

## **Initiation of the first auction for the State aid scheme in the form of Contracts for Difference for the production of electricity from renewable sources of onshore wind and solar photovoltaic energy**

### **Initiation of CfD Auctions**

**Art. 1** The first round of the CfD auction is initiated as follows:

- a) Tender for onshore wind: target of 1,000 MW installed capacity for the production of electricity from onshore wind; and
- b) Tender for solar photovoltaic: target of 500 MW installed capacity for the production of electricity from solar photovoltaic sources.

### **Rules for the tender procedure**

**Art. 2** The tenders are conducted in accordance with the Tender rules, as provided under Annex 2, an integral part of the *Order of the minister of energy regarding the approval of the initiation of the first auction for the State aid scheme in the form of Contracts for Difference for the production of electricity from renewable sources of onshore wind and solar photovoltaic energy* as well as the *Tender rules for the first auction*.

### **Art. 3 Definitions**

In addition to the definitions set out in the scheme *State aid scheme in the form of Contracts for Difference for the production of electricity from renewable sources of onshore wind and solar photovoltaic energy* approved under Order of the minister of energy no. 1120/2024 and *GD no. 318/2024 on the approval of the general framework for the implementation and operation of the support mechanism through contracts for difference for low carbon technologies*, the terms and expressions below have the following meaning:

- a) **the Order of the minister of energy approving the CfD scheme** means the Order of the ministry of energy no. 1120/2024;
- b) **the tender rules** - as defined under art. 2 point 41 of G.D. no. 318/2024, as set out under Annex no. 2 and referred to as "Request for Applications" and "RFA" (the terms "Tender rules", "Request for Applications" and "RFA" shall be used interchangeably);
- c) **CfD scheme** – the State aid scheme in the form of Contracts for Difference for the production of electricity from renewable sources of onshore wind and solar photovoltaic energy approved under Order of the minister of energy no. 1120/2024.

### **Auction requirements**

**Art. 4** (1) Applicants can participate in the CfD auction process by submitting a funding request in accordance with the provisions of art. 7, which includes the submission of both a technical offer and financial offer.

(2) Funding requests made by applicants are to indicate within the financial offer a strike price (at the value as of the date of submission) no greater than 82 EUR/MWh for the onshore wind auction and 78 EUR/MWh for the solar photovoltaic auction, and to set out within the technical offer the generation capacity to be installed and the target commissioning date, which will be no later than 36 months from the anticipated date of signing the CfD contract, in accordance with the provisions of art. 7.

### **Eligibility criteria for the Applicant**

**Art. 5** To participate in the CfD scheme and for the applicant's funding request to be considered in a CfD auction, the applicant must cumulatively meet the eligibility criteria provided in the CfD scheme and detailed in the Tender rules.

### **Eligibility criteria for the Project**

**Art. 6** To participate in the CfD scheme and for the applicant's funding request to be considered in a CfD auction, the applicant's project must cumulatively meet the eligibility criteria provided in the CfD scheme and detailed in the Tender rules.

### **Art. 7 Submission of Funding Requests**

(1) Applicants are required to submit:

- a) a technical offer demonstrating the fulfilment of the eligibility criteria for both the applicant and the project;
- b) a financial offer specifying the Strike price offered by the applicant, and, if required, any other financial or pricing information which must be provided by the applicant; and
- c) a bid bond.

(2) Funding requests must be submitted no later than the deadline set out in the indicative timetable which shall be published on the website of the Ministry of Energy and of the CfD scheme operator, CNTEE Transelectrica SA.

(3) Applicants shall simultaneously submit two sealed envelopes, one containing the technical offer and one containing the financial offer, both envelopes being included in a common outer envelope or box. Applicants are required to submit physical documents together with a USB stick (one with the technical offer and one with the financial offer) with the documents in digital form, appropriately encrypted (as defined in the Tender rules), identified and sealed at the following address:

- In attention to the CfD scheme evaluation commission
- CNTEE Transelectrica SA, the CfD Scheme Operator
- Olteni Street no. 2-4, Sector 3
- Postal code: 030786, Platinum building
- Bucharest

