



e c b r e c

Instytut Energetyki Odnawialnej

2017

REPORT SUMMARY – RENEWABLE ENERGY AUCTIONS IN POLAND – PHOTOVOLTAICS



Institute for Renewable Energy analyzed the results of two first auctions photovoltaic electricity supply carried out in Poland in 2016 and 2017, with the two years deadline for connection of new installations to the grid. Photovoltaic, among other renewable energy technologies covered by both auctions (biogas, hydro, small wind) was the most impressive winner so far.

In two first auctions, conducted in December 2016 and June 2017 for individual projects smaller than 1 MW, 298 companies (owning 436 projects) were awarded. In 1-2 years those companies will build (or contribute to the investment) new photovoltaic installations with total installed capacity about 400 MW, where total investment value will add up to 2 bln. PLN (app. € 472 mln.).

Owners of the projects selected in the auction will sell the electricity with the offered price for a period of 15 years. However, the remuneration is paid for no longer than until December 31, 2035, so the plants must be connected to the grid by 2020 at the latest.

The main conclusions of the analysis were included in the report, which primary purpose is to present detailed summary of the auctions, including prices (reference, maximal, minimal, average), volume and value of sold energy. Furthermore, it contains general information about the companies and projects which have won the auctions.

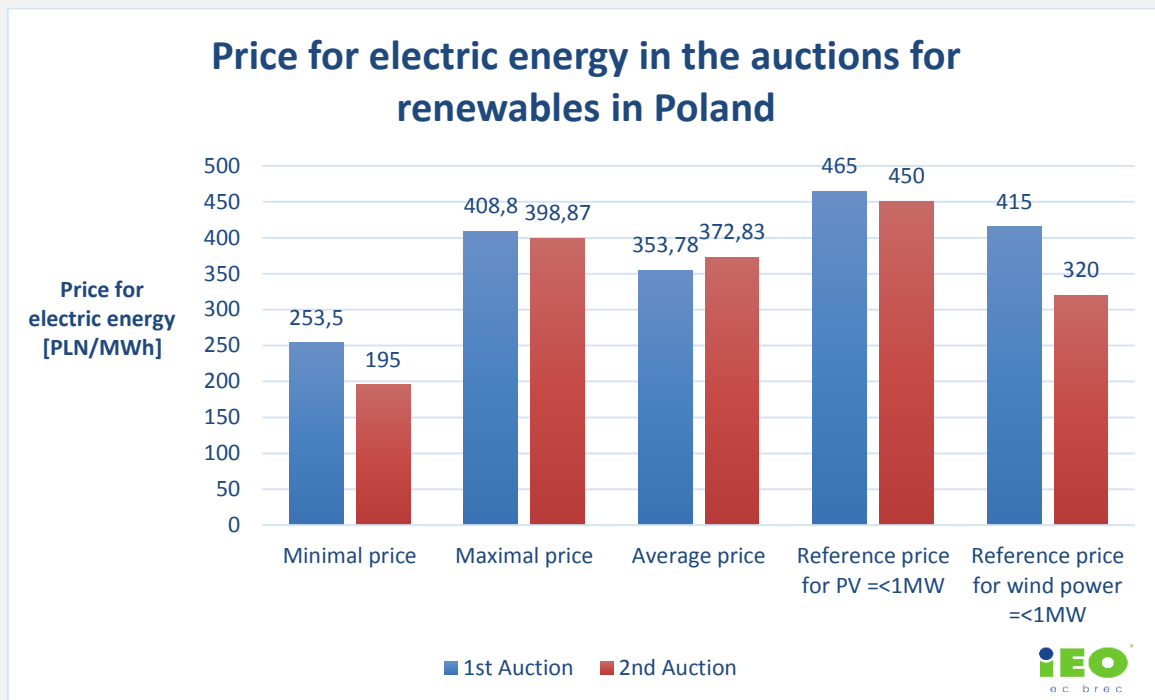


Figure 1. Minimal, maximal, average and reference prices resulting from Renewable Energy Auctions in Poland (photovoltaics), source: IEO elaboration based on data from Energy Regulatory Office [note: 1 €= 4,2 PLN]

It is worth to take a look at the winners and recognize the companies responsible for awarded projects implementation. These companies will conduct the projects on their own, find a business partner or sell their projects to investors.

