

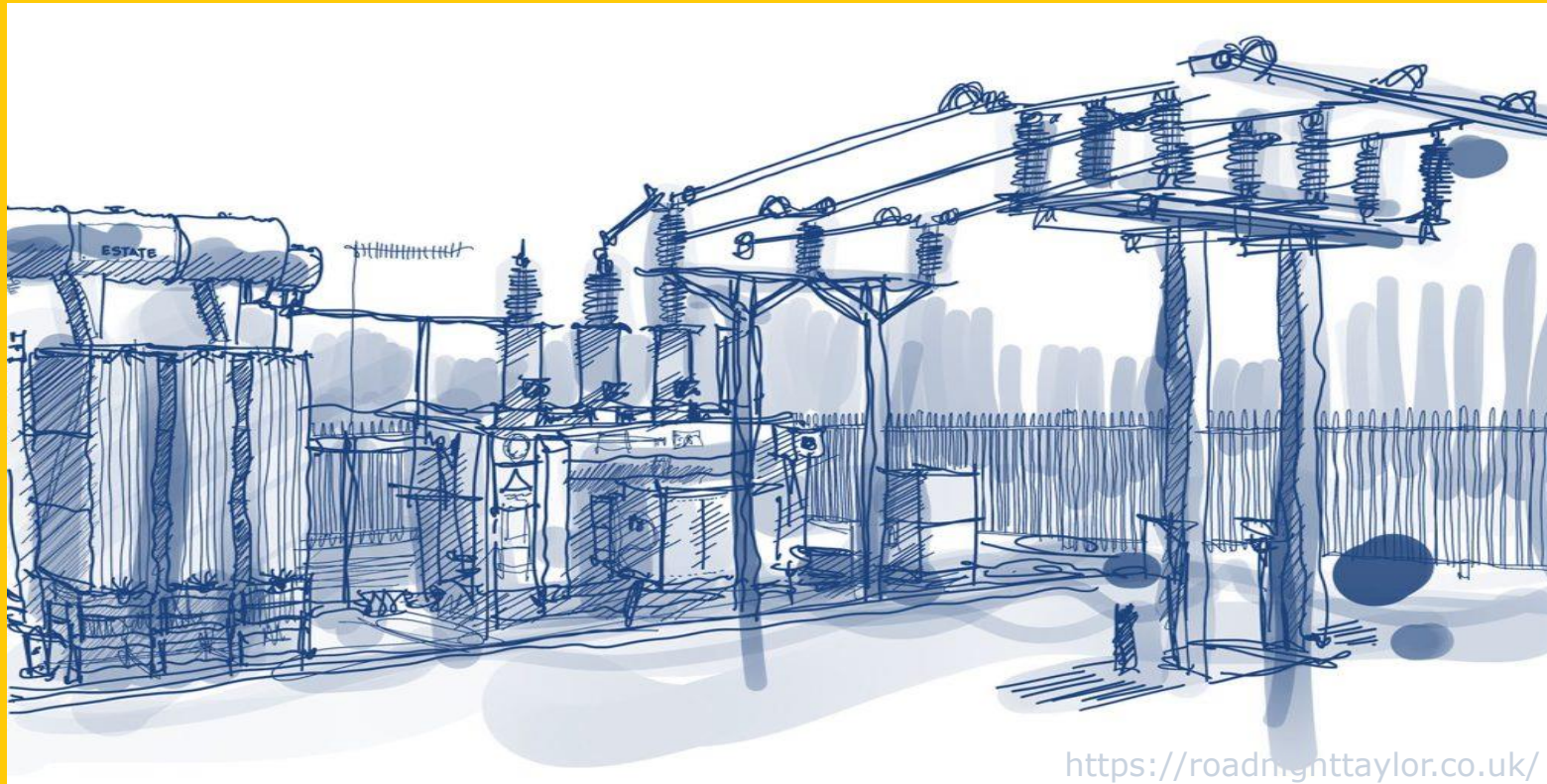


# “Regulatory exemptions to grid connection and access rules”

Paving the way for innovative renewable energy projects

*GO West Frankreich - Acajoo Advisory*

*10th May 2023*





# **Acajoo Advisory**

**Renewables – Strategy – New models**

***A strategy consulting boutique helping market players in the energy transition***

**Acajoo Advisory brings its economic and regulatory expertise to innovative projects**

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## « Bac à Sable Réglementaire » → Regulatory sandbox

A regulatory experimentation scheme that grants projects with exemptions to legislative and regulatory rules for grid connection and access



