

1. Since 2019, the Ministry of Infrastructure and Energy (MIE) has successfully completed two solar PV Competitive Procedures for a total capacity of 240 MW and is currently conducting the first onshore wind auction of up to 150 MW, in line with the country's renewable energy targets.
2. The MIE aims to support Albania's efforts to add an additional total 1 GW solar PV capacity of renewables by [300 MW] through at least [3] envisaged Competitive Procedures, for bidder-selected sites. Renewable energy developers will identify and propose sites viable for the design, financing, construction, and operation of new solar PV power plants.
3. The first of this series of rounds will be for 300 MW of solar PV and it's expected to be launched by June 2023.
4. To assist developers, the MIE has commissioned a high-level analysis of Albanian territory to indicate areas potentially suitable for developing new solar projects and areas unsuitable / non-eligible for developing new wind projects defined as "constraints" or "no go areas".
5. Participation in the Competitive Procedure is restricted to a maximum of 100 MW total capacity auctioned per developer. The selected projects totalling up to 300 MW will receive support measures as described below.
6. Each successful bidder(s) will sign a 15-year Support Agreement with Trading Period I (Power Purchase Agreement "PPA") and Trading Period II (Contract for Difference "CfD"). The trigger to change from Trading Period I to Trading Period II is a positive decision taken by the ERE on the market readiness assessment, as determined based on the pre-defined conditions set out in the Renewable Energy Law.
7. In the Competitive Procedure documents will be determined the ceiling price.
8. The Competitive Procedure will be implemented as a one-stage process, under "two envelopes in one", and bidders will be assessed for:
  - Their eligibility to qualify as a bidder with the required technical experience, financial resources, and legal standing to deliver a project (envelope one); and
  - Their financial bid (envelope two), which will only be opened subject to qualification.

The deadline for the proposals is expected to be October 2023.

9. To participate in the Competitive Procedure, each bidder will be expected to demonstrate the viability of the proposed site(s) by submitting the documents below. The MIE therefore encourages developers to start the required activities as soon as possible to be able to meet the deadline.
  - i. Evidence that the proposed site is not located in areas defined as "constraints" or "no go areas", as per the high-level analysis of Albanian territory to indicate areas potentially suitable for developing new solar PV projects.
  - ii. Evidence that the proposed site meets other suitability criteria, defined under the `Decision of the Council of Ministers No. 349, dated 12.06.2018 and as amended with DCM 858, date 04.11.2020 *"On the approval of support measures for the promotion of the power production from renewable sources of sun and wind, as well as the procedures for the selection of projects for receipt of support"* or any other DCM for competitive procedures based on the renewable energy law.
  - iii. Grid connection offer issued by the grid operator, in accordance with the Transmission Code, approved by decision No. 186, dated 11 November 2017 of the Albanian Energy Regulatory Entity and the Rules of Procedures for New Connections and Modification of

Existing Connections to the Transmission Network, approved by decision No. 87, dated 20 April 2018 of the Albanian Energy Regulatory Entity`, as may be amended.

- iv. Environmental and Social Impact Assessment (ESIA) study prepared in accordance with the most stringent substantive criteria of the Albanian applicable law, European Union (EU) environmental acquis, and lenders / international financial institutions (IFIs)` environmental and social standards and requirements. For the avoidance of doubt, this stage does not require the bidder to complete the formal procedure to obtain formal approval by the potential lenders or the Albanian competent authorities of the ESIA study; it only requires preparation of an ESIA study that complies with the substantive environmental and social standards.
  - v. Energy yield report, as required by good industry practice.
  - vi. Evidence that the bidder has right of ownership or exclusive real right to occupy, use and enjoy the proposed site, with a view to design, construct, install, operate and maintain the project, submitted in a form satisfactory for the issuance of a construction permit and duly registered with the Real Estate Register.
10. Projects that are unsuccessful in the first Competitive Procedure will be allowed to participate in future Competitive Procedures. The MIE plans to publish information on the timing and capacities of future Competitive Procedure in due course. The key Competitive Procedures parameters may be revised in subsequent rounds of these Competitive Procedures.
11. Enquiries about this Competitive Procedure should be directed to:

Z. Igli Percuke

Email : [igli.percuke@infrastruktura.gov.al](mailto:igli.percuke@infrastruktura.gov.al)

ANNEX. Summary of key parameters

<b>Design elements</b>	<b>Description</b>
<b>Competitive Procedure format</b>	Bidders can propose one or multiple projects (which may be composed of a single site or multiple sites <sup>1</sup> ) with different financial bids, subject to a maximum 100 MW cap per bidder.
<b>Competitive Procedure</b>	One-stage process, Criteria is price-only, subject to qualification (pass/fail)  The Competitive Procedure is won by the participant(s) that offer the best financial bid(s) as long as they have been determined eligible with the required technical experience, financial resources and legal standing to deliver a project.
<b>Competitive Procedure volume</b>	Total capacity 300 MW. Up to 100 MW capacity can be awarded to the same bidder (through one or multiple successful projects).
<b>Project site selection</b>	Bidder selected site(s)
<b>Support Scheme</b>	Two trading periods: Trading Period I - PPA, Trading Period II - a two-way CfD. The trigger to change from Trading Period I to Trading Period II is a positive decision taken by the ERE on the market readiness assessment, as determined based on the pre-defined conditions set out in the Renewable Energy Law
<b>Support period</b>	15 years
<b>Indicative Competitive Procedure timeframe</b>	Competitive Procedure announced April 2023. The Competitive Procedure published on June 2023. Application deadline: October 2023 Competitive Procedure proposal evaluation: November 2023 Publication of results: November 2023

<sup>1</sup> A site is a continuous piece of land with one grid connection.