

## **APREN stresses the illegality of additional municipal fees related to the deployment of renewable electricity production projects in Portugal**

*Decree-Law No. 15/2022, launched at the beginning of the year, clearly establishes the compensation defined for Portuguese municipalities when installing renewable electricity production projects, and clarifies that the adoption of measures beyond those provided for by the same diploma are not allowed.*

[APREN – The Portuguese Renewable Energy Association](#) stresses the lack of legal basis of the claim shown by some Portuguese municipal councils to additionally tax the deployment of new renewable electricity projects.

For APREN, the concessions to be offered by developers who intend to proceed with the deployment of renewable power within the Portuguese territory to Municipalities are clearly defined in Article 49 of Decree-Law No. 15/2022.

According to article 49 of this decree, which regulates the Portuguese Electricity System, *“the holder of a renewable source electricity production centre or storage facility, with assigned connection power greater than 50 MVA, cedes, freely and at once, to the municipality or municipalities involved, Self-consumption Production Units with installed power equivalent to 0.3% of the connection power of the power generation centre or storage facility for installation in municipal buildings or collective use or, as indicated by the municipality, to populations located in the vicinity of the power generation centre or storage facility or, alternatively and with an equivalent capacity, charging stations for electric vehicles located in public spaces and intended for public use.”*

The same article of the decree-law provides that, if there are already Self-consumption Production Units installed, as well as in the case of electricity generating centres from renewable sources or storage facilities with assigned connection power greater than 1 MVA and equal to or less than 50 MVA, the municipalities can opt for a single cash compensation, in the amount of € 1,500.00 per MVA of the assigned connection power, which must then be used by the municipality to promote energy efficiency in municipal buildings, in equipment for collective use or in housing buildings of populations.

Finally, Article 49 of Decree-Law No. 15/2022 also clearly states that *“the holders of an electricity generation centre or autonomous storage facility cannot be asked for any other compensation or concessions to the municipalities in addition to those established in the present decree-law”*. These agreements are, moreover, the object of a protocol to be concluded between the promoter and the municipality, even though a mechanism to break the blockade has been foreseen, expressly avoiding, thus, the de facto veto power that this measure could entail.

“REPowerEU sets even more ambitious targets for renewable energy, predicting that final energy consumption in 2030 will have a contribution of 45 % from renewable sources. Additionally, the Portuguese government has assumed the goal of increasing the share of renewable energy in electricity production to 80% by 2026, anticipating the target by 4 years. In addition to its proven impact in the fight against climate change, decarbonization through renewables is of central importance for European energy independence, so it is extremely important that the legislation is complied with, and the entire process is speeded up, so that in

order to meet the aforementioned targets in a sustainable way”, said Pedro Amaral Jorge, the CEO of APREN.

In this regard, APREN announced in June 2022 that it is preparing a licensing guide for renewable energy projects in collaboration with the two public entities that manage and are responsible for these processes - the Portuguese Environment Agency (APA) and the General Directorate of Energy and Geology (DGEG).

This document, under development with the support of the consultancy company BioInsight, aims, precisely, to clarify all stages of the licensing process for renewable projects, to make the procedures simpler and more expeditious, and should be completed before the end. of the year.

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**For more information, please refer to**

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**About APREN:**

The Portuguese Renewable Energy Association (APREN) is a non-profit association founded in October 1988. Its mission is to coordinate and represent the common interests of its members, promoting renewables energies in the electricity field.

APREN works closely with the government and other official entities, both on a national and international levels. It participates actively in the definition of energy and environmental policies, valuing natural resources for electricity production, namely hydric, wind, solar, geothermal, biomass, biogas, and urban solid waste.