SUPPORT SCHEME FOR LARGE SCALE RENEWABLE ENERGY INSTALLATIONS
10% Target: Renewable Energy Share in Gross Final Consumption.

4.7% projected to be met by PV

Present PV capacity: >100MWp

Target additional ~90MWp of PV capacity
Any form of support towards generators of renewable electricity is considered as State Aid and must follow strict rules not to be in breach of EU Acquis.

Support Framework:

- Capital Grants for Residential Installations (Max Euro 2300/system) + 16c5/kWh for 6 years FIT (reported under the De-Minimis Regulation)

- Feed-in Tariff of 15c5 guaranteed for 20 years for PV Systems with capacity between 1kWp and 40kWp (reported under the GBER Regulations)

- Feed-in Tariff of 14.5c guaranteed for 20 years for PV Systems with capacity between 40kWp and 1MWp (reported under the GBER regulations)
The following cumulative conditions apply from 1 January 2016 to all new aid schemes and measures:

(a) Aid is granted as a premium over and above the market price of electricity.

(b) Beneficiaries are subject to standard balancing responsibilities (if a liquid market exists)

(c) No support during instances of negative market prices.
Furthermore from 1/Jan/2017:

**Aid is granted in a competitive bidding process on the basis of clear, transparent and non-discriminatory criteria.**

(127) Aid may be granted without a competitive bidding process to installation with an installed electricity capacity of **less** than 1MW (except for Wind Energy, where threshold is set at 6MWp or 6 generation units).

PV installation smaller than 1MW will, for the time being, continue to be supported through a Feed-in Tariff system.
SCHEME DETAILS

- Support shall be provided through a competitive process whereby investors would need to bid for support. Allocation of capacity shall be based on the bid price, provided submission is found to be administratively compliant.

- Administrative compliance shall require (amongst others):
  a) Recent grid connection study by Enemalta
  b) Screening Letter by the Planning Authority and shall also assess financial capability and right of use of site.

- PV sites shall be subdivided into 6 categories with each having a separate price cap above which no bids shall be accepted.
Categories

• Quarries
• Industrial Areas
• Disused Landfills
• Land under a Government Concession
• Car Parks
• Others
All 6 categories shall participate in the same competitive process.

For the first bid round caps have been communicated to the CION and shall be specified in the Tender Document. These values have been calculated based on past data and current market trends.
Each bidder shall be required to complete installation within 18 months from award of support, which can be extended by another 6 months against a reduction in the awarded tariff of 0.5 euro cents per kWh.

Each bidder shall be required to commit a performance bond to improve project realization.

Scheme can be extended to Onshore Wind farms ONLY if a development permit is issued beforehand. This provision was requested by the CION as technically speaking the Guidelines on State Aid require tender to be technology-neutral.

The maximum capacity that may be allocated during the first tranche is 15MWp.
SCHEME DETAILS

- Support shall be in the form of a premium (over and above the market price of electricity, this being a proxy for the market price).

- Maximum aid which can be provided under this scheme (over 20 years) is 140 million euros. Scheme is valid until 31/12/2020.

- Bidders which are administratively and financially compliant shall be ranked according to bid price.

- The rank position of each bidder shall also determine grid priority.

- In the event of successful bidders with the same bid price, the final rank order shall be determined by the drawing of lots.

- The process is based on a pay-as-bid procedure.
THANK YOU

FURTHER DETAILS AVAILABLE FROM:

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