

Power Newsletter

Special Edition

April 3, 2018 | Year 5 No. 53

MME Ordinance No. 115: 2018 Energy Auctions Estimated Schedule

On April 2, 2018, the Ministry of Mines and Energy (“MME”) published Ordinance No. 115 (“[MME Ordinance No. 115](#)”), which establishes the estimated schedule for the 2018 auctions for long-term power contracting in the Regulated Contracting Market (“[ACR](#)”).

The publication of such schedule fulfills the requirement of Article 19, §1º-D, of Decree No. 5.163, dated July 30, 2004, as amended by Decree No. 9,143, dated August 22, 2017, determining that MME should publish an estimated schedule of auctions for power contracting by the distribution concessionaires by March 30 of each year.

The purpose is to ensure greater predictability for the market and to enable parties interested in participating in the auctions with a longer period to prepare for the auctions.

The aforementioned Article 19, §1º-A and §1º-B, establish that MME shall annually promote at least: (i) one (1) auction for the contracting of power from existing generation projects in the year A-1; and (ii) two (2) auctions for the contracting of power from new generation projects in the years A-3 or A-4 and A-5 or A-6, provided that there is demand informed by the distribution concessionaires to the MME.

Accordingly, the schedule established in MME Ordinance No. 115 indicates the promotion of two (2) New Energy Auctions – A-4 and A-6 – and two (2) Existing Energy Auctions – A-1 and A-2.

2018 A-4 Auction

The A-4 Auction will be held on April 4, 2018, pursuant to the guidelines defined in [MME Ordinance No. 465, dated November 30, 2017](#) (in Portuguese) and the rules of [Auction Notice No. 01-2018-ANEEL](#). The Energy Research Company (“[EPE](#)”) completed the registry of 1,672 projects, mostly wind and photovoltaic solar, totaling 48,713 MW of installed capacity.

2018 A-6 Auction

The A-6 Auction will be held between May and August, pursuant to the guidelines defined in [MME Ordinance No. 44, dated February 08, 2018](#) (in Portuguese).

2018 A-1 and A-2 Auctions

The A-1 and A-2 Auctions are estimated to be held in the last quarter of this year, but their respective guidelines have not been defined yet by the MME.

You will find below a summary chart of the energy auctions for 2018:

2018 Energy Auctions Estimated Schedule		
Category	Years to Start the Supply Period	Estimated Date
New Energy	A-4	April 4 (confirmed date)
	A-6	May – August
Existing Energy	A-1	October – December
	A-2	

To read the MME Ordinance No. 115, click [here](#) (in Portuguese).

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