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Results analysis

PPE2 technology-neutral tender – Session #2

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PPE2 technology-neutral tender – Introduction

The PPE2 technology-neutral tender grants renewable energy developers a feed-in premium for PV, onshore-wind and hydroelectric installations

Introduction

- The French Ministry of Ecological and Solidarity Transition released in August 2021 its **new renewables tenders' plan to takeover** with the CRE 4 tenders program coming to an end in 2021. This new program, called “**PPE2**” due to its central role in France’s second multi-annual energy plan (*Programmation Pluriannuelle de l’Energie*), includes several tender rounds for nearly **29 GW called**, with applications **starting from 2021 and ending in 2026**
- With PPE2, a **new multi-technology tender** is introduced for **solar PV, onshore wind and hydro electricity**. This new technology-neutral tender was implemented in line with the **European Commission’s will to allow the direct and non-discriminatory competition between different renewable energy sources**
- We are today analyzing the results of the **2nd session of this new PPE2 technology-neutral tender**, released on December 19th, 2023. The tender session was **oversubscribed** with 512.7 MW awarded for 500 MW called

Tender’s calendar

	Application deadline	Tendered capacity
1 st session	July 29th, 2022	500 MW
2 nd session	October 13th, 2023	500 MW
3 rd session	August 9th, 2024	500 MW
4 th session	2025 TBD	500 MW
5 th session	2026 TBD	500 MW

Tender’s criteria & results

	PPE2 2nd session
Awarded capacity	512.7 MW
Number of awarded projects	34 in total , including: <ul style="list-style-type: none">▪ 30 ground-mounted PV plants▪ No rooftop & shade house PV plant▪ 4 onshore wind farms▪ No hydroelectric plant
Average awarded tariff	€ 85.19/MWh
Maximum bidding tariff	€ 90.00/MWh
Application deadline	October 13 th , 2023



PPE2 technology-neutral tender

Each technology will be rated based on its own criteria to allow a better competitiveness

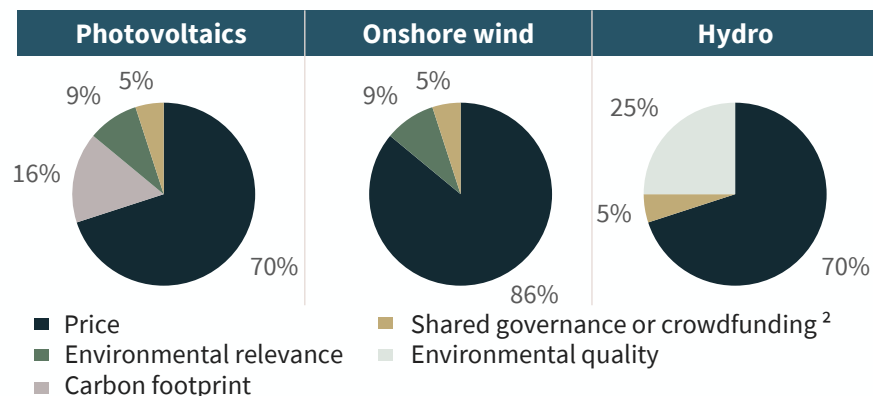
Key criteria under PPE2 technology-neutral tender

- 4 types of renewable installations are eligible to this new tender: ground-mounted PV, rooftop & share house PV, onshore wind & hydroelectric technologies
- Under CRE 4's 2018 bi-technology tender, wind and PV assets were solely rated based on their bidding feed-in premium price. As onshore wind bids were, on average, 35% higher than PV¹, only PV projects were awarded. With the PPE2 tenders, the **rating criteria are different for each technology** to grant wind projects with some winning chances:
 - Shared governance and crowdfunding** are part of the overall rating for all technologies:
 - Shared governance** accounts for the long-term ownership of the projects by local individuals or communities;
 - Crowdfunding** accounts for the financing of the project by local individuals or communities. It is to be noted that the shared governance and crowdfunding ratings are mutually exclusive: one grade will always remain null.
 - Environmental relevance** will account in the **overall rating of wind and PV assets**:
 - For ground-mounted PV assets, it can either be rated maximum if the project is located on degraded lands, or null otherwise;
 - For other PV or onshore wind assets, it is rated maximum.
 - An **environmental quality** criterion aims at assessing the impact of hydro projects on their direct surrounding.

