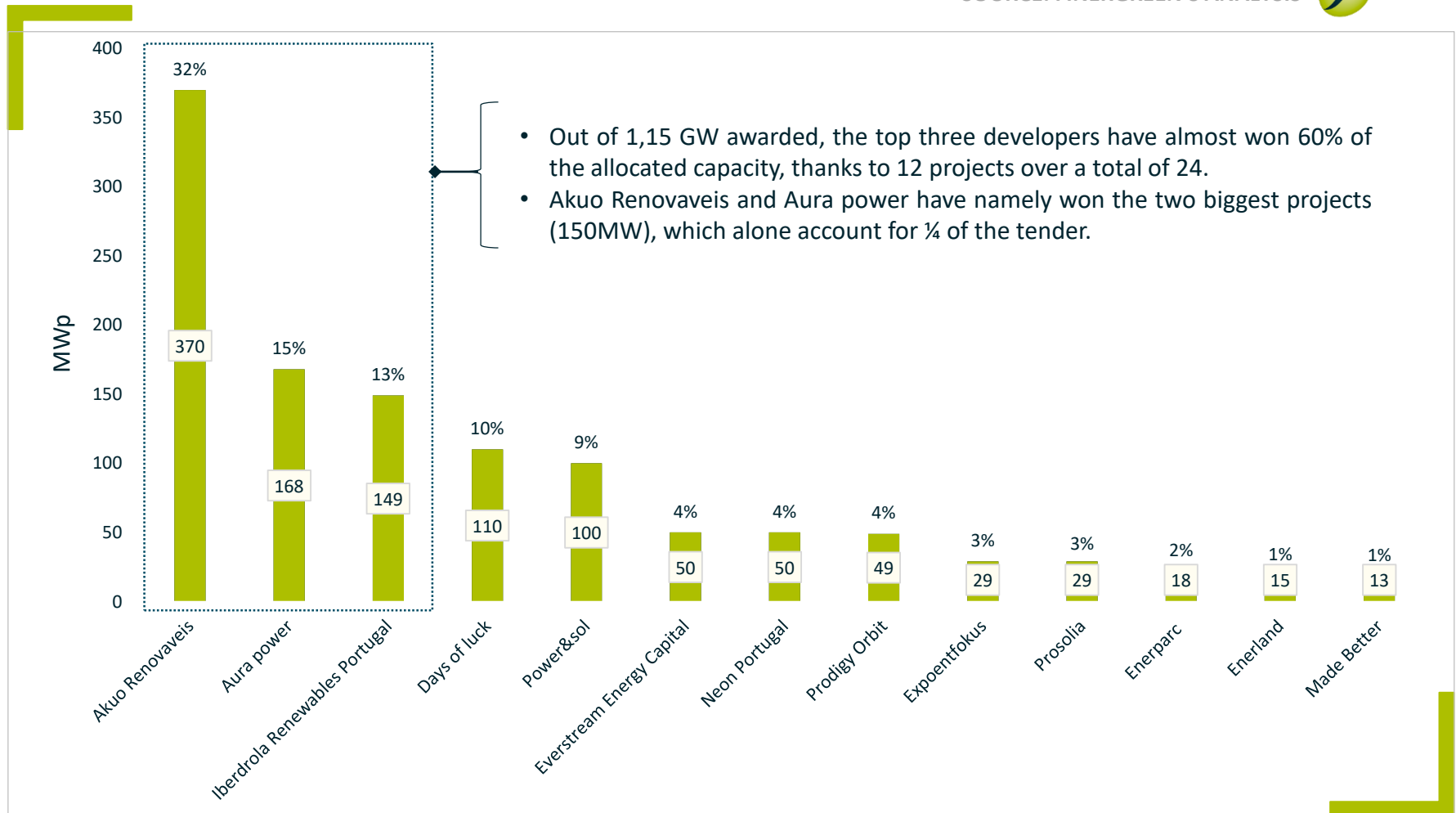


# AWARDED DEVELOPERS – 1<sup>ST</sup> SESSION OVERALL

## CAPACITY TO IMPLEMENT BY DEVELOPER

✓ Results disclosed on August 10 th, 2019

SOURCE: FINERGREEN'S ANALYSIS



- Out of 1,15 GW awarded, the top three developers have almost won 60% of the allocated capacity, thanks to 12 projects over a total of 24.
- Akuo Renovaveis and Aura power have namely won the two biggest projects (150MW), which alone account for ¼ of the tender.

