



Offshore wind farm support system in Poland (Phase Two)

The impact of the Offshore Wind Farms Act including key changes made by the amendment dated 9 October 2025 (UD162)*

*The amendment has not yet entered into force. It was signed by the President on 4 November 2025 and is now awaiting publication in the Journal of Laws.

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General information

Offshore Wind Farms – two alternative support systems

The Offshore Wind Farms Act envisages two alternative mechanisms and support systems for producing electricity in offshore wind farms.

- Phase One (already concluded) – support granted pursuant to a decision of the ERO President. This concerns the most currently advanced projects:
 - Application must have been submitted by 31 March 2021;
 - Decision of the ERO President must have been issued by 30 June 2021;
 - Total maximum electrical capacity of 5.9 GW.
- Phase Two – standard auction-based support mechanism to operate in the following years:
 - Auction in 2025 – maximum 4 GW;
 - Auction in 2027 – maximum 4 GW (+ capacity not offered in previous auction);
 - Auction in 2029 – maximum 2 GW (+ capacity not offered in previous auction);
 - Auction in 2031 – maximum 2 GW (+ capacity not offered in previous auction);
 - Auction in 2032, 2033 and later years under the conditions specified in the Offshore Wind Farms Act.

General information on the support system

Support period

The maximum support period is 25 years:

- [generally] from the date of first production and introduction of electricity to the grid from the offshore wind farm or any part thereof, based on an electricity production licence* or
- [exceptionally] if the investor was unable to deliver the wind farm's full capacity for reasons attributable to the Transmission System Operator ("TSO") or Distribution System Operator ("DSO")– from the first date on which the producer applied for reimbursement of the negative balance,

but not earlier than:

- the date following delivery of the decision of the President of the Energy Regulatory Office ("ERO President") or
- the date following the auction settlement date.

Staging offshore investments

Generally, it is possible for offshore wind farms to participate in the support system in stages. However, the support period always commences on the date on which electricity is first produced and introduced to the grid – i.e. the 25-year support period applies to the whole wind farm, not any individual stages thereof*.

The amendment (UD 162) !

* The amendment dated 9 October 2025 (UD162) states that the 25-year support period will commence on the first day for which the producer applied to have a negative balance reimbursed, i.e. the support period will not commence automatically. Its commencement date depends on the producer's decision. However, the commencement date cannot be any later than seven years from the date on which the decision was issued or the auction session ended (*with a prolongation option due to certain extraordinary events*).

General information on the support system

Maximum electricity amount in an offshore wind farm which can receive support

The total amount of electricity for which a producer is entitled to apply to have a negative balance reimbursed is calculated as*:

- 100,000 hours
- multiplied by
- the installed capacity of the offshore wind farm or part thereof, resulting from the electricity production licence, but not exceeding the installed capacity indicated in the decision of the ERO President or the auction offer.

Support funding

[RES fee] The operating costs of the new support system will be passed on to all of the power system's end off-takers, via the current RES fee (calculated in tariffs for transmission or distribution services).

[RES fee rate] The RES fee rate is published annually by the ERO President. The 2024 RES fee is PLN 0.00 per MWh.

*The amendment dated 9 October 2025 (UD162) states that the producer shall submit, on a monthly basis, an application for negative balance reimbursement in respect of **entire volume of electricity produced and introduced to the grid as recorded by the metering and settlement systems** during relevant reporting period, excluding electricity in respect of which the producer benefits from the right to remuneration for providing to the TSO a service of a nature and compensation similar to the capacity obligation under the capacity market.

Essence of the support – reimbursing a negative balance (Contract for Difference)

- In both phases, the support system entitles a producer to have a negative balance reimbursed.
- The right to have a negative balance reimbursed takes the form of a so-called **two-sided contract for difference** (two-sided CfD).
- The negative balance is calculated as the **difference** between:
 - the **value of electricity**, calculated as the product of:
 - the amount of electricity **introduced to the grid**
 - multiplied by
 - the **settlement price**, determined in the process of unified **day-ahead market coupling** for the Polish market area for a given imbalance settlement period and
 - the **value of such electricity**, calculated as the **product** of:
 - amount of electricity **introduced to the grid** multiplied by
 - the **price of electricity** indicated in the **decision** (during Phase One) or the **winning offer** at the auction (during Phase Two), subject to indexation.

In other words:

- if the settlement price is lower than the price indicated in the decision or the auction offer – the producer will be reimbursed for the negative balance; but
- if the settlement price is higher than the price indicated in the decision or the auction offer – the producer will be obliged to return the surplus ("positive difference").

Settling a negative balance – settlement period



The settlement period is **one month**.



If, in a given month, the balance is positive, that balance shall be **settled** together with a future negative balance.



However, if the balance for a given calendar year is **positive and cannot be settled before 31 January of the following calendar year**, the producer **must return the positive difference** to the Settlements Operator (Zarządca Rozliczeń S.A.) by 30 June of the year after the calendar year to which the return relates.

