

Energy Regulatory Office

<https://www.ure.gov.pl/en/communication/news/366,RES-auctions-2023-President-of-the-URE-summarises-the-results-of-this-years-auct.html>
01.05.2024, 12:01

RES auctions 2023: President of the URE summarises the results of this year's auctions for sale of electricity from renewable energy sources. The total volume of electricity contracted since 2016 exceeds 274 TWh, for the value of nearly PLN 67 billion and more than 4,700 installations

Out of the seven auctions held in November, only two were conclusive.

The volume green energy for offered for sale in this year's auctions totalled 88 TWh and was valued at over PLN 40.8 billion but only around 6 TWh (6.8 per cent) were contracted as a result of the auctions for the value just under PLN 2 billion (4.8 per cent).

Photovoltaics is the winner

In 2023, all auctions were dedicated to new installations. Among the winning offers (200), PV installations constitute over 98 per cent (197), the other being wind farms (3).

This year, the auction for photovoltaic and wind power units with capacity up to 1 MW ([AZ/6/2023](#)) attracted the most interest. Out of the 80 generators that participated in the auction and submitted 163 bids, all were entrepreneurs investing in photovoltaic installations. Within this basket, the total electricity volume of 11.25 TWh was offered for purchase for the value of over PLN 3.8 billion. However, less than 11 per cent of the electricity volume was sold (just over 1.2 TWh) under 133 offers made by 56 generators, with a total value of merely PLN 413 million (which corresponds to slightly over 11 per cent of the value of electricity offered for sale). The outcome of this auction enables the development of PV units with a total installed electrical capacity of around 123 MW.

[The reference price for photovoltaic projects in this basket was 414 PLN/MWh](#)^[1] (wind power generators did not participate the auction). The minimum price at which electricity was sold was 284.95 PLN/MWh, whereas the maximum price was 355 PLN/MWh.

In the last auction held this year ([AZ/7/2023](#)), dedicated to wind and photovoltaic projects with a capacity greater than 1 MW, the winning offers included installations with a total installed capacity of 495.5 MW. In total, 63 generators participated the auction and jointly submitted 85 offers. Within this basket, the total electricity volume of 21.75 TWh was offered for purchase for the value of PLN 6.225 billion. As a result of the auction, slightly more than 4.7 TWh of electricity was sold (which corresponds 22 per cent of the electricity

offered for sale) under 67 offers made by 52 generators, for the total value of over PLN 1.5 billion (25 per cent of the value of electricity offered for sale).

The outcome of this auction allows for the development of PV units with total installed electrical capacity of just over 471 MW and total onshore wind capacity of approximately 24.5 MW.

[The reference price in this basket was 389 PLN/MWh for solar power plants and 324 PLN/MWh for wind power plants^{\[2\]}](#). The minimum price at which electricity was sold was 119 PLN/MWh for onshore wind farms and 272.91 PLN/MWh for photovoltaic power plants, respectively. The maximum price at which electricity was sold was 310 PLN/MWh for onshore wind farms and 349.69 PLN/MWh for photovoltaic power plants, respectively.

In both resolved auctions, the principle of 'forced competition' referred to in Article 80(1)(2) of the RES Act^[3] was in effect, according to which the auction is won by participants whose bids in total did not exceed 100 per cent of the value or volume of electricity from renewable energy sources specified in the auction notice and 80 per cent of the volume of electricity covered by all bids.

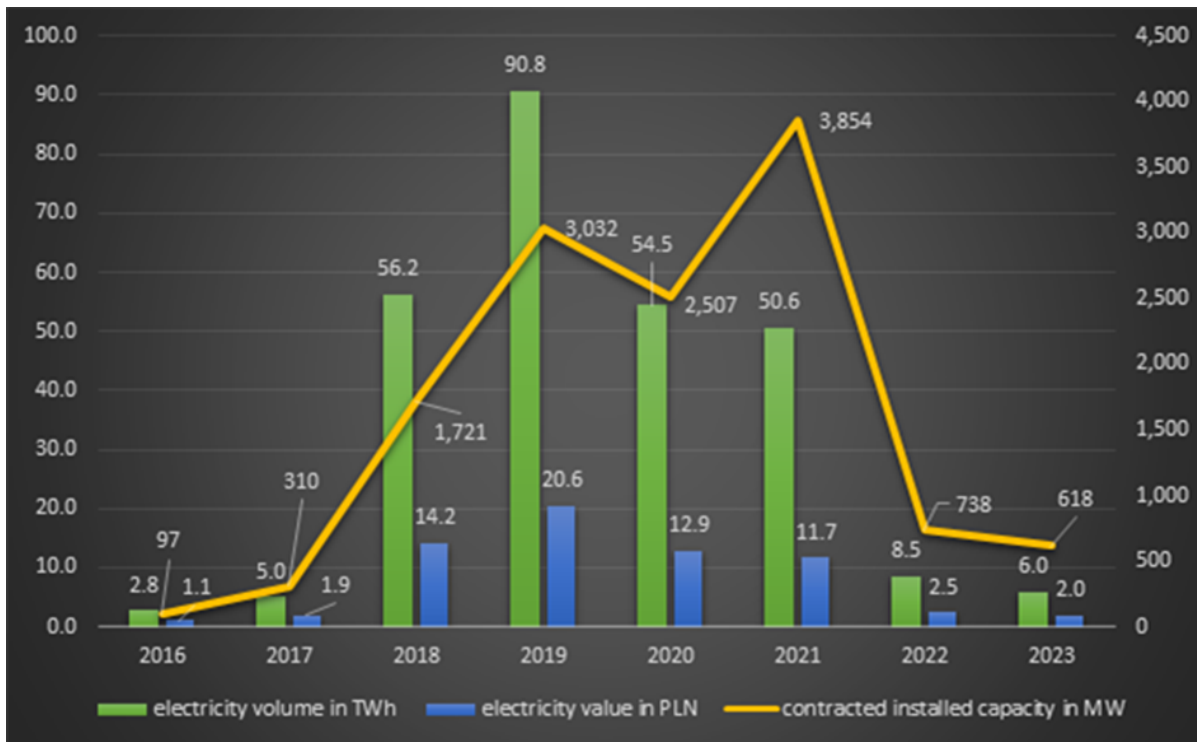
Insufficient number of offers in auctions dedicated to hydroelectric power plants, farm biogas plants and biomass and non-farm biogas installations.