**Organised and monitored by the french energy regulatory authority**



**Regulatory exemptions are granted by the regulatory authority or by the french ministry**



# Regulatory experimentation scheme

## **1. Presentation of the regulatory experimentation scheme**

- Context & Objectives
- Means & Conditions

## **2. Example of a granted exemption**

## **3. Conclusion**



# 1. Presentation of the regulatory experimentation scheme

- Context & Objectives
- Means & Conditions



# 1. Presentation of the regulatory experimentation scheme

## Context & Objectives

Regulatory experimentation scheme introduced by the « Climate-Energy » law of 8th november 2019 ([Article 61](#))

### Exemptions:

- are **granted by the french administrative authority** or regulatory authority
- to **grid access and uses conditions**
- to deploy, on an experimental basis, **innovative technologies or services** in favour of **energy transition** and **smart networks and infrastructures**.
- for a **maximum period of 4 years**, renewable once at most for the same duration

### Energy Code: Electricity



- Titre II - « **Transport & distribution** »
- Titre IV - « **Grid connections and access** »
- Titre V – « Provisions for the use of electricity »  
(**Storage, Electric Vehicules**)

### Energy Code: Gas



- Titre II - « Storage »
- Titre III - «Transport & distribution »
- Titre V - « Access and connection to the grid and infrastructures »



# 1. Presentation of the regulatory experimentation scheme

## Context & Objectives

This regulatory scheme has been detailed by the regulatory authority, in its « [Delibération](#) » of 4th June 2020

**Projects** applying to the regulatory experimentation scheme **are assessed regarding the following cumulative criteria:**

- contribute to the objectives of the **energy policy** (energy transition, security of supply, etc)
- have an **innovative dimension**
- face a clearly identified **legislative or regulatory obstacle**
- present a **potential for further deployment**
- present a **benefit for the community** if the solution is eventually deployed



# 1. Presentation of the regulatory experimentation scheme

## Means & Conditions

### Means

- **Temporary exemptions** to the legal rules in force and obstructing the project
- **Granted** by the **NRA** or the **competent administrative authority** (Ministry)
- Exemptions are in the form of **administrative decisions**
- Exemptions are not mandatory: can be used as **an option**





# 1. Presentation of the regulatory experimentation scheme

## Means & Conditions



But...



- **Exemptions** are granted if and only if they
  - **do to obstruct** the proper performance of **the DSO/TSO**
  - **do not affect** the **safety and security of the transport/distribution grids** or the quality of their operation



- **Exemptions are temporary**: max 4 years, eventually renewable once (same duration)
  - The **project must be able to comply to the initial regulation/legislation** if it has not evolved in favour of the project at the end of the experimentation period



- The **regulatory experimentation scheme is not intended to replace any support mechanisms**
  - a request for exemption or reduction of network tariffs cannot be considered eligible
  - exemptions to support scheme mechanism (exemple: tender rules) are not eligible (production topic, not grid access/connection)

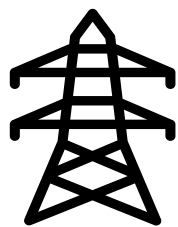


- In return, **transparency** to the public is required regarding the project and the experimentation



