



MEMORANDUM TO CLIENTS

ENERGY

19/12/2017

Guidelines for the 2018 A-4 Energy Auction

The Ministry of Mines and Energy enacted, on December 1, 2017, Ruling No. 465, of November 30, 2017 (“Ruling No. 465/2017”), establishing guidelines for the A-4 New Energy Auction (“2018 A-4 Energy Auction”) to be carried out on **April 4, 2018**.

The 2018 A-4 Energy Auction will trade energy from **wind, hydro, photovoltaic and biomass-fueled power plants**.

1. REGISTRATION AND TECHNICAL ACCREDITATION

In order to participate in the 2018 A-4 Energy Auction, interested parties must file a request for registration and for technical accreditation of their projects with the Energy Research Company (Empresa de Pesquisa Energética – “EPE”), submitting all documentation established in the Registration and Technical Accreditation Manuals, depending on the type of power plant to be registered.

In accordance with Ruling No. 465/2017, the technical accreditation documentation must be filed by **January 5, 2018 (12 p.m.)**.

Interested parties, whose projects were registered with the EPE in order to participate in the 2017 Energy Auctions, pursuant to articles 5 and 9 of MME Ruling No. 293, of August 4, 2017, may directly request the registration of their projects and **are not required to re-submit technical accreditation documentation to EPE**.



The use of 2017 accreditation documents will only be applicable to projects for which the standards, technical characteristics and other information related to the projects remain unchanged. In that case, the interested party must indicate whether or not it intends to use the 2017 accreditation documents when registering the project with the AEGE System¹.

Ruling No. 465/2017 also restricts the types of documents used for the 2017 Energy Auctions that may be presented to EPE for the 2018 A-4 Energy Auction. Such restriction, however, is not applicable to the following documents: **(i)** registration issued by the National Electric Energy Agency (Agência Nacional de Energia Elétrica – ANEEL) to participate in the auction (Despacho de Requerimento de Outorga – “DRO”); **(ii)** environmental license which has expired; and **(iii)** access opinion or equivalent document; and **(iv)** any other documents requested by the EPE.

Ruling No. 465/2017 indicates that interested parties which registered their projects in order to participate in the 2017 Energy Auction may register their projects for the 2018 A-4 Energy Auction in a different connection point.

2. NECESSITY DECLARATION AND INITIAL SUPPLY DATE

In accordance with Ruling No. 465/2017, distribution companies interested in purchasing energy in the 2018 A-4 Energy Auction must present their necessity declaration by February 6, 2018 and use the template released on the website of the Ministry of Mines and Energy.

Projects selected in the 2018 A-4 Energy Auction must start delivering power on January 1, 2022.

We remain available to answer any questions concerning this memorandum.

Partners and Associates of the Infrastructure Practice

¹On-line system made available by EPE for the registration of developers and their projects: <http://sistemas.epe.gov.br/aege/adesao>.

The purpose of this memorandum is to inform our clients about important changes and developments in the area of law. We remain at the reader's disposal for any additional information that may be desired regarding the subject matter herein.

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