



Ministry of Economy

Energy Department

Updates from the latest renewable energy auctions
in the Energy Community
results, status, what lays ahead

INTRODUCTION

- Energy Law – adopted in may 2018, implements the provisions and obligations from the Third Energy Package of EU and the Directive for Renewable Energy Sources.
- Decree on the measures for supporting the production of electricity from renewable energy sources- Adopted and published in the Official Gazette of Republic of North Macedonia no. 29/2019
- Decision on the total installed capacity of the preferential electricity producers (“Official Gazette of the Republic of Macedonia” no. 29/19). The total installed capacity of the power plants for which premiums for the produced and sold electricity are being awarded is 200 MW for photovoltaic power plants.
- Programme for financial support of the electricity generation by preferential producers using premium for 2019 (“Official Gazette of the Republic of Macedonia” No. 29/19),
- Decision for the commencement of tender procedure with auction for granting premiums for electricity generated from photovoltaic power plants on land owned by the Republic of North Macedonia, with a total installed capacity of up to 35 MW February 7, 2019
- Public call on awarding an agreement for right to use premium for electric power produced from photovoltaic power plant constructed on land owned by the Republic of North Macedonia, 10 June 2019
- Decision for the commencement of tender procedure with auction for granting premiums for electricity generated from photovoltaic power plants on land not owned by the Republic of North Macedonia or on land owned by the Republic of North Macedonia on which right to use has been established, with a total installed capacity of up to 27 MW , 7 February 07 2019
- Public call on awarding the right to use a premium for electricity generated and sold from photovoltaic power plants built on land not owned by the Republic of North Macedonia or on land owned by the Republic of North Macedonia on which right to use has been established , 31 July 2019



General provisions for awarding premiums for PV

- Regarding the Decision on the total installed capacity of the preferred electricity producers, the total installed capacity of the power plants for which premiums for the produced and sold electricity are being awarded is 200 MW for photovoltaic power plants.
- The producer may acquire the status of preferential producer who uses a premium if the installed capacity of the power plant does not exceed 30 MW for the photovoltaic power plant.
- The preferential producer may obtain a premium only if selected in a tender procedure with an auction for granting the right to obtain a premium.
- The premium shall be awarded to a preferential producer for generated electricity from photovoltaic power plant as additional fixed amount to the price reached with sales of each produced kWh on the wholesale electricity market .
- If the preferential producer who uses a premium fails to sign a contract for the sale of the produced electricity on the wholesale electricity market, it may sign a contract for the sale of electricity with the trader or the supplier of electricity selected by the Ministry.

- The preferential producer has the right to obtain a premium for the electricity generated from the photovoltaic power plant for a period of 15 (fifteen) years and the amount of the premium does not change for the duration of the contract for using the premium
- The fixed premium is paid on a monthly basis, based on the submitted invoice for generated and sold electricity for a calendar month
- In line with the Program for financial support for the production of electricity from preferential producers using premium for 2019, the maximum reference amount of the fixed premium for generation of electricity from the photovoltaic power plants was established to be 15 €/MWh.
- Agreement for right to use premium
- Agreement for using premium

PUBLIC CALL FOR AWARDING THE RIGHT TO OBTAIN A PREMIUM FOR ELECTRICITY GENERATED AND SOLD FROM PHOTOVOLTAIC POWER PLANTS BUILT ON LAND OWNED BY THE REPUBLIC OF NORTH MACEDONIA

The Public Call was published on 10 June 2019 and the deadline for submission of bids and the public opening was on 30 August 2019.

The total installed capacity of the photovoltaic power plants for which premium is granted is 35 MW and need to be built at the locations of the municipalities:

- Sveti Nikole, CM Amzabegovo, with proposed area of approximately 49 ha and
- Makedonski Brod, CM Manastirec, with proposed area of approximately 21,3 ha

The subject of procurement is divided in lots and the procedure is conducted for each parcel separately. The bidder may submit a bid for three photovoltaic power plants the most, at the location of Amzabegovo as well as for one photovoltaic power plant at the location Manastirec.

No.	Parcel	Location	Surface [ha]	Installed power [MW]	Indicative annual generation [MWh]
1	AZ_10_1	Amzabegovo (Sveti Nikole)	~15,87	10	14.303
2	AZ_5_1		~9,52	5	7.153
3	AZ_2_1		~3,67	2	2.840
4	AZ_2_2		~3,37	2	2.841
5	AZ_1_1		~2,80	1	1.418
6	AZ_1_2		~1,81	1	1.421
7	AZ_1_3		~2,16	1	1.421
8	AZ_1_4		~1,72	1	1.421
9	AZ_1_5		~1,76	1	1.421
10	AZ_1_6		~2,04	1	1.422
11	MB_10_1	Manastirec (Makedonski Brod)	~19,37	10	13.578

Total number of submitted bids - 82

MINIMUM OFFERED PREMIUMS

Refferent price
(€/MWh)

15

Min. offered
price

0.01

LOT No	PARCEL	Name of the bidder	COMMENTS	Offered price (€/MWh)
1	AZ_10_1			0.01
2	AZ_5_1			0.01
3	AZ_2_1			0.01
4	AZ_2_2			0.01
5	AZ_1_1			12.00
6	AZ_1_2			7.79
7	AZ_1_3			3.90
8	AZ_1_4			5.99
9	AZ_1_5			7.77
10	AZ_1_6			14.50
11	MB_10_1			14.50

