

LEGAL ALERT

PORTUGAL ACCELERATES RENEWABLE ENERGY GENERATION AND STORAGE PROJECTS

The [Decree-Law no. 99/2024, of 3 December](#)¹ establishes new maximum deadlines applicable to certain licensing procedures to accelerate renewable energy projects in Portugal:

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| New maximum deadlines for the attribution of generation and operation licenses (previously non-existent) | Two years , for renewable energy projects, extendable for a maximum period of 6 months Three years , for offshore renewable energy projects, extendable for a maximum period of six months |
| New maximum deadlines for prior registration procedures | One month , for solar power generation units with an installed power equal to or less than 100 kW, with tacit approval if no decision is made within this period Three months , for other solar power generation and energy storage units Two years , for the repowering of offshore renewable energy projects (extendable) |
| New maximum deadline for the procedure applicable to repowering (previously non-existent) | One year , for the repowering of renewable energy power plants and energy storage facilities, as well as for the relevant connection infrastructures, extendable by a maximum of three months Three months , for the repowering of a power plant that does not involve an increase in its installed capacity of more than 20% |

Electricity storage solutions now have a complete legal framework, allowing for the **hybridisation** of a power plant with **co-located storage** when such facility is added to a power plant that has

¹ Amending [Decree-Law no. 15/2022, of 14 January](#), and partially transposing [Directive \(EU\) 2023/2413](#) of the European Parliament and of the Council of 18 October 2023, amending [Directive \(EU\) 2018/2001](#), [Regulation \(EU\) 2018/1999](#) and [Directive 98/70/EC](#) as regards the promotion of energy from renewable sources, and repealing [Council Directive \(EU\) 2015/652](#).

obtained a generation license, prior registration or prior communication. A procedure is also created for the **prior verification of storage capacity** (and not just injection) from the public electricity grid.

With regard to the compensations made to the municipalities where the power plants or storage systems are located, those will now apply to any facility with a connection power of more than 1 MVA, whereas previously there were different regimes for facilities with a connection power of more than (i) 50 MVA and (ii) equal to or less than 50 MVA and more than 1 MVA.

Transfers to the municipalities may correspond to one of the following alternatives, at the choice of the municipalities:

- Electricity generation unit for self-consumption (UPAC) with installed power equivalent to 1% of the connection power of the power plant or storage system;
- Charging points for electric vehicles located in publicly accessible public space with an equivalent capacity; or
- One-off compensation of EUR 1500 per MVA of connection power, to be used to promote the energy efficiency of municipal buildings, collective use equipment or residential buildings.

In terms of **environmental impact assessment**, we highlight the following amendments:

- It is now compulsory for renewable energy power plants and relevant infrastructures to submit a proposal for defining the scope of the Environmental Impact Study (PDA), whereas before it was only a matter of the developer's discretion;
- The exemption from environmental impact assessment for solar power plants (and their energy storage systems) installed in artificial buildings or structures has now been adopted as a definitive legal regime, whereas until now it was only a provisional rule, which would expire at the end of 2024, applicable only to UPACs. This exemption scheme does not apply in certain special situations (for example, when the power plants are installed on artificial water bodies or in classified areas or buildings in the process of being classified and their respective protection zones).

This decree-law also approves the following amendments:

- Reduction (in 1/3) of the value of the security deposit required (EUR 10,000.00 per MVA) when the grid injection capacity reservation title is granted by means of an agreement with the system operator;
- Possibility of extending, without limit, the deadline for submitting an application for an operation certificate (installations of up to 1 MW); and
- Simplification of the proximity criteria applicable to UPACs;
- Simplification, in certain situations, of the installation of UPACs or storage systems in areas that are part of the National Agricultural Reserve;
- Duly approved investment projects in the public service electric system are not subject to any kind of demonstration of municipal interest.

Morais Leitão's energy and natural resources team remains fully available to answer any additional questions.

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