



The New Portuguese Pilot-Zone

António Sarmento CA-OE, Copenhagen, April 2007

Contents

- The present status
- Rationale
- Objectives
- The Pilot-Zone
- The management of the Pilot-Zone
- Access to the Pilot Zone

Present status

- Legislation creating and regulating the Pilot-Zone approved by the Council of Ministers and sent to the Parliament for approval.
- By-laws of the company managing the Pilot-Zone approved by the Council of Ministers.

Rationale

- Wave energy impacts expected to be small in particular in the initial phase where only a small number of devices will be deployed.
- Impacts unknown and so difficult to develop consistent EIA => need to monitor + learn from experience + integrate knowledge in regulations
- Simplified environment licensing procedures in low environmental sensitivity area.

Rationale

- Concentrate activities in a single zone to facilitate baseline studies, monitoring activities and building of infra-structures
- Simplify licensing and permitting procedures by concentrating these in a Managing Body (one stop shop).
- Provide connection point to the electrical grid, environmental data and support infra-structures under the responsibility of the Managing Body

Objectives

- To attract demonstration and industrial development to Portugal
- To create a competitive national cluster focused in exportation supported by R&D and Innovation activities.
- To increase the renewable energy production.

The Pilot Zone - I

Area: over 320 km²

Connection power:

- 1st phase: 80 MW
- 2nd phase: + 250 MW

Ocean bottom: sandy Coastline: sandy beaches and dunes

Also includes cable corridors (up to 2) and onshore infra-structures



The Pilot Zone - II

- Activities
 - Demonstration (fixed tariff, < 4 MW, < 5 years)
 - Pre-commercial (tariff dependent on the project, < 20 MW, < 25 years)
 - Commercial (bidding process tariff and socio-economic development – no power limit, < 25 years)

Management body

- Public or private company with majority of board members appointed by the Government.
- Has the concession to manage the Pilot Zone for 75 years.
- Concedes the licenses for deployment and energy production to project developers upon positive reaction from the relevant public bodies.
- Promotes the infrastructure, baseline environmental data measurement and public access, monitoring, safety, etc.

Management body

- Costs incurred by the management body are eventually paid by project developers (through a rent and or a fee).
- Costs with the electrical substations are paid by the electrical system.
- Electrical cabling from the devices to the offshore connection point or to shore are paid by project developers.
- Proposes the energy tariff to the Minister of Economy for the projects to be developed in the Pilot Zone.

Access requirements

- Company with Technical, Economic and Financial capacity to develop the project;
- Project needs to be safe and consistent and with potential to attain an industrial phase and to be economically competitive;
- Project environmental impacts cannot be mitigated through additional measures (environmental statement);
- Projects may be refused if not compliant with the above or if not enough space or connection power is available.