

RES DEPLOYMENT LEGAL INSIGHTS: CFD FIRST AUCTION

The Ministry of Energy has issued Order No. 1530/2024, published in the Official Gazette, Part I, No. 1070, October 24, 2024 (the “**Order No. 1530/2024**”), which introduces amendments to 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 (the “**Order No. 1290/2024**”).

These changes aim to refine the bidding procedures and eligibility requirements for participants. Below are the key updates:

A. CAPACITY ALLOCATION FOR BIDDERS

1. A qualified applicant or group of affiliated applicants may be awarded a cumulative capacity of up to 25% of the total target capacity for each auction. This restriction also applies to consortium members, ensuring that no individual or affiliated group monopolizes capacity.

B. EXPERIENCE AND ELIGIBILITY REQUIREMENTS

2. Bidders must prove relevant experience in developing, constructing, or operating comparable projects in Romania or globally within the past 10 years. Comparable projects are defined as those utilizing onshore wind or solar photovoltaic technology. Bidders can leverage their own projects or those of affiliated entities as references for meeting this requirement.

C. SPECIFIC CONDITIONS FOR CONSORTIA

3. Consortia participating in the CfD auction must meet specific conditions:
 - a) The consortium's structure must be clearly outlined, including each member's role and share percentage.
 - b) A leading member, holding at least a 20% share, must be designated.
 - c) Each member must authorize the consortium leader to represent them during the CfD auction.
 - d) Eligibility criteria related to financial and technical capacity must be satisfied collectively, while the leading member must independently meet certain experience requirements.

D. ORGANIZATIONAL CLARITY

4. An organizational chart must be submitted for applicants or consortia, clearly identifying any affiliated entities whose projects are being used as reference to satisfy eligibility criteria.

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