

### Latest changes in the field of renewable energy resources

In its third reading held on 17 March 2010, the Assembly of Deputies has passed with clear majority an amendment to Act no. 180/2005 Coll. on incentives for electricity production from renewable energy resources.

The legislative process will now continue by hearing the draft at the Senate. Should the Senate approve the draft, it will be forwarded to President for signature. No delays are to be expected.

The amendment to the Act prepared by the Energy Regulatory Office along with the Ministry of Industry and Trade has thus been successfully passed. Compared to the preceding year, it facilitates to **decrease the feed-in tariffs** for power produced from renewable resources **to be launched in 2011 by more than 5%**.

The feed-in tariffs for power are determined by the Energy Regulatory Office each year pursuant to Section 6 ss. 4 of the Act. According to the provision, the feed-in tariffs for power produced from

renewable resources could be so far decreased by no more than 5%.

If the amendment will be given final approval, the Energy Regulatory Office could depart from the maximum 5% limit of the feed-in tariffs' reduction in **such kinds of renewable resources** in which the **return of investment** reached in a year the new feed-in tariffs are announced **is not at least 11 years**. According to the explanatory report, the rule should apply especially to solar power plants; however, the change does not affect the energy resources launched by the end of 2010. The regulator has announced that the tariffs for 2011 will be announced earliest at the end of October 2010.

Source: Parliamentary press no. 968

<http://www.psp.cz/sqw/text/tiskt.sqw?O=5&CT=968&CT1=0>).

What it means for the currently pending projects is that even if the project has already obtained the consent to get connected to the grid, the very access to the grid in 2010 must be achieved in order to obtain such a high incentive.

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