

Legal Alert

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Integration of multiple renewable energy sources (res) installations at a single connection point (cable pooling)

As of 1 October 2023, the Act of 17 August 2023 amending the Renewable Energy Sources Act and certain other acts (Journal of Laws 2023, item 1762) will come into force. ("**Amendment**"). The said Amendment sets out the new framework for the cable-pooling that would allow generators to connect several renewable energy sources installations (RES) to the electricity grid at a single connection point with a rated voltage higher than 1 kV.

RES Generators' agreement

RES installations would be allowed to operate based on the cable pooling model once their operators conclude an agreement specifying the principles of cooperation of the generators with regard to the use of a common connection to the electricity grid ("**Agreement**").

The Agreement should specify in particular:

- the rights and obligations of the parties to the Agreement arising from the grid-connection conditions, grid-connection agreement and the transmission or distribution services agreement;
- the rules for the distribution of funds received as financial compensation for the curtailments caused by the non-market redispatching;
- the location of measuring points specific to individual RES installations co-operating within the cable pooling model;
- the settlement rules in case the total volume of electricity fed into the grid exceeds the connection capacity;
- the scope of authorization for one of the parties to the Agreement to conclude, on its own behalf, a grid connection agreement and a transmission or distribution service agreement for all RES installations connected (or planned to be connected) at a single connection point.

Pursuant to the Amendment, in the case one of the RES installations operating within the cable pooling model is transferred to another entity, the rights and obligations arising from the Agreement in relation to such RES installation are also transferred to the new operator of the RES installation.

Connection conditions

The Amendment provides that the relevant system operator shall issue single connection conditions for all the RES installations connected at the same connecting point.

Apart from other data required by law, an application for connection conditions within the cable pooling model should specify:

- the total connection capacity for all (two or more) installations planned for connection at single connection point (the total installed capacity of all RES installations connected to the grid may be higher than the connection capacity specified in the connection agreement);
- location of the grid connection point for those installations;
- description of the technical safety solutions that will prevent generation to the grid exceeding the connection capacity.

The application for connection conditions should be accompanied by, among others:

- a copy of the Agreement (executed);
- legal titles to use the real properties on which all RES installations will be located;
- a commitment by each of the parties to the Agreement to install technical safety solutions that will prevent generation to the grid exceeding the connection capacity;

- authorization for one of the parties to the Agreement to represent all the generators before the electricity system operators and the President of Energy Regulatory Office (ERO);
- a declaration by each of the parties to the Agreement to accept joint and several liability towards the DSO or TSO for generation to the grid exceeding the connection capacity.

Under the Amendment, the grid impact analysis (as prepared before issuance of the grid connection conditions at request of the transmission and distribution system operators) should take into account only the connection capacity that can be fed into the grid, considering the technical solutions preventing generation to the grid in excess of the connection capacity (as described in the application for connection conditions).

Revenues from electricity sales

The new provisions allow the generators - if they so agree - to remain independent with regard to the generation of revenues from the sale of electricity, but only the selected generator (the party to the transmission or distribution service agreement) will be responsible for the commercial balancing of all RES installations following the cable pooling model. This requires arrangements to regulate the reporting of sales agreements concluded by individual generators due to necessity to appoint common balancing responsible party (BRP) within a single connection point.

Support schemes restrictions

The Amendment introduces restrictions on the use of RES support schemes (FIT/FIP system, auction system) for additional installations operating under cable pooling rules i.e. in the case of expansion of an existing RES installation benefiting from one of the support schemes, the newly connected RES installation will not be entitled to benefit from the support schemes. In the case of new projects connected to the power grid under the discussed regulation, a RES installation which would benefit from one of the support schemes should be connected to the power grid before other RES installations are connected.

Exceeding the booked connection capacity

According to the Amendment, if generators exceed the booked connection capacity, the electricity system operator will be entitled to charge a fee in the amount corresponding to the charge for illegal electricity consumption. In case total generation to the grid exceeds the connection capacity, the electricity system operator may also limit or withhold the offtake of electricity without payment of any compensation and without being liable for the consequences of the limitation or disconnection caused.



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