

NEWSLETTER

March 2022



IMAGEM: AMERICAN PUBLIC POWER ASSOCIATION

ANEEL approves new loan to the energy distribution companies

The National Electric Energy Agency (ANEEL) approved, on March 15, 2022, a new loan to the electricity sector that will involve the amount of up to BRL 5.3 billion. Authorized by Provisional Measure No. 1,78/2021 and Decree No. 10,939/2022, these funds will be used to cover the measures adopted to avoid power supply failures of 2021, when Brazil faced a severe water crisis.

The Provisional Measure issued by the government also foresees a second on-lending loan to the sector that is calculated at BRL 5.2 billion, totaling a loan of up to R\$10.5 billion. But the amount is not yet approved by ANEEL and will be submitted to public consultation – the date of which remains open. This share will cover a percentage of the cost of the emergency energy purchase made last year.

ANEEL defines the criteria for the review of the implementation schedule of photovoltaic projects

On February 8, 2022, ANEEL decided to approve changes to the construction schedule of specific photovoltaic plants without, however, changing the period of the Use of the Transmission System Agreements (CUST) already executed by the projects. Furthermore, it also decided to condition the effectiveness of the schedule change not only to the proof of the beginning of the works but also to (i) proof of the placement of the performance bond guarantee – in a transfer of shareholding control scenario; (ii) issuance of the Installation License (LI), (iii) signing of the respective connection contracts, among others.

This vote may serve as a relevant precedent for future requests associated with changes to construction schedules of power plants that are, especially, under a process of change of corporate control.

Ministry of Mines and Energy hosts workshop related to the implementation of offshore wind power projects

On February 23, 2022, the Ministry of Mines and Energy (MME) hosted a virtual event (Initial Guidelines for Offshore Power Generation) open to the public to discuss the legal framework for offshore wind power generation. The event was well attended by the public and part of the presentation was composed of previously selected questions sent by interested parties.

In summary, the topics covered were:

- 1) Overview of Assignment of Use: Use of Public Asset (UBP), which must be granted through a bidding procedure regardless of the assignment type;
- 2) Management of the Areas;
- 3) Essential Clauses of Assignment of Use Agreements;
- 4) Transitory Rules of the Decree.



IMAGEM: FRÉ SONNEVELD

Congress postpones examination of vetoes related to the privatization of Eletrobras

The Brazilian National Congress has postponed deliberation on the presidential vetoes made to provisions of the law privatizing Centrais Elétricas Brasileiras S.A. (Eletrobras) – Law No. 14,182/2021. The deliberation was removed from the agenda of the March 17 session and a new date for consideration has not yet been set.

In the case of the company's privatization bill, 14 provisions were vetoed (among them, the prohibition of extinction, incorporation, merger or change of domicile of the four large subsidiaries of Eletrobras, for at least ten years).

Newsletter content produced by TozziniFreire's Energy team.



Partners responsible for the content:

- ☒ Ana Carolina Katlauskas Calil
- ☒ Jun Makuta
- ☒ Karin Yamauti Hatanaka
- ☒ Leonardo Miranda

Contributed to this edition:

- | | |
|----------------------------------|-----------------------------|
| Anélio Junqueira Lopes Borges | Gabriel Pontes Maciel |
| Enzo Felipe Campolim de Oliveira | Marcelo Moreira Maluf Homsi |
| Erica Makiyama | Renan Alves de Almeida |
| Fernanda Dal Fabbro de Campos | Vivian Chiang |