Eligible technologies

- Ground-mounted PV** installations starting from 500 kWp and, unless projects are located on degraded lands, capped at 30 MWp – which can be equipped with storage but the latter is not subsidized under this tender;
- Rooftop, green house, barn & car park PV** exceeding 500 kWp – which can also be equipped with storage with the latter not being subsidized under this tender;
- Onshore wind projects** regardless of the capacity – possibly equipped with storage with the latter not subsidized under this tender;
- New **hydro plants** over 1 MW.

Ratings



¹ Délibération de la CRE du 17 octobre 2018 relative à l'instruction des dossiers de candidature à l'appel d'offres portant sur la réalisation et l'exploitation d'installations de production d'électricité à partir d'énergie solaire photovoltaïque ou éolienne situées en métropole continentale

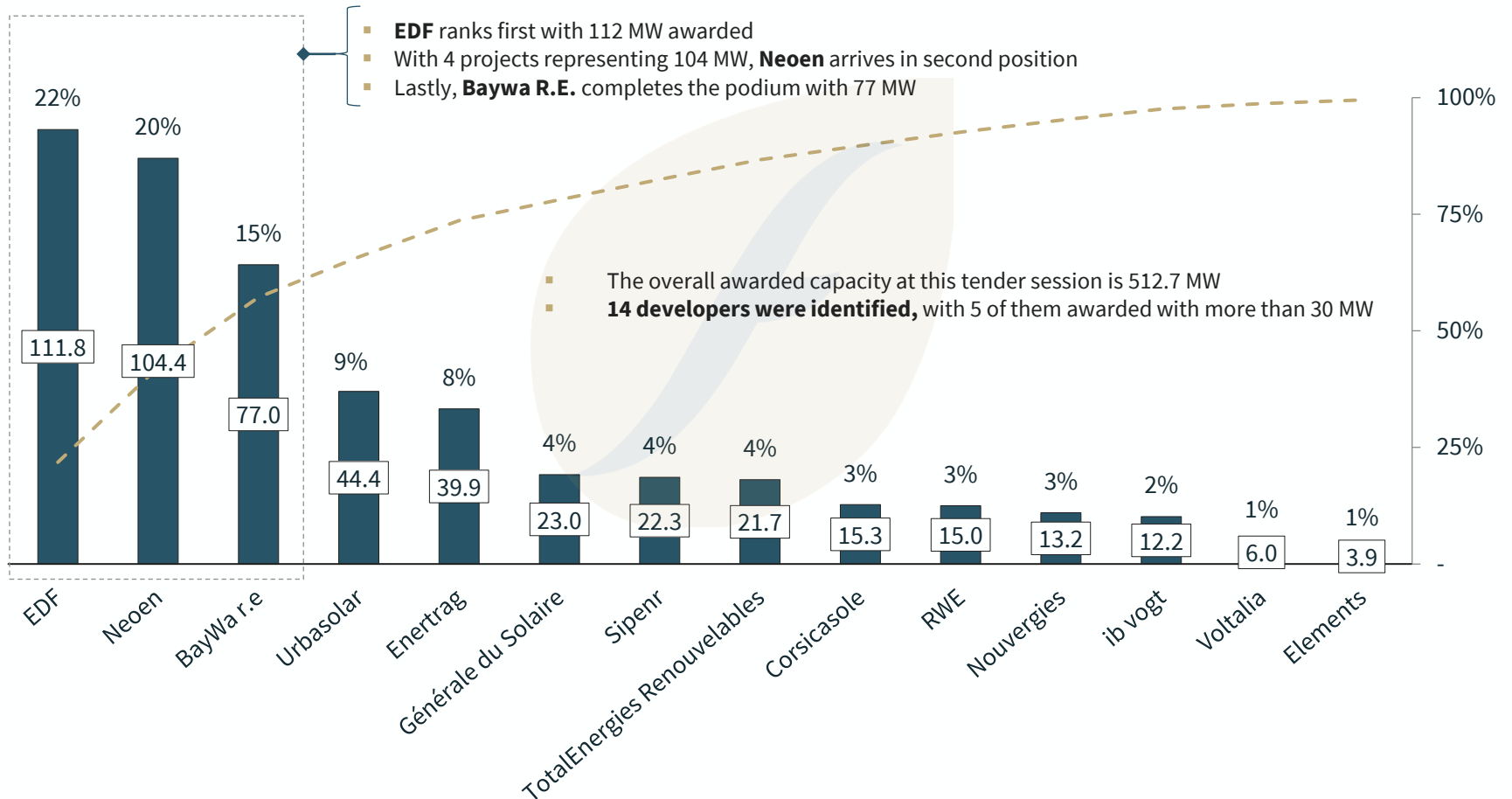
² Shared governance and crowdfunding premium are mutually exclusive, with shared governance accounts graded between 0% to 5% while crowdfunding will be either 0% or 3% with no intermediate value



