

1st Auction for Guarantees of Origin owned by the Portuguese Electric System

Lisbon, July 30th 2021

On the 28th of July, on the OMIPlus platform managed by OMIP, the 1st Auction for Guarantees of Origin was held related to the production of electricity from renewable sources in Portugal coming from power plants that benefit from a direct price support regime or an investment incentive, being in this terms delivered by the producers to the Directorate-General of Energy and Geology (DGEG) to be made available to the market

The auction model was the ascending clock, with 3.42 TWh of Guarantees of Origin being auctioned, divided into 8 lots, according to the criteria of Technology - Solar, Wind, Hydro and Thermal - and Production Period - August/September of 2020 and April 2021. In total, 2.82 TWh were awarded, representing 82% of the volume offered (results available: <https://www.omip.pt/en/auctions-GO>), with demand exceeding the offer in 5 lots. 15 Portuguese and foreign entities participated in the auction, with 13 entities awarded in total.

The completion of the 1st Auction for Guarantees of Origin meets European policies on energy and the environment and the provisions of the Portuguese National Plan for Energy and Climate 2030 (PNEC), and places OMIP once again as a pioneer in the design and implementation of innovative solutions in responding to the demanding challenges of the European Green Pact, which were assumed with great ambition by the Governments of Portugal and Spain.

The auction was considered a success by all stakeholders, not only in the volume awarded, but also in the prices achieved in the different lots. It should be recalled that the net results of the activity in the auctions for Guarantees of Origin are deducted from the extra cost with renewables borne by Portuguese consumers, whereby the high level of participation in the auction translated into savings for the latter of 644 thousand euros. This result confirms once again OMIP's level of excellence in the organization and management of auctions, adding this experience to a portfolio of auctions already successfully organized, namely in the electricity, natural gas, telecommunications, and grid injection capacity rights for photovoltaic solar energy.

A new auction is expected to take place in September and the process assumes an indicative monthly frequency. The role of OMIP in the organization and management of these auctions confirms once again its role of commitment in the development of innovative solutions, adapted to the growing importance that the production of electricity from renewable sources has in energy systems.

About OMIP

OMIP runs the Iberian energy derivatives exchange since July 2006, providing exchange trading, central clearing and settlement (through OMIClear) and data distribution services for European power derivatives supported by state-of-the-art systems and STP processes. OMIP's trading members can trade power products (baseload, peak load and solar profiles), with financial or physical delivery and Spanish PVB-ES natural gas products, with physical delivery.

OMIP also provides a broad set of services in the wholesale and retail energy market as well as telecommunications market, including the organization of a complete set of auctions for different asset types such as Virtual Power Plants programs, Gas Release programs, transmission capacity rights, wind farms licensing rights, power and gas procurement or telecom frequencies.