



## Major challenges in the renewable sector were analysed at the APREN conference

*The Portugal Renewable Energy Summit once again filled the large auditorium of Culturgest. The 2024 edition had 750 participants, 52 sponsors and about 58 speakers.*

The major challenges of the renewable energy sector were analysed at the annual conference of **APREN – Portuguese Renewable Energy Association** – which once again filled the large auditorium of Culturgest, in Lisbon, on 4 and 5 November. The **Portugal Renewable Energy Summit** (PRES2024) is already considered the largest national meeting in the sector. For two days, it brought together the main public, governmental and private entities, which focused on the most critical issues related to the energy transition in Portugal and Europe.

In the opening session, the **chairman of the board of APREN, Pedro Amaral Jorge**, recalled that the energy transition is an environmental urgency, but it is also a way to guarantee lower electricity prices for families and companies and to ensure energy independence.

The **Secretary of State for Energy, Maria João Pereira**, considers that Portugal is on the "right track" to take advantage of the opportunities that decarbonisation will bring. This national design will imply large investments, starting with the strengthening of the electricity grid, amongst others, but will also require the operationalisation of tools such as long-term contracts for the purchase of renewable energy (PPA - Power Purchase Agreements) and CfD's (Contracts for Difference) in order to boost the market and provide greater confidence to investors.

In the first panel of the conference, moderated by Pedro Amaral Jorge, which focused on the "**Design of the European electricity market**", the speakers also underlined the importance of developing mechanisms such as PPA's and CfD's in Portugal. The MEP, Nicolás González Casares; the Director of Regulation and Public Law at Linklaters Lisbon, Maria de Athayde Tavares; OMIP's Director of Strategy, Ricardo Nunes, and the Director of the Florence School of Regulation, Leonardo Meeus, defended the idea of developing these instruments. The president of NEWES, Jorge Vasconcelos, recalled that, in the past, Portugal has already missed opportunities to take advantage of these tools.

After a presentation by Smartenergy's Director of Technology and Strategy, Manuel Costeira da Rocha, on the "**Critical success factors for the energy transition**" followed the discussion on the "**European Renewables Directive (REDIII)**". The panel began with an opening message from the European Commission's Director-General for Energy, Ditte Juul Jørgensen, and included a presentation on the general lines of the Directive by Cuatrecasas partner, Lourenço Vilhena de Freitas.

In the debate, the director of EREF, Dörte Fouquet, focused on the barriers that still exist in terms of permitting and recalled that there are several strategies to minimise environmental impacts. The Secretary General of EASE – Association for Energy Storage, Patrick Clerens, highlighted the urgency of ensuring the storage component, crucial for the decarbonisation process. An opinion shared by SolarPower Europe's consultant Jan Osenberg, who referred to the perfect link between solar and storage. WindEurope's director of Advocacy and Messaging, Viktoriya Kerelska, stressed that much of what is provided for in the new directive was already included in the previous one.



In the early afternoon of the first day, in a debate moderated by the journalist Miguel Prado, attention turned to the grid: **"Grid Action Plan"**. The topic was presented by ERSE's Director of Markets and Consumers, Eduardo Teixeira, and by the Member of the Board of DSO Entity, Luís Cunha. The president of the Coordination Commission for Low Voltage (CCBT), Nuno Ribeiro da Silva, was the first to talk about the vicissitudes of a challenging mission that involves 278 Portuguese municipalities. **"When something starts wrong, it is unlikely to be corrected"**, he stressed. REN's COO, João Conceição, highlighted the difficulties related to the increase in the cost of equipment and labour, a problem that also affects E-Redes. Even so, the president of E-Redes, José Ferrari Careto, revealed that he foresees an increase in investment of about 50% compared to the previous plan. The idea will be to respond to the challenges posed by the PNEC without increasing electricity tariffs.

The debate on **"The targets of the Iberian National Energy and Climate Plans"** began with a presentation by AFRY's Principal Consultant, Ignacio Cobo, who also moderated the panel. For the objectives to be achieved, it will be important to invest in electrification and storage and also ensure social acceptance amongst the communities involved, in the opinion of UNEF's Director of Regulation and Finance, Cristina Torres-Quevedo. An opinion shared by the president of the board of APREN, Pedro Amaral Jorge, and by the Director of Energy Policies and Climate Change of the AEE. Heikki Willstedt considers it crucial not to set unrealistic targets, as does the Executive Director of the Portuguese Association of Large Electricity Consumers (APIGCEE), who recalls that the PNEC has a consumption forecast based on expectations that may not be confirmed.

The administrator and financial director of Azuaga Seguros, Ana Lia Marques, addressed the theme of **"Risk in the renewable sector"**.

The day ended on a high note with a debate on **"Taxation in the electricity sector"** moderated by Carlos Lobo, partner at Lobo Carmona. The "lack of clarity" of some taxes and levies, such as the social tariff, the EESC, the IMI, the "clawback mechanism" were addressed by a luxury panel that included Alexandra Courela, Partner and Co-Coordinator of the tax area at Abreu Advogados; Filipe de Vasconcelos Fernandes, Counsel at Vieira de Almeida; Francisco Mendes da Silva, Partner and Co-coordinator of the Tax department at Morais Leitão; Leonardo Scolari, a senior consultant in PLMJ's tax practice, and Serena Cabrita Neto, a partner at Cuatrecasas.

