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May 2024

Update

Energy

Electronic auction for the centralised purchase of biomethane and hydrogen

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On May 27, Order no. 5971-A/2024 of May 27 was published, establishing the opening of a competitive procedure, in the form of an electronic auction, for the centralised purchase of biomethane and hydrogen produced by electrolysis from water, using electricity from renewable energy sources.

This Order comes as a result of Ministerial Order no. 15/2023, of January 4, which establishes the system for the centralised purchase, by the Wholesale Supplier of Last Resort, of biomethane and hydrogen produced by electrolysis from water, using electricity from renewable energy sources.

Under the terms of Decree-Law 62/2020 of 28 August, the Wholesale Supplier of Last Resort (CURg) carries out the activity of acquiring gases of renewable origin and low-carbon gases from the respective producers in order to guarantee compliance with the minimum levels of incorporation of other gases by the other players in the National Gas System, acting as a true facilitator between production and commercialisation.

Thus, the aforementioned Ministerial Order determined that the CURg would purchase 150 GWh/year of biomethane (at a price of 62 (euro)/MWh) and 120 GWh/year of hydrogen (at a price of 127 (euro)/MWh), so it was imperative to open a competitive procedure for the injection of gases of renewable origin or low-carbon gases into the public gas network.

The Order also approved the Procedure Documents, consisting of the tender programme and its annexes, and the tender specifications, which can be consulted on the [website](#) of the Directorate-General for Energy and Geology (DGEG), as well as on the Procedure Platform, available at <https://www.omip.pt/pt/LGR2024>.

The Awarding Authority for the Procedure will be Transgás, S.A., as the CURg, and the auction will be of the 'descending clock type', with the possibility of multiple sequential rounds, and the maximum base bid prices corresponding to those defined in Ministerial Order no. 15/2023, of 4 January.

Applications must be submitted on the Procedure Platform within 60 days of the date of publication of the Order (i.e. by 26 July 2024).