*This graph aims at displaying the total capacity allocated by each developer, even though some assets may be developed for third-parties.*

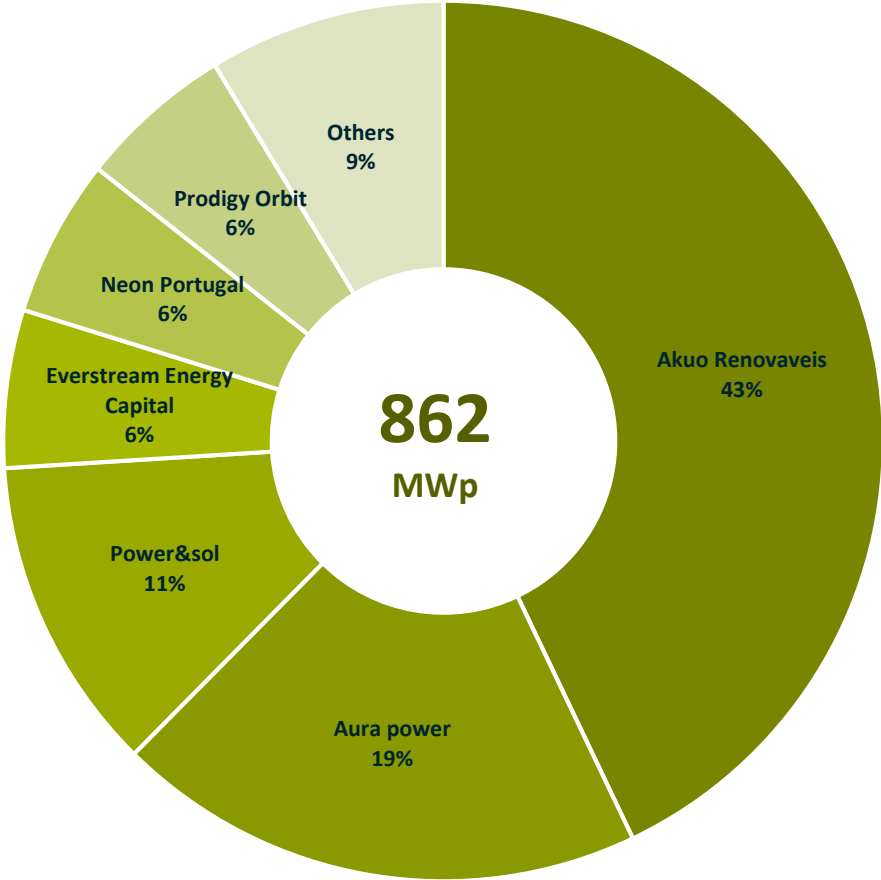


# AWARDED DEVELOPERS – FEED IN TARIFF

## FEED IN TARIFF PROJECTS CATEGORY

### KEY METRICS

- ✓ Percentage of total allocation 75%
- ✓ Total number of projects awarded 15 projects
- ✓ Pricing
  - ✓ Bidding range 14,8-31,2 €/MWh
  - ✓ Bidding range as discount of reference price 30,9%-67,1%
  - ✓ Average bid 22,3 €/MWh

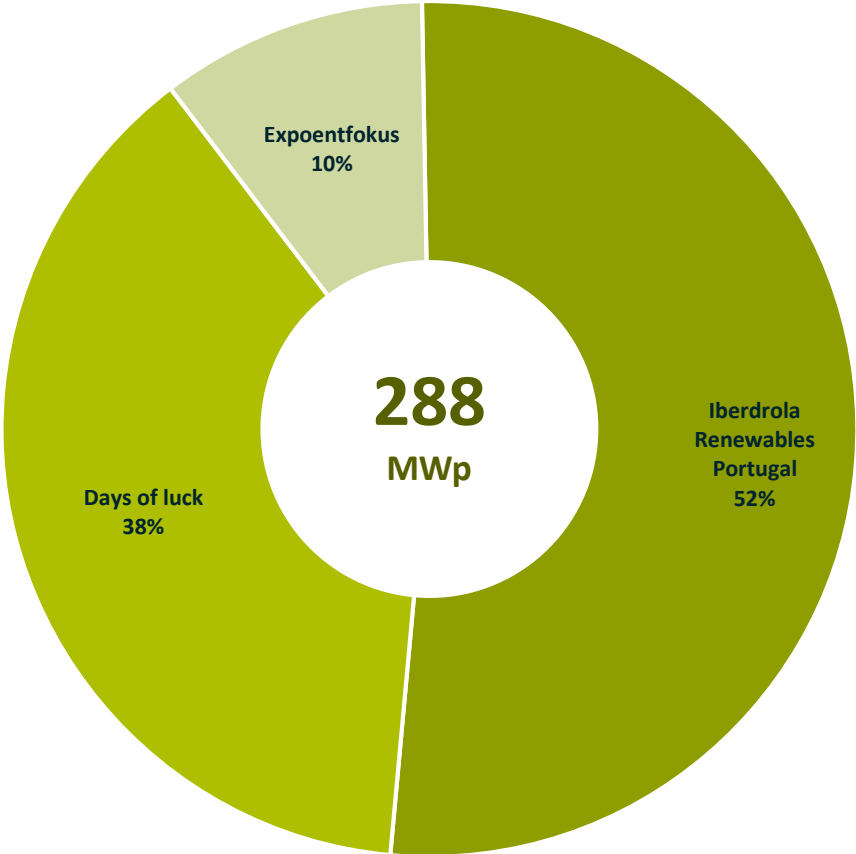


# AWARDED DEVELOPERS – MERCHANT TARIFF

## MERCHANT TARIFF PROJECTS CATEGORY

### KEY METRICS

- ✓ Percentage of total allocation 25 %
- ✓ Total number of projects awarded 9 projects
- ✓ Pricing
  - ✓ Bidding range 5,1 – 18,36 €/MWh
  - ✓ Average bid 22,25 €/MWh



# CONTACTS

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