- (4) Together with the funding request, applicants must submit the following:
- a) an organisation chart showing the names and details of the direct and indirect shareholders, owners and controllers that have an interest in the applicant and/or the project;
  - b) confirmation that such direct and indirect shareholders, owners and controllers are not subject to international sanctions, together with confirmation that such shareholders, owners and controllers are not:
    - (i) persons, entities or bodies specifically named in the legal acts imposing those sanctions by the United Nations, the European Union or any other authority having jurisdiction over them;
    - (ii) Undertakings owned or controlled by persons, entities or bodies targeted by sanctions adopted by the European Union by the United Nations, the European Union or any other authority having jurisdiction over them; or
    - (iii) Undertakings active in industries targeted by sanctions adopted by the European Union;
  - c) either:
    - (i) confirmation that such direct or indirect shareholders, owners or controllers will not have any direct or indirect shareholding, ownership or controlling interest in any other applicant, or
    - (ii) details of such direct or indirect shareholding, ownership or controlling interest in any other applicant;
  - d) supporting documents to demonstrate the fulfilment of the eligibility criteria of the project;
  - e) a report presenting the technical characteristics of the project's proposed installed capacity, and including the applicant's estimate for the quantity of electricity that the project will generate and deliver to the national energy system annually over the term of the CfD contract (if awarded);
  - f) any other documents, information and confirmations that are required to be submitted in accordance with the tender rules;
  - g) the bid bond issued in accordance with the applicable provisions of this order and tender rules for the relevant CfD auction;
  - h) an affidavit confirming that the project and its proposed installed capacity does not benefit from financing from public funds. The project cannot benefit from more than one support mechanism or other state aid funding.

#### **Art. 8 Bid bond**

- (1) Applicants are required to provide a bid bond in the amount of the Lei equivalent of EUR 20,000 per MW for the project's installed power, using the exchange rate published by the National Bank of Romania on the issuance date.
- (2) The bid bond will:
  - a) be provided or procured by the Applicant in accordance with the Tender rules;

- b) be in favour of the CfD Scheme Operator; and
  - c) be included in the technical offer envelope.
- (3) The CfD Scheme Operator will return the bid bond to a qualified applicant if:
- a) The applicant and/or the project do not meet the eligibility criteria;
  - b) The financial offer of the qualified applicant was not accepted at the end of the CfD process as per the Tender rules; or
- (4) The CfD Scheme Operator will enforce the bid bond if a qualified applicant who has been successful in a CfD auction:
- a) does not sign or causes a special purpose vehicle nominated in accordance with art. 9, not to sign a CfD contract in accordance with art. 21 para. (4) of the Annex to the Order of the minister of energy 1120/24 approving the CfD scheme; or
  - b) does not submit the performance bond to the CfD counterparty within 15 working days from the date of signing the CfD contract, in accordance with the terms of the CfD contract.

#### **Art. 9 Special purpose vehicles (SPV)**

- (1) In accordance with the CfD contract, the entity signing a CfD contract shall be a company incorporated for fiscal purposes in Romania.
- (2) A successful applicant may nominate a special purpose vehicle to be the entity which signs the CfD contract in accordance with art. 21 of the Annex to the Order of the minister of energy approving the CfD scheme, provided that, prior to the signing the CfD contract:
- a. The successful applicant, as a single entity, provides proof of full ownership of the special purpose vehicle; or
  - b. The successful applicant, in the case of a consortium, provides proof of ownership of the special purpose vehicle in the proportions specified in the applicant's funding request.

#### **Art. 10 Performance bond**

- (1) Successful applicants or special purpose vehicles are required to provide a performance bond in the amount of the Lei equivalent of EUR 75,000 per MW of the project's installed power, converted at BNR exchange rate applicable on the issuance date. Performance bonds must meet the requirements specified under art. 8 of G.D. no. 318/2024 and under the CfD contract.
- (2) Performance bonds will be returned to successful applicants or nominated special purpose vehicles or will be enforced in the manner set out in the CfD contract.

#### **Art. 11 Evaluation criteria**

- (1) The auction evaluation process will be carried out in two stages, as follows:

- a) First stage, an evaluation of the technical offer of the applicant (on a pass or fail basis by reference to the eligibility criteria); and
  - b) Second stage, an evaluation of the financial offer of the applicant (ascending order of the strike price for the qualified applicants).
- (2) The Tender rules set out the evaluation criteria for financial offers.

#### **Art. 12 Calendar for CfD auctions**

- (1) The announcement of the CfD auction Calendar shall be published on the website of the Ministry of Energy and on the website of the CfD scheme operator and shall include, without limitation, the clarification period, the deadline for submission of financing requests, the starting date for the evaluation of technical offers, the period for contestations, the date of evaluation of financial offers, the estimated date of signing the CfD contracts.
- (2) The calendar may be updated, if deemed necessary, in accordance with the provisions of the tender rules.