PPE2 technology-neutral tender #2 - Awarded projects

The total awarded capacity amounts to 513 MW, with 14 identified developers

Capacity awarded per developer (MW)



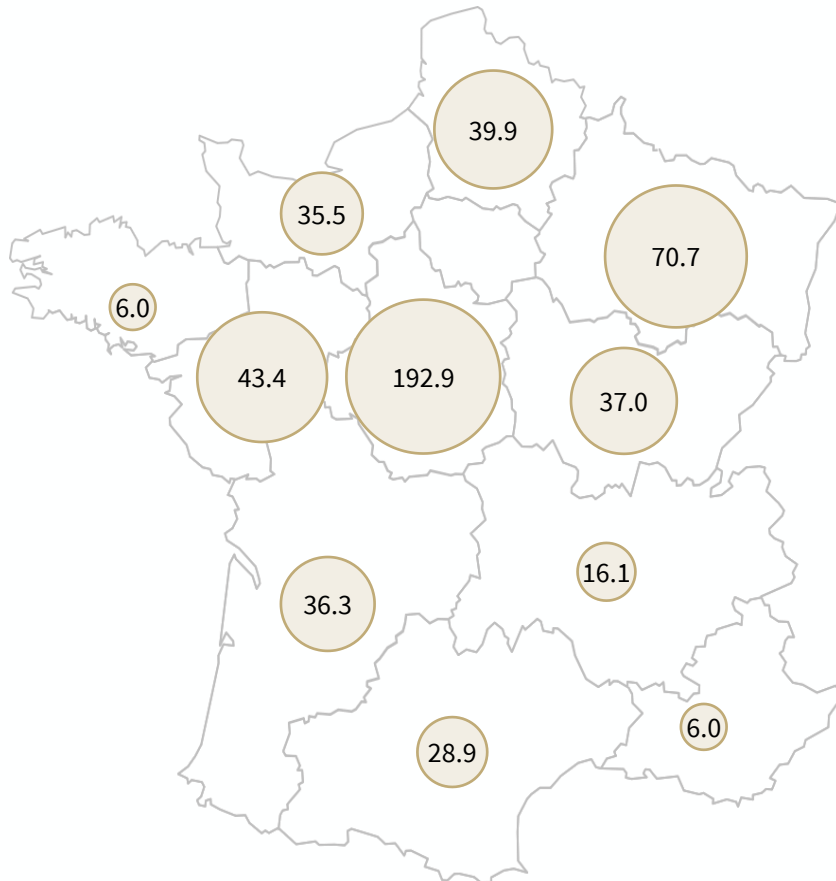
N.B.: This graph shows the cumulated projects capacity awarded to each developer; the developer might not be the final owner of the plant



PPE2 technology-neutral tender #2 – Mapping

The total awarded capacity is concentrated in the Northernmost regions

Capacity awarded per region (MW)



- All regions besides Ile-de-France were awarded with some capacity during this tender. Despite the excellent performance of solar ground-mounted assets in this tender round, **the 4 southernmost regions are among the least awarded with only 87 MW secured in total** (17% of the total awarded capacity).
- **Centre-Val de Loire is the region with the greatest awarded capacity** with 38% of the globally-awarded capacity (equivalent to 193 MW).
- **Grand-Est** stands as the second most-awarded region with 71 MW (14%). This performance is in line with the results of the first session of this technology-neutral tender where the region was awarded with 79 MW.

Contacts

Feel free to reach out



Arthur OMONT
Vice President

M. +33 (0) 7 81 34 61 40
arthur.omont@finergreen.com



Bastien MARTINEZ
Associate

M. +33 (0) 7 60 03 29 06
bastien.martinez@finergreen.com



Agathe CHAMPAGNE
Analyst

M. +33 (0) 6 30 05 62 41
agathe.champagne@finergreen.com





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