

LICENSING REGIME AND EXAMINATION PROCEDURE FOR INNOVATIVE AND/OR MODEL RENEWABLE ENERGY SOURCES STATIONS FOR THE PRODUCTION OF ELECTRICAL ENERGY

During their meeting No 1494/2016 dated 23 May 2016, the Members of CERA thoroughly examined the legislation and bearing in mind the following:

- The primary and exclusive objective of innovative technologies for electricity production from renewable energy sources is conducting scientific research in order to draw scientific conclusions on the function and effectiveness of the new innovative technology under development for the production of electricity from renewable energy sources. These technologies are not actively used in the energy market as economic viable undertakings/entities aiming to commercial exploitation of the electricity produced by the project proposed in the application.
- For purposes of integrated research and ensuring compatibility with the electricity grid, the energy produced from renewable energy sources needs to be channelled into the Distribution System and be in compliance with the technical data of the Distribution System.

They find that:

- They have a legal obligation and responsibility to promote research, development and demonstration of innovative and/or breakthrough and/or model power generation technologies/methods;
- Technologically innovative methods for the production of electricity from renewable energy sources do not fall within the activity scope of the licence set out in Article 34(1)(a) of the Law, namely to build a power station or to generate electricity, where the economic viability of the proposed project needs to be investigated as one of the criteria taken into account when considering any licensing in accordance with Article 38(1)(f);
- The authorisation of a natural or legal person applying to build and operate a power plant for electricity production from renewable energy sources via innovative technologies/methods for research purposes falls under the provisions of Article 35 of the Law under the title 'Granting of Exemptions', which allows for the possibility for CERA to grant an exemption from holding a licence under the terms and conditions laid down by CERA;
- The verification of the network 's compatibility with the network of the energy produced by innovative projects/methods is necessary both for research purposes and for ensuring network security at all times;
- This producer will benefit by proving the applied efficiency of the innovative technology;
- For research and development purposes, the producer shall not have any economic benefit from the electricity released into the Distribution System;

- The electricity released into the Distribution System shall be measured by a meter installed by the Distribution System Operator, and shall be in favour of each of the producer's Supplier in such a way as to enable the Supplier to cover any risks likely to be incurred as a result of the management of these systems.

The Members of CERA **HAVE DECIDED** that:

- CERA receives, reviews and evaluates applications for granting of Exemptions from Licensing regarding innovative technology projects for electricity production from renewable energy sources;
- The total installed electrical capacity of the innovative projects shall not exceed 200 kW;
- It shall be stated in the application that the sole purpose of the investment is the construction and operation of the project and the applied results of the technical innovation investigated solely for the purposes of technical research, development and demonstration, and not the commercial exploitation of the electricity generation activity;
- The electrical energy produced shall be released into the Distribution System free of charge and without any financial consideration;
- Exemption from a licence is granted for the specific time period required for the innovative technology to be applied and for the duration of the research required for the research practice for each application individually.