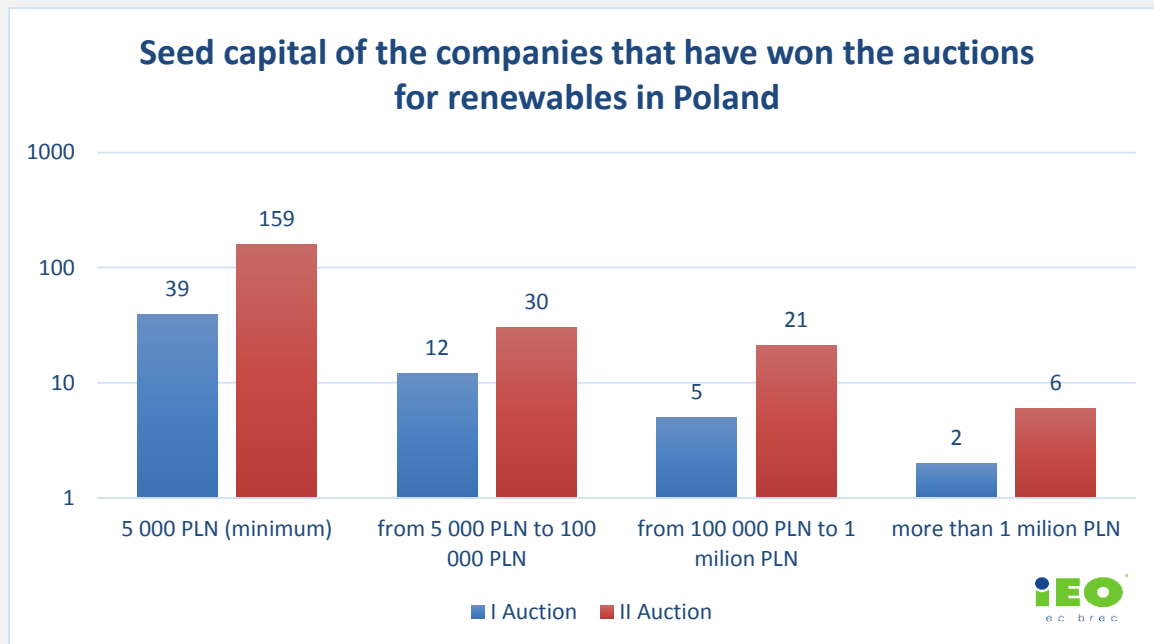


Figure 2. Seed capital of the companies that have won Renewable Energy Auctions in Poland (photovoltaics), source: IEO elaboration based on data from Energy Regulatory Office and National Court Register

The winners comparison in regard to period of economic activity, seed capital, legal entity type and location, is one of the most valuable parts of the analysis – it indicates the crucial aspects of RES market development in the face of new energy law. In the majority, the companies have been established no earlier than 1 year ago, they dispose the lowest acceptable seed capital and they are Limited Liability Companies. More than 40% of the companies are registered in Masovian Voivodeship.

