

KEY INVESTMENT INSTRUMENTS

for Solar Power Plant Construction

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“Green Transformation” Law

The adoption of the “Green Transformation” Law on June 30, 2023, effectively ended the era of the "green" tariff for industrial solar power plants. Now, new instruments are available for potential investors in the market:

Self-consumption mechanism

Self-generation mechanism (Net Billing)

Electricity sale on the wholesale market

"Green" auction mechanism



Self-Consumption Mechanism

Self-Consumption Mechanism involves the construction of a solar power plant solely to meet the industrial consumer's own energy needs, with no possibility of selling electricity to the grid.

Key features:

- Signing a CPPA (Corporate Power Purchase Agreement) with the industrial consumer
- Solar plant capacity up to 20 MW
- No electricity generation license required
- it is possible to install a BESS with a capacity of up to 5 MW without obtaining a storage license

Self-Generation Mechanism (Net Billing)

Self-Generation Mechanism (Net Billing) involves constructing a solar power plant to cover the industrial consumer's energy needs, with the possibility of selling electricity to the grid.

Key features:

- Signing a CPPA (Corporate Power Purchase Agreement) with the industrial consumer for the full volume of generated electricity
- Solar plant capacity up to 20 MW
- Only the industrial consumer may sell electricity to the grid
- Industrial consumer must obtain the special status of "active consumer"
- It is possible to install a BESS with a capacity of up to 5 MW
- It is possible to sell stored energy from batteries — both your own and energy taken from the grid (arbitrage).
- No licenses required for electricity generation or sale and storage

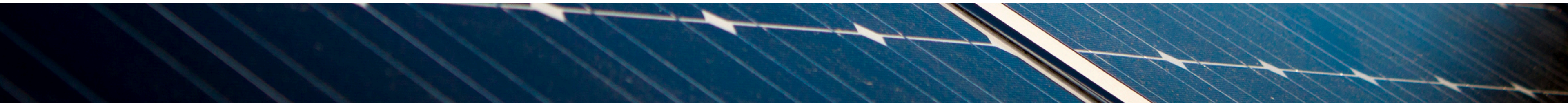


Electricity Sale on the Wholesale Market mechanism

Electricity Sale on the Wholesale Market mechanism involves constructing a solar power plant for direct participation in wholesale electricity markets.

Key features:

- Electricity may be sold on various markets (bilateral contracts, Day-Ahead Market, Intraday Market, Balancing Market, or Ancillary Services Market) at free prices
- No limits on electricity sales volume
- No limits on solar plant capacity
- The solar power plant is responsible for its own imbalances
- Must obtain wholesale electricity market participant status
- Electricity generation license required
- To compete in the market, it is necessary to install a BESS
- It is possible to sell stored energy from batteries — both your own and energy taken from the grid (arbitrage).
- No license required for electricity storage



Key features:

- The investor (solar plant owner) participates in support auctions held by the State Enterprise "Guaranteed Buyer"
- If successful, the investor signs a support contract with the "Guaranteed Buyer" under the market premium mechanism (Contract for Difference)
- No limits on solar plant capacity
- The solar power plant is responsible for its own imbalances
- Must obtain wholesale electricity market participant status
- Electricity generation license required
- In some cases, construction permits may be required
- The market premium cannot exceed the green tariff value – to 8 euro cents/kWh

“Green” Auction Mechanism

“Green” Auction Mechanism involves constructing a solar power plant to participate in the wholesale markets and receive state support.

- Support period – 12 years
- Electricity may be sold on various markets (bilateral contracts, Day-Ahead Market, Intraday Market, Balancing Market, or Ancillary Services Market)
- No limits on electricity sales volume

THANK YOU for your attention

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