

CNMC Circular (Rules Instrument) on Access and Connection

Área de Energía

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Circular 1/2021, of 20 January, of the Spanish Markets and Competition Authority, setting out the methodology and conditions for access and connection to the transmission and distribution grids of power plants.

- Published in the Official Journal of Spain, dated 22 January 2021.
- Culminates the regulatory process concerning the methodology and conditions for access and connection to the electricity transmission and distribution grids, with respect to electricity producers, including storage facilities.
- Incorporates technical criteria necessary to (i) assess the access capacity at grid nodes and the feasibility of connection and (ii) determine the influence of facilities that produce electricity on a grid other than the one to which they are connected.
- Determines the minimum content of (i) access and connection requests; access and connection permits; and (iii) technical grid access contracts.

MOST IMPORTANT CHANGES:

1. The terms and content of applications for access and connection to be submitted by power plant developers and owners are set out.

\rightarrow Aim

The aim is to increase efficiency in the access and connection process and to ensure the right of access without discrimination, maximising and detailing, in a clear and homogeneous way, the information related to the electricity generation facilities

requesting access and connection.

\rightarrow How?

According to Article 3, a single application form (which can be updated) is made available to all developers on the websites of the grid managers.

The minimum documentation to be provided with the application for access is also expanded.

→ What new documentation must be provided?

In general, Article 3 includes new documentation to identify and describe in detail the electricity generation facilities requesting access and connection in order to uniquely identify the project to which the request refers.

2. <u>Technical criteria for assessing access and connection capacity are laid down, and the</u> acceptability procedure is simplified.

→ How?

The Circular includes two Schedules (I and II) containing the technical criteria that grid managers must take into account when assessing the feasibility of access and connection.

Article 3 also provides that the acceptance of access and connection must include the technical and financial conditions.

\rightarrow To bear in mind...

The Circular encourages the shared use of evacuation infrastructure. In particular, Article 3 provides that the technical and financial conditions should indicate, if applicable, the existence of compensation agreements, as well as connection solutions associated with permits already granted or with applications with a better ranking, in relation to which their "compatibility or supplementarity" should be envisaged.

To this end, Article 9 imposes the obligation to notify the grid manager and the competent public administration of "any compensation agreement to be concluded".

3. Regulates access and connection disputes and conflict in more detail

Article 10 contains the rules on access and/or connection disputes, which must be related to a conflict with the technical criteria, in accordance with Schedules I and II, or with the financial conditions included in the acceptability analysis.

The Spanish Markets and Competition Authority will continue to be the competent authority to deal with access permit disputes.

With regard to the connection permit, conflicts will be brought before the Spanish Competition and Markets Authority (where the National Administration is competent), or before the competent body of the Autonomous Community (where the region is competent).

4. Public information on grid node capacity

\rightarrow Objective

Article 12 requires grid managers to keep a register of the substations they operate, as well as to publish information about these substations on their website, which must be updated at least once a month.

In addition, the possibility of creating a joint publication platform accessible from the websites of the managers sharing such a platform is provided for.

→ What minimum information should be made public?

As a minimum it shall include: (i) name; (ii) georeferencing; (iii) voltage level; (iv) available access capacity; (v) occupied access capacity; and (vi) access capacity in respect of applications for access and connection permits pending a determination.

For more information, please check out our website www.ga-p.com or write to info@ga-p.com