- The auction, as a repetitive process of reverse bidding, will be carried out in electronic form after the initial complete evaluation of the bids, having established that there are at least two acceptable bids. The subject of the electronic auction shall be the amount of the fixed premium. The initial fixed premium amount of the auction shall be the lowest amount of all acceptable offers, whereas in order for an auction to be considered successfully implemented there shall be at least one consecutive negative bidding by offering amount lower than the initial amount.
- The bidder which after the electronic auction offered the lowest amount of fixed premium shall be selected most favorable bidder.
- As an exception, if one or more bidders whose bids have been assessed as acceptable, offer in their bids for an individual parcel an amount of fixed premium of 0,01 €/MWh, in that case an electronic auction with reverse bidding will not be conducted, but an electronic auction with upward bidding will be conducted, at which all bidders whose bids have been assessed as acceptable for the particular parcel will participate. The subject of upward bidding will be the highest qualification fee which shall be paid to the account of the Budget of the Republic of North Macedonia. The initial amount will be 1.000,00 € per 1/MW installed capacity. As most favorable bidder will be selected the bidder that will offer the highest qualification fee.
- As an exception, if only one bidder offers a fixed premium in its bid of 0,01 €/MWh and in the electronic auction with upward bidding there is no increase, in that case it will be selected as the most favorable bidder.
- If two or more bidders for an individual parcel have submitted in their bid fixed premium amount of 0,01 €/MWh and there is no increase in the electronic auction, in that case the bidder that has submitted its bid with fixed premium of 0,01 €/MWh first in the archive of the Ministry of Economy will be selected as the most favorable bidder.

OBLIGATIONS OF THE MINISTRY

The Ministry, shall construct access road to the locations and shall ensure fencing off the land of the locations and within the scope of its competencies, undertakes to provide support to the Investor as follows:

- The land on which the power plant is to be built shall be granted a status of construction land in line with the applicable urban planning documentation,
- The Investor, by means of direct negotiations, shall be provided the right to use the construction land on which the power plant is constructed
- Connection of the power plant to the electricity distribution system within 24 months as of the date of entering into force of the present Agreement.

**PUBLIC CALL FOR AWARDING THE RIGHT TO USE A PREMIUM FOR ELECTRICITY
GENERATED AND SOLD FROM PHOTOVOLTAIC POWER PLANTS BUILT ON LAND NOT
OWNED BY THE
REPUBLIC OF NORTH MACEDONIA OR ON LAND OWNED BY THE REPUBLIC OF NORTH
MACEDONIA ON WHICH RIGHT TO USE HAS BEEN ESTABLISHED**

The Public Call was published on 31 July 2019 and the deadline for submission of bids and the public opening was on 16 October 2019.

The total installed capacity of the photovoltaic power plants for which premium is granted is 27 MW

Depending on the area covered by the land, bids may be submitted for any of the following parts:

- ▣ **Part 1:** 0-200 kW, whereby the total installed power of all power plants of this part for which bids have been submitted may not be higher than 2 MW;
- ▣ **Part 2:** 201-500 kW, whereby the total installed power of all power plants of this part for which bids have been submitted may not be higher than 5 MW;
- ▣ **Part 3:** 501-1000 kW, whereby the total installed power of all power plants of this part for which bids have been submitted may not be higher than 10 MW;
- ▣ **Part 4:** 1001-3000 kW, whereby the total installed power of all power plants of this part for which bids have been submitted may not be higher than 10 MW;

Total number of submitted bids – 43

Outcome of the public opening

MINIMUM OFFERED PREMUIIMS		Refferent price (€/MWh)	Min. offered price	
		15	0.01	
LOT No	QUOTA [kW]	Name of the bidder	COMMENTS	Offered price [€/MWh]
1	0 - 200 kW			12.00
2	201 - 500 kW			14.00
3	501 - 1000 kW			0.01
4	1001 - 3000 kW			14.00

Lot No.1 –available left capacity - 1078,68 kW

Lot No.2 - available left capacity - 1017,03 kW

Lot No.3 – exceeded capacity – 5641, 54 kW

Lot No.4 - available left capacity – 1840 kW

- The auction, as a repetitive process of reverse bidding, will be carried out in electronic form after the initial complete evaluation of the bids, having established that there are at least two acceptable bids.

- The subject of the electronic auction shall be the amount of the fixed premium. The initial fixed premium amount of the auction shall be the lowest amount of all acceptable offers, whereas in order for an auction to be considered successfully implemented there shall be at least one consecutive negative bidding by offering amount lower than the initial amount.

- As an exception from the previous item, if the Bidder who will offer in its bid for the Lot defined, amount of fixed premium 0.01 EUR/MWh and fulfills the requirements set in the tender documentation, shall be granted the right to use the premium in the requested amount without participating on the electronic auction. In that case, when organizing electronic auction for the specific Lot, the initial fixed premium will be the next lowest bid in the specific Lot.

- The bidders which after the electronic auction offered the lowest amount of fixed premium for the installed capacity within the respective part shall be selected most favorable bidders until the total quota in the respective part is fulfilled.

OFF-TAKER

The Public Call was published on 28 August 2019 and the deadline for submission of bids and the public opening was on 25 September 2019.

The subject of the procedure is the awarding of a Contract for providing purchase services for electricity produced by preferential producers using a premium for a period of five years.

The subject of the electronic auction is the rebate expressed as a ratio between the price at which the buyer of last resort will purchase the electricity produced from PPP and the reference price.

The Reference price is the hourly price announced to HUPX for the hours in which electricity from the PPP was delivered during the accounting period in which the electricity purchase was made.

- The lowest bid expressed as a percentage of all eligible bids shall be placed on the e-auction for the initial amount.
- For the bidder to be invited for electronic auction, the offered rebate expressed as a percentage in its initial bid must not exceed 10%.

Total number of bids – 2

Name of the bidder	Offered rebate
BID 1	9,95%
BID 2	10%



Thank you for the attention!

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