Auctions [AZ/1/2023](#) and [AZ/2/2023](#) for installations using exclusively biomass (including dedicated biomass combustion installations, dedicated multi-fuel combustion installations, thermal waste conversion installations, hybrid systems) or only non-farm biogas (including using only biogas from landfills or using only biogas from sewage treatment plants) for electricity generation, auction [AZ/3/2023](#) dedicated to new farm biogas plants with a capacity greater than 1 MW, as well as auctions [AZ/4/2023](#) and [AZ/5/2023](#), dedicated to bioliquids, geothermal and hydropower installations, were not resolved due to the lack of the required number of offers. According to the provisions of the RES Act¹, an auction is resolved if no less than three valid offers conforming to the requirements set out in the Act are submitted.

- Summarising this year's RES auctions, it must be said that 2023 did not attract much interest from generators. Only 6.8 per cent of the electricity offered for sale was contracted, and the entrepreneurs investing in photovoltaic installations were virtually the only beneficiaries that stayed in the game. The results of the November auctions confirm that long-term cPPAs (Corporate Power Purchase Agreements), as expected, are becoming an attractive alternative to the auction-

based support system - said Rafał Gawin, President of URE.

Fig. Total installed electrical capacity of units [MW], volume of electricity sold [TWh] and value of electricity sold [bn PLN] for generators winning RES auctions in 2016-2023.



- The results of all seven auctions held this year can be found in the [Public Information Bulletin](#).
- The auction parameters for 2023 were set out in [Regulation of the Council of Ministers of 27 September 2022 on the maximum volumes and value of electricity from renewable energy sources that may be sold in auctions in individual consecutive calendar years 2022-2027](#)^[4]
- The auctions were conducted in accordance with the [Terms and Conditions of auctions for the sale of electricity generated in RES units](#) approved by the Minister of the Minister of the Climate and Environment.
- On 10 November, [Regulation of the Minister of Climate and Environment of 8 November 2023 on the reference price of electricity from renewable energy sources, the periods applicable to generators who have won the auctions and the reference volumes of electricity sales](#)^[5] came into force.
- As a result of the auctions conducted by URE to date (between 2016 and 2023), more than 274 TWh of electricity worth almost PLN 67 billion has been contracted.

Over 4,700 RES installations have been supported. The vast majority of support goes to contracts for greenfield installations.

- The results of the 2016-2023 auctions should lead to the development of approximately 5.4 GW of new capacity in wind power technology, approximately 7.4 GW in PV technology and just over 130 MW of new capacity in other RES technologies. However, the final results of the auctions held so far are to be seen until only when the projects which obtained the support are completed.
-

^[1] In accordance with the Regulation of the Minister of the Climate and Environment of 8 November 2023 on the reference price of electricity from renewable energy sources, the periods applicable to generators who have won the auctions and the reference volumes of electricity sales (Journal of Laws of 2023, item 2440).

^[2] In accordance with the Regulation of the Minister of the Climate and Environment of 8 November 2023 on the reference price of electricity from renewable energy sources, the periods applicable to generators who have won the auctions and the reference volumes of electricity sales (Journal of Laws of 2023, item 2440).

^[3] Act on Renewable Energy Sources of 20 February 2015 (for consolidated text see: Journal of Laws of 2023, item 1436, as amended).

^[4] Journal of Laws of 2022, item 2085.

^[5] Journal of Laws of 2023, item 2440.

30.11.2023

[Previous Page](#)

[Next Page](#)