

The return of letters of guarantee to RES auction participants whose bids for wind and solar energy capacities ultimately prove unsuccessful, still an unresolved issue, has developed into a major drawback for potential investors ahead of an auction scheduled for July 2. Representatives of major RES sector firms contacted by energypress expressed concern as the deadline for auction applications on June 5 nears and the issue, crucial for investors, remains unsettled. Consequently, firms are hesitating to commit to the upcoming RES auctions. This promises to negatively impact the overall effort aiming to boost the country's RES output.

For some time now, RES firms and renewable energy sector representatives have been demanding a term that would ensure letter of guarantee returns should auction bids fail to secure RES capacities.

The energy ministry has pledged it will revise related legislation in order to satisfy this demand. As part of the package, however, auction participants who have their guarantees returned may have RES production licenses revoked, meaning their project plans would be cancelled.

The energy ministry is currently focused on its bailout negotiations with the lenders. Even so, the ministry will need to find time to work on the letters of guarantee issue as the RES auction application deadline is now about three weeks away.

A pilot auction offering capacity for solar energy installations in December, 2016, had clarified in advance that guarantees would be returned to unsuccessful participants.

Source: energypress.eu