# 1. Presentation of the regulatory experimentation scheme

## In summary



Grids



Energy Policy



Innovation



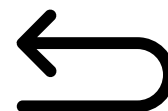
Benefits to the community



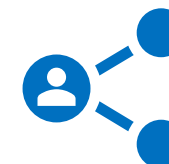
Optionnality



Temporality



Flexibility



Transparency

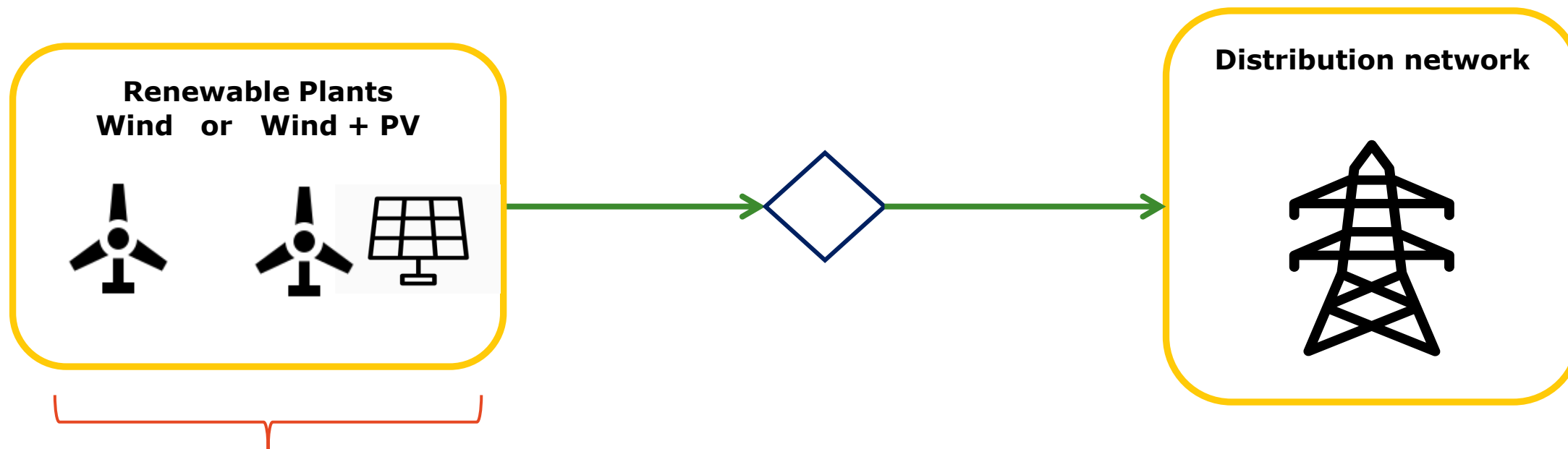


## **2. Example of a granted exemption**



## 2. Example of a granted exemption

2 producers (Baywa r.e. France & Boralex) have been granted of the same exemption, for their respective projects:

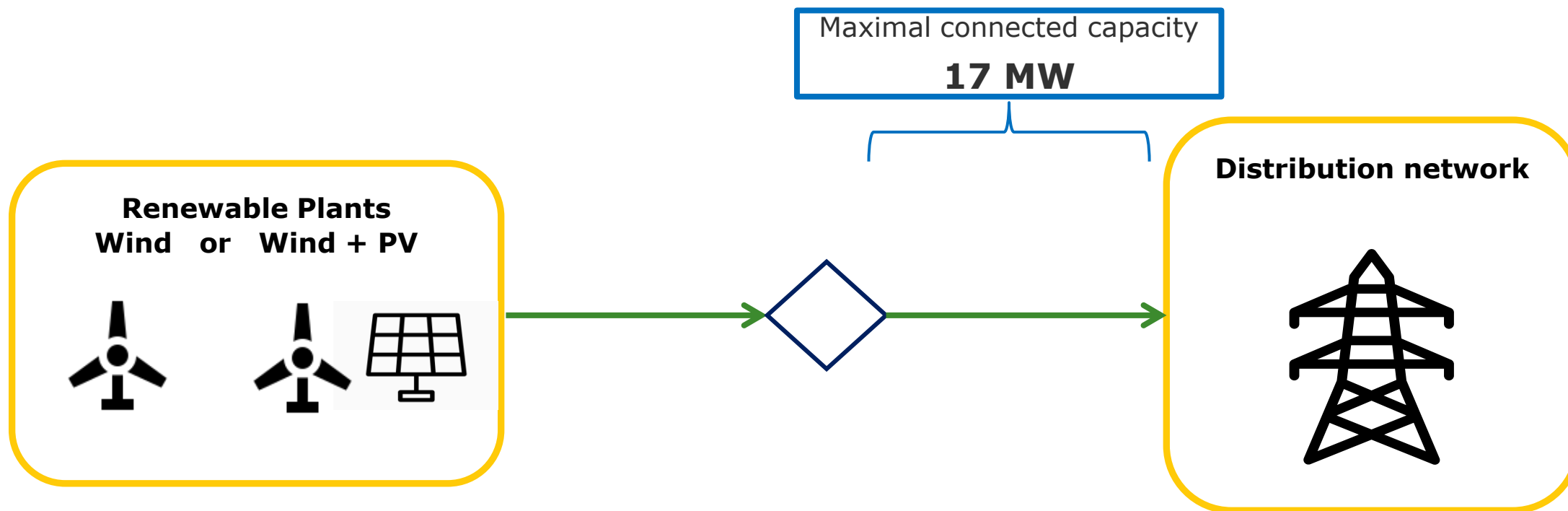


**Installed capacity > 18 MW**



## 2. Example of a granted exemption

They face the same regulatory barrier

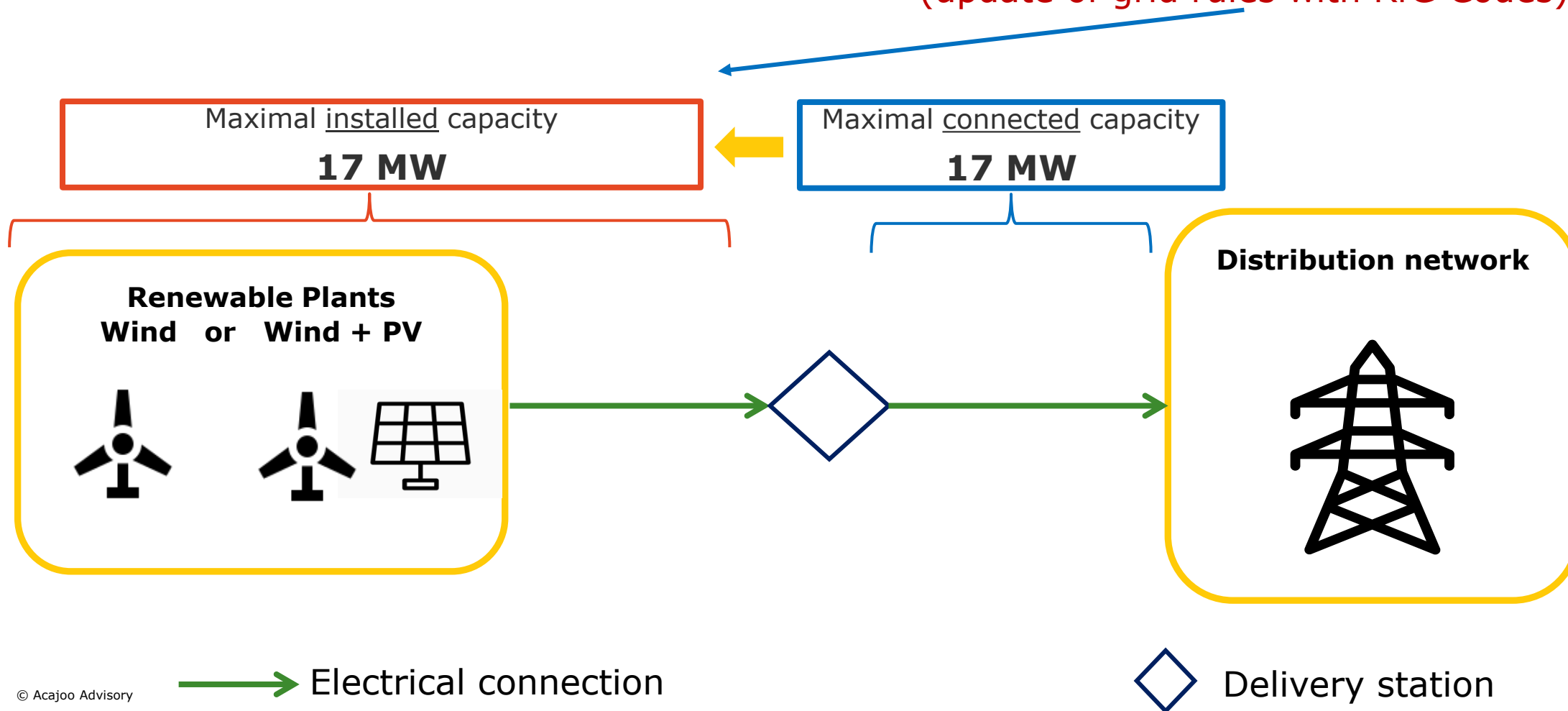




## 2. Example of a granted exemption

They face the same regulatory barrier

Arrêté of 9th June 2020  
(update of grid rules with RfG Codes)





## 2. Example of a granted exemption

### They face the same regulatory barrier

- The regulation clearly hinders projects by **limiting the installed capacity of projects** (max 17 MW) **rather than just the connected capacity**
- For smaller capacities, it is possible to have an installed capacity higher than the connected capacity

Allowed	Forbidden
Installed Capacity = 17 MW	Installed Capacity = 18 MW
Connected Capacity = 10 MW	Connected Capacity = 17 MW

- Such an obstacle is limiting the development of:
  - Renewable power plants with increasing capacities
  - Storage in addition to renewables
  - Hybridization of installations which can mutualise the grid connection capacity



# 3. Conclusion





### 3. Conclusion

#### **The regulatory experimentation scheme is interesting in several respects / purposes:**

- To bring out the needs and opportunities for production sectors and technologies
- Removing regulatory barriers
- Fostering innovation and new models
- Unlocking projects

#### **The regulatory experimentation scheme is not perfect for developers :**

- It requires a high level of flexibility to comply, at the end of the exemption period, to the initial regulatory rules if they do not have changed in favour of the project
- Instruction of applications and exemption allocation decisions can be very long (French administration...)



# Questions / Discussion



# Thank you for your attention

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