

PROCEDURE

BG-RRP-4.0034 "National infrastructure for storage of electricity from renewable sources" (RESTORE)

Procedure 1 "National infrastructure for the storage of electricity from renewable sources"

MINISTRY OF ENERGY

National Recovery and Resilience Plan

PROCEDURE OBJECTIVE:

To enable a significant increase in the share of energy from renewable sources (wind and solar) in the energy mix and to guarantee the security, stability and readiness of the Bulgarian electricity system.

TOTAL BUDGET FOR THE PROCEDURE:

1 153 939 700 BGN

AMOUNT AND INTENSITY OF GRANT FUNDING:

Minimum size of
grant funding for a project:

Maximum size of
grant funding for a project:

Not applicable

148 643 080 BGN

- The maximum intensity of funding **is up to or equal to 50% of eligible costs, but not more than 371 607.70 BGN (without VAT) for 1 MWh of usable energy capacity of the electric energy storage facilities built and put into operation.**

ELIGIBLE APPLICANTS:

- 1) Merchants within the meaning of the Commercial Law and be registered in accordance with the Law on the Commercial Register and the Register of Non-Profit Legal Entities or be an equivalent person registered in a member state of the European Economic Area.
- 2) To have duly registered the information about their actual owners in accordance with the requirements of Art. 63 of the Law on Measures Against Money Laundering, unless they fall under the exceptions or according to the legislation of the member state of the European Economic Area on their registration.
- 3) Participation guarantee - Applicants under the present procedure must provide a bank guarantee for participation in the amount of 3% of the grant funding applied for.

- The bank guarantee must be valid for 9 months from the date of the deadline for submission of proposals - 16:30 on the later of the following two dates: 22.11.2024 and 7 days from the EC's approval of the grant aid.
- The bank guarantee is provided as a guarantee that the applicant will enter into a financing contract with the Monitoring and Reporting Structure (PMA - Programme Managing Authority) in case of a project proposal approved for financing.
- In the event that the applicant refuses the financing contract, withdraws his proposal and/or does not show up to conclude it within 15 working days from the entry into force of the decision to grant funds from the National Recovery and Resilience Plan, the PMA has the right to absorb the bank guarantee.
- Upon conclusion of the financing contract and after providing a bank guarantee for performance, the bank guarantee for participation is released.

4) To have, independently or through their shareholder(s)/partner(s), equity from:

- 6 million BGN for project proposals for the construction of a storage facility with a planned capacity ≥ 20 MWh and ≤ 50 MWh;
- 10 million BGN for project proposals for the construction of a storage facility with a planned capacity > 50 MWh.
- The equity requirement can only be met through the applicant's direct shareholders/partners. Other persons related to the applicant are not taken into account when checking compliance with the requirement.

5) When concluding a financing contract, the final recipient provides a bank guarantee for good performance in favor of the PMA in the amount of 10% of the approved grant financing. The bank guarantee must be valid until 30.09.2026.

6) To have engaged a technical manager (individual or legal entity) in the construction of the electrical energy storage facility, who has worked on a similar project, and the similarity is determined by the following categories:

- Project(s) with at least 10 MW installed capacity of an electricity production facility or storage facility connected to medium or high voltage grids, for project proposals with an installed capacity of the electrical energy storage facility of 10 MW to 20 MW.
- Project(s) with at least 20 MW installed capacity of an electricity production site or storage facility connected to high voltage networks, for project proposals with an installed capacity of the electrical energy storage facility above 20 MW.

ELIGIBLE ACTIVITIES:

- Under this procedure, electrical energy storage **facilities with an installed capacity equal to or greater than 10 MW are eligible**, where "installed capacity" is the

nominal alternating current power (AC power) of the electrical energy storage facility, which is measured in MW or kW.

I. The activities on the eligible investment proposals shall be as follows:

- To be for the construction and commissioning of "new usable energy capacity for electricity storage".

In order to meet the "new usable energy capacity for electricity storage" requirement, work on the electricity storage facility (a) must not have started on the date of submission of the investment proposal or (b) may have started on or after 25 June 2024, but the electrical energy storage facility must not have been put into operation on the date of submission of the investment proposal.

- To have reached the following stage of readiness of the proposal at the time of submission of the application: a valid opinion on joining, a valid preliminary contract for joining or a valid contract for joining with the relevant operator under Art. 43, para. 1, item 1, para. 2, item 1, para. 13, item 1 or para. 14 of Law on Energy (LE). In case of connection to a distribution network, it must be evident from the documents that the storage facility is planned to be built with a direct optical connection to the telecommunications network of ESO EAD, respectively - SCADA/EMS of ESO.

The storage facility can be co-located with an existing facility for production and consumption, but it must meet the conditions of Art. 90a., paragraph 2, item 2 of EL and Art. 4, para. 2 of Ordinance No. 6 of 28.03.2024 on the connection of objects to the electrical networks, namely "Facility/installation under para. 1 is connected to the grid as an independent entity with separate commercial metering and separate connection facilities in case it receives/gives electricity only from/into the grid and does not exchange electricity with the entity under para. 1".

- To foresee the construction of an electrical energy storage facility with the following technical characteristics:
 - a guaranteed (useful) storage capacity of at least 2 hours (defined as the ratio of the storage facility's guaranteed capacity, in MWh, to its maximum charge/discharge power in MW) of at least 2 hours (C-Rate to be maximum C/2);
 - nominal alternating current power (AC power) of at least 10 MW;
 - to meet parameters for provision of reserves for primary frequency regulation and/or automatic secondary frequency regulation and exchange powers specified in Appendix 8 - "Minimum technical requirements".
- To be for no more than 1/6 of the total quota of the capacity of the electrical energy storage facilities under this Procedure - i.e. for no more than 500 MWh for one enterprise, for one or several projects.

II. Eligible Activities:

- Construction and commissioning of electrical energy storage facilities.

ELIGIBLE COSTS:

- (1) Costs for the acquisition of tangible fixed assets (TFA).
- (2) Costs for the acquisition of intangible fixed assets (IFA).
- (3) Costs for construction and assembly works (CAW).
- (4) Costs for services of an engineering and technical nature in connection with the design.
- (5) Costs for the construction of connection facilities and connection to the power transmission/power distribution (provided that they have a direct optical connection to the telecommunications network of ESO EAD, respectively - SCADA/EMS of ESO EAD) network.
- (6) Administrative costs for state and municipal fees in connection with registration, license and permit regimes.

- All the above-mentioned costs should be necessary and directly related to the electrical energy storage facility being built. The total amount of expenses under item 4) and item 6) cannot be more than 10% of the total amount of eligible expenses.
- In order to determine the realism of the planned costs, a **maximum value of the granted support is determined in the amount of up to or equal to 50% of the eligible costs, but not more than 371 607.70 BGN (without VAT) for 1 MWh** of usable energy capacity of the built and put into operation electrical energy storage facilities.

All eligible costs specified in items 1-6 above are included in the determined maximum value of grant financing. Costs of recoverable value added tax are ineligible costs.

DEADLINE FOR IMPLEMENTATION OF PROJECTS:

The project investment should be realized (electricity storage facilities built and put into operation) by March 31, 2026 at the latest.

DEADLINE FOR SUBMISSION OF PROJECTS:

The deadline for submitting proposals for the implementation of an investment is 16:30 on the later of the following two dates: 21.11.2024 and 7 days from the EC's approval of the grant aid.