

## **APREN Applauds Tax Suspension to Alleviate Wholesale Electricity Price**

*Order No. 6398/2021 suspends payment on account applied to energy producers and will bring direct benefits to the consumer, lowering the price of electricity in the wholesale market.*

[APREN – Portuguese Renewable Energy Association](#) congratulates the measure taken by the Government, through Order No. 6398/2021, which suspends the payment on account applied to electricity producers. This measure, issued by the Secretary of State for Energy, will allow to maintain the competitive balance between all Iberian electroproducers. This solution brings direct benefits to the consumer, as it will help to reduce electricity prices in the wholesale market.

“We believe it is the right decision. Considering the high prices that have been registered in the Iberian electricity wholesale market, it is a measure that benefits electricity consumers, especially when the incorporation of renewables is lower. It is also in line with measures already taken in Spain”, underlines the CEO from APREN, Pedro Amaral Jorge.

This payment on account is applied to electricity producers covered by the competitive balance mechanism. The suspension of this payment comes into effect this Thursday, July 1, and runs until September 30, 2021. This tax incidence measure has also been suspended in Spain.

This tax is applied as a “regulatory mechanism aimed at ensuring the balance of competition in the wholesale electricity market in Portugal which, in order to eliminate distortions that may result from events external to that market, avoids its anomalous functioning and the resulting repercussions for the Portuguese consumers”.

In the order published on June 29, the Deputy Secretary of State for Energy, João Galamba, justifies this measure as a way of “ensuring the permanent harmonization of competitive conditions within the Iberian electricity market (...) in accordance with the amendments verified in Spain”.

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### **About APREN**

The [Portuguese Renewable Energy Association \(APREN\)](#) is a non-profit association, established in October 1988, with the mission of coordinating and representing the common interests of its Members in the promotion of Renewable Energies in the electricity sector.

APREN develops work together with official bodies and other similar entities, at national and international level, assuming itself as an instrument for participation in energy and environmental policies through the use and valorization of natural resources for electricity production, namely in the fields of water, wind, solar, geothermal, biomass, biogas and urban solid waste.