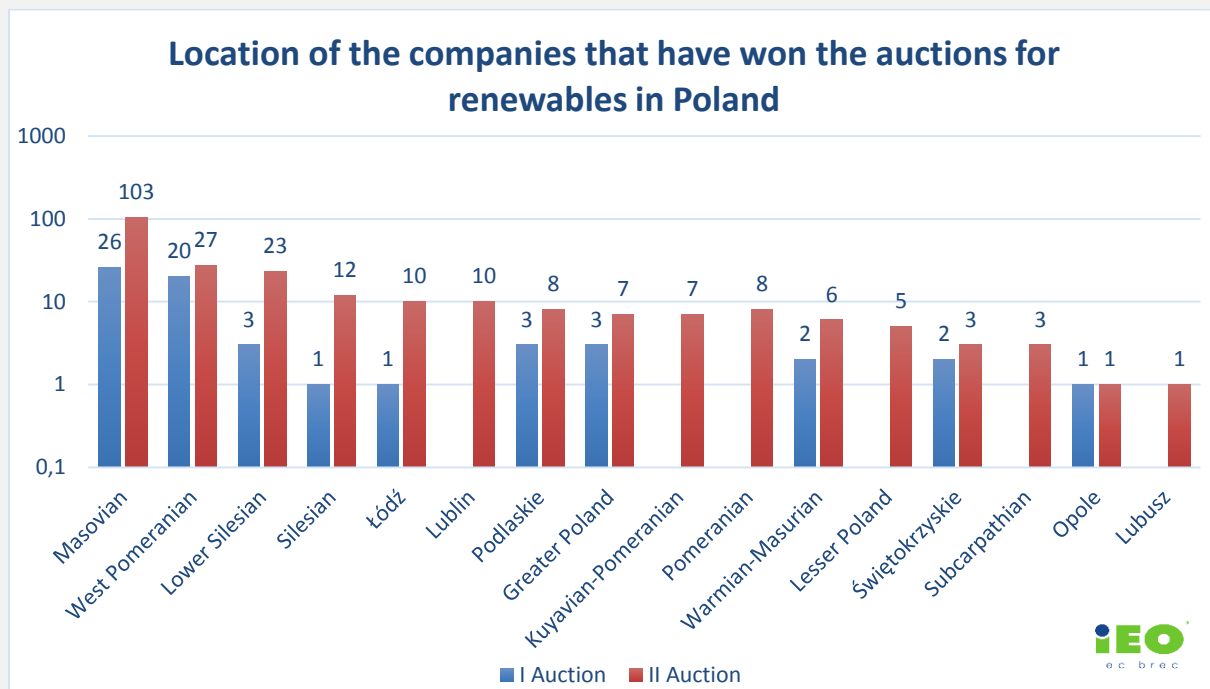


Figure 3. Location of the companies that have won Renewable Energy Auctions in Poland (photovoltaics), source: IEO elaboration based on data from Energy Regulatory Office and National Court Register

In order to minimize influence of differences between companies' and projects' locations on report's results accuracy, presented projects distribution concerns only these local companies, which are owned by legal persons. Adopting such an assumption makes it possible to conclude that the majority of the projects are located in Greater Poland Voivodeship.

One of the juxtapositions depict companies that hold shares in the largest number of firms, that have won the auctions. Most of the winning companies belong to Solar New Energy Holding, YGE POLAND SOLAR 6, R. Power, ENERGY INVEST GROUP and RENESOLA NEW ENERGY, Chatteris Investments. Owners of the firms often belong to greater enterprises, like R.Power sp. z o.o., YINGLI GREEN ENERGY EUROPE, JCF INVESTMENTS, L77 INVESTMENTS LTD, TS CAPITAL FUND LTD.

To make the report complete, the names of managers that sit on the board of most of the winning companies and thus are connected with the largest number of projects, have been listed.

According to the Council of Ministries, the next renewables auction for new projects, expected at the 2018, 2019 and 2020 to be announced by the government. It is expected that a part of the winners of first auctions ('2016, '2018) will take a part in the new contests as well.

The excel database contains a detailed list of companies, that have won the auctions (based on KRS - National Court Register and other sources), contact information and full overview with comparisons. **If you are interested our database and full report please contact to the office biuro@ieo.pl**

INSTITUTE FOR RENEWABLE ENERGY (IEO)

Institute for Renewable Energy (IEO) was established in 2001. It's an independent research group, and the first private research institute in Poland with a deep knowledge of the renewable energy issues: wind energy, solar energy, biogas, biomass, energy planning, ranging from politics energy and law, economic and financial analysis, and ending with the technical issues and design.

IEO also has an extensive experience in participating as an advisor in the investment processes in the area of renewable energy implemented by the company and local governments.

In addition, as part of its work, the IEO completed a number of expert opinions commissioned by the Ministry of Economy, Ministry of Environment, Ministry of Regional Development and other governmental and commercial projects for business customers.

GRZEGORZ WIŚNIEWSKI

Grzegorz Wiśniewski, President of the EC BREC Institute for Renewable Energy, since October 2015 is a member of the National Development Council by the Polish President. He specializes in the technical and economic use of renewable energy and socio-economic issues related to programming the use of renewable energy sources. He is a member of several advisory bodies of the Minister of Economy, e.g. for system solutions in the energy sector and for RES manufacturing and a member of the Steering Committee of Advanced Technologies of Energy Generation in the National Research and Development Centre. He managed the key renewable energy expertises for government on the directions of law development, economic evaluations of renewable energy technologies. Grzegorz Wiśniewski is a co-patron of the national "Strategy of development of renewable energy", the first draft law on renewable energy sources, the assumptions for the green certificates system, the initiator of the prosumer amendment. He is the author and co-author of two patents in the area of solar energy.