

Legal Alert

Eversheds Lina & Guia SCA

Energy

ANRE finds promotion scheme for renewable energy to lead to overcompensation

On March 29, 2013 the National Regulatory Authority in the Energy Sector **ANRE** published its report on overcompensation analysis of the green certificates promotion scheme for energy produced from renewable energy sources

The review is based on annual recalculation (during the application of the promotion scheme) of the number of green certificates/MWh so that the internal rate of return for each technology, for new entrants, at an aggregate level, be equal with the internal rate of return established at the moment of the authorisation of the promotion scheme. In case there is a tendency of increase of the internal rate of return with more than 10% compared to the reference level, the Government

should reduce the number of green certificates for each such technology. Following the cost-benefit analysis performed at an aggregate level for each technology of production of E-RES, taking into account certain cost indicators and also capacities to be commissioned, ANRE recommends that the number of green certificates to be granted in order to avoid overcompensation should be as follows:

E-RS/Technology	Number of green certificates currently granted	Number of green certificates to be granted following overcompensation analysis
New wind installations	2	1,5
Reused wind installations	2	1,3
New hydro installations <=10 MW	3	2,3
Solar	6	3

The reduction of the number of green certificates as mentioned above should be made by Government Decision.



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