

RES DEPLOYMENT LEGAL INSIGHTS: CFD FIRST AUCTION

We are issuing a brief legal alert regarding the recent developments in Romania's Contract for Difference ("CFD") scheme. The key legal provisions governing the scheme have been approved and are based on the following legal acts:

1. Governmental Decision No. 318/2024 regarding the approval of the general framework for the implementation and operation of the support mechanism through contracts for difference for low carbon emission technologies, published in the Official Gazette, Part I No. 333 of April 10, 2024, includes an annex with the template of the CFD contract.
2. Order No. 51/17.07.2024 approving the Methodology for determining and collecting the contributions related to contracts for difference, published in the Official Gazette, Part I No. 739 of July 29, 2024, as subsequently amended.
3. Order No. 52/17.07.2024 approving the Framework Contract between the CFD Counterparty and the CFD Contribution Payer for the collection of the CFD contribution, as well as the Framework Contract between the CFD Scheme Operator and the CFD Counterparty, published in the Official Gazette, Part I No. 734 of July 26, 2024, as subsequently amended.
4. Order No. 1120/2024 regarding the approval of the state aid scheme in the form of Contracts for Difference for the production of electricity from renewable energy sources, specifically onshore wind and solar photovoltaic energy, published in the Official Gazette, Part I No. 762 on August 5, 2024.
5. Order No. 1290/2024 regarding the approval of the initiation of the first auction for the State Aid Scheme in the form of Contracts for Difference for the production of electricity from onshore wind and solar photovoltaic renewable energy sources, as well as the bidding procedure rules for the first auction, published in the Official Gazette, Part I No. 904 of September 6, 2024.
 - a) The general framework titled „Initiation of the first auction for the State Aid Scheme in the form of Contracts for Difference for the production of electricity from onshore wind and solar photovoltaic renewable energy sources
 - (i) **Onshore Wind Energy Auction:** Target capacity of 1,000 MW for electricity production and **Solar Photovoltaic Energy Auction:** Target capacity of 500 MW for electricity production.
 - (ii) Applicants shall submit: a) a technical offer demonstrating compliance with the eligibility criteria for both the applicant and the project; b) a financial offer specifying the exercise price offered by the applicant and, if necessary, any other financial or pricing information required; and c) **a bid participation guarantee** in the RON equivalent of EUR 20,000 per MW of the project's installed capacity, calculated at the exchange rate of the National Bank of Romania valid on the issuance date.

- (iii) **Performance Guarantee:** Successful applicants are required to provide a performance guarantee in the RON equivalent of EUR 75,000 per MW of the project's **installed** capacity, converted at the National Bank of Romania's exchange rate applicable on the issuance date.
- b) The bidding procedure rules for the first auction related to the State Aid Scheme in the form of Contracts for Difference for the production of electricity from onshore wind and solar photovoltaic renewable energy sources.
 - (i) The duration of the operating aid is a maximum of 15 years from the Payment Start Date.
 - (ii) The successful applicant is required to provide a grid connection approval (the „ATR”) within a maximum of 6 months from the signing of the CfD contract.
 - (iii) Timetable:

ROUND LAUNCH DATE	ROUND LAUNCH DATE	ROUND LAUNCH DATE
First Round - 2024	1,500 MW	
Onshore Wind Sources Auction	1,000 MW	82 EUR/MWh*
Solar Photovoltaic Sources Auction	500 MW	78 EUR/MWh*
Second Round - 2025	3,500 MW	
Total licitații CfD 2024-2025	5,000 MW	

For a more in-depth analysis of the CFD contract, including the eligibility criteria for both projects and bidders, we encourage you to reach out with a specific request. Our team is ready to assist with tailored advice to suit your needs.

Further assistance at Fiodorov & Partners:



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This information is for general information purposes only and does not constitute legal advice. It is recommended that specific professional advice is sought before acting on any of the information given. Please contact us for specific advice on your circumstances.