The second day of the conference began with the intervention of the **Secretary of State for Infrastructure, Hugo Espírito Santo**, who highlighted the importance of decarbonising the transport sector, starting with aviation using e-SAF (Sustainable Aviation Fuel) fuel generated from renewable energies. In the railway, the Government wants to continue to invest in electrification but intends to go further. The idea is that Infraestruturas de Portugal can assume itself, not only as a producer, but also as a distributor of electricity. For maritime transport, the strategy will involve ports, where moored ships can connect to the onshore power grid to meet energy needs (onshore power supply).

Renewables will allow the decarbonisation of transport, but they will also be **"an engine for the decarbonisation of carbon-intensive sectors"**, as demonstrated by the presentations of the CEO of Hydrogen Europe, Jorgo Chatzimarkakis, the Director of H2 Business Development and e-SAF of Smartenergy, Pedro Guedes de Campos, and the director of development of Aurora Energy Research, Anise Ganbold.



The theme of **"Offshore Wind"** began with a presentation by Thomas Schulz, partner at Linklaters. The offshore wind auction, which will attract the attention of the sector in the coming months, served as a motto for the debate moderated by Pedro Amaral Jorge. The date of the launch of the auction is in the hands of the tutelage, as underlined by the Director of Energy Planning and Statistics Services of the DGEG, Manuela Seixas Fonseca. The director-general of the Directorate-General for Natural Resources, Safety and Maritime Services, José Carlos Simão, revealed that the final version of the Allocation Plan for Offshore Renewable Energy has already been submitted to the Ministry of Economy and is in the legislative circuit. The president of LNEG, Teresa Ponce Leão, explained that the laboratory and IPMA are carrying out specific studies on the potential of offshore wind energy after identifying the ideal areas for the implementation of the technology. REN will develop the infrastructure for the integration of the 10 GW to be installed, as recalled by REN's Director of Planning, João Afonso. There will also be a concern to take advantage of synergies to provide guarantees to promoters without burdening electricity consumers, as explained by ERSE's Director of Infrastructure and Grid, Jorge Esteves.

The panel on **"The institutional model of electric permitting entities"**, moderated by APREN's Coordinator of Policies and Market Intelligence, Susana Serôdio, focused on the operationalisation of the "one-stop shop" that will be in charge of EMER2030, chaired by Hugo Carvalho. The objective is to streamline processes and promote transparency since it will be possible to know in which "institutional drawer" each of the projects is. This will be a step towards reinforcing the stability that developers are looking for, as underlined by the Managing Director of Saeta Yield, Álvaro Pérez de Lema. ADENE will support the project, as mentioned by the president of the structure, Nelson Lage, as well as DGEG. The Director General of DGEG, Paulo Carmona assured that the "one-stop shop" will leave the structure, which is reinforcing its staff, with more availability to focus on strategic issues.

The speakers of the panel on **"The institutional model of environmental permitting entities"**, also moderated by Susana Serôdio, see the "one-stop shop" as a sign of hope, starting with the Member of the Board of Directors of the Portuguese Environment Agency, Ana Cristina Carrola. Manuel Silva, Head of Development & Construction Portugal at Aquila Clean Energy, and Miguel Lobo, Country Head Portugal at Lightsource BP, agree that all initiatives that aim to streamline processes are welcome. Communication with the community, to resolve conflicts, is also a good strategy to follow, in the opinion of the president of ZERO, Francisco Ferreira. For the president of the ICNF, Nuno Banza, it is equally important that simplification extends to the various dimensions.

**"The major European and national challenges in the renewables sector"** were in focus in the last panel, moderated by Pedro Amaral Jorge, who started with a presentation on the subject by GWEC's CEO, Ben Backwell. Finerge's CEO, Pedro Norton, stressed that the stagnation of consumption in the Iberian Peninsula is a problem that needs to be solved urgently, boosting the electrification of the economy. The solution may involve conquering electro-intensive investments such as data centers for the territory, he exemplified.

It is also important to boost the development of green hydrogen, as suggested by the CEO of Acciona Energía, Rafael Mateo, seconded by Galp's COO of Renewables, New Businesses & Innovation, Georgios Papadimitriou, and the COO of Nadara Energy, Rui Maia. Low prices, which sometimes reach zero, are also a critical point in the sector, as pointed out by EDPR's Country Manager Portugal, Hugo Costa.



The **Minister of Environment and Climate Action, Maria da Graça Carvalho**, closed the conference by addressing the topic of energy transition. "The Government wants to make decarbonisation an opportunity to attract more investment and improve people's lives". Maria da Graça Carvalho highlighted the set of measures of the "Decarbonise for Growth" package, approved by the Council of Ministers on October 4, dedicated to mobility and climate. It includes, for example, the measures to simplify the permitting of renewable energy projects and the creation of a market for power purchase agreements.

The *Portugal Renewable Energy Summit*, which already has a place on the schedule of the national and international sector, returns on October 2 and 3 of 2025, as announced by the chairman of the board of APREN.

#### About APREN:



The Portuguese Renewable Energy Association (APREN) is a non-profit association founded in October 1988. Its mission is to coordinate and represent the common interests of its members, promoting renewables energies in the electricity field. APREN works together with official bodies and other similar entities, at national and international level, constituting an instrument of participation in energy and environmental policies through the use and valorization of natural resources for electricity production, namely in the fields of hydro, wind, solar, geothermal, biomass, biogas and urban solid waste.