First introduction of electricity to the grid – possible extension of deadlines

First introduction of electricity to the grid

- The producer's right to have a negative balance reimbursed is conditional upon fulfilling the obligation to produce and introduce electricity to the grid within a statutory deadline – seven years from the date on which the decision was issued or the auction session ended.
- A producer who partially fails to fulfil this obligation within the statutory deadlines is entitled to have a negative balance reimbursed in respect of the installed electrical capacity for which the producer obtained a licence or a decision amending the licence before the statutory deadline expired.

*The amendment dated 9 October 2025 (UD162) broadens the list of extraordinary circumstances, including, among others, a large-scale outage in the national electricity system and an epidemic or epidemic threat of such nature and scale that it exceeds the capacity of the competent government and local authorities to respond.

Extending a deadline

- The statutory deadline is extended by an additional 24 months if the producer notifies the ERO President (no later than 12 months before the expiry of the initial statutory deadline) that it is impossible to meet the obligation to produce and introduce electricity to the grid within the statutory deadline.
In such an event, the producer will not lose the right to have a negative balance reimbursed.
- Moreover, the producer may ask the ERO President to extend the deadline for such time as is necessary to complete the investment, if any of the following circumstances occur[s]*:
 - Force Majeure;
 - TSO or DSO violates the schedule for implementing the grid connection agreement;
 - the failure is due to an event, action or omission of a third party for whom the producer is not liable;but only for so long as the aforementioned circumstance[s] existed.

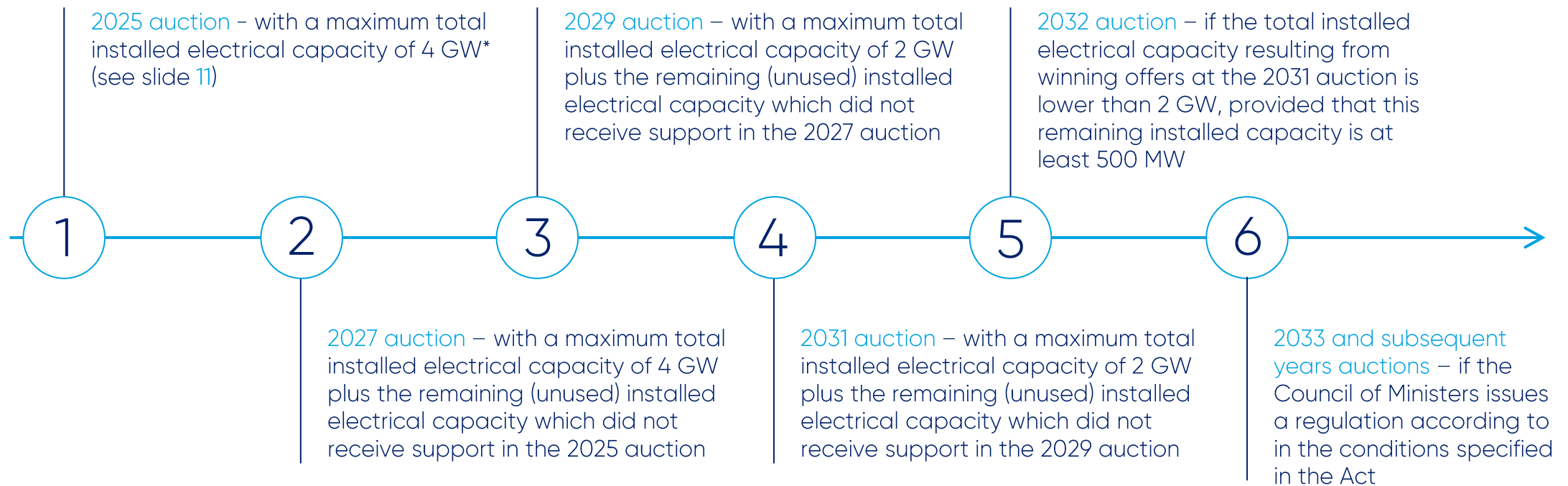


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Phase Two – auction phase

Auction phase – general information

Phase Two of the support for electricity production in offshore wind farms takes the form of competitive auctions (“pay-as-bid” formula) which are similar to auctions organized since 2016 under the Renewable Energy Sources Act. Auctions are announced, organized and conducted by the ERO President. The Act already envisages that the following auctions will be organized:



Potential "postponement" of the 2025 auction until 2026

The amendment (UD 162)

The amendment dated 9 October 2025 (UD162) states that if:

- the 2025 auction is held, but is not concluded due to an insufficient number of valid offers
(*where the minimum number of valid offers is three*)

the ERO President will be entitled to organise a so-called **intervention auction in 2026**
(i.e. to postpone the 2025 auction until 2026).



Auction phase – entitled entities

Support via auctions may be granted to producers who have:

- obtained a certificate of admission to the auction issued by the ERO President; and
- committed themselves to produce electricity for the first time after the auction session ends in an offshore wind farm located in the area specified in Attachment no. 1 and 2 to the Act; and
- established a bank or insurance guarantee or paid a deposit to the ERO President's bank account of PLN 60 per 1 kW of installed electrical capacity.

Attachment no. 1 to the Act

- Specifies eight locations.
- Producers with offshore wind farms in these locations may obtain a decision of the ERO President confirming that they are entitled to be reimbursed for a negative balance. Alternatively, such producers may participate in auctions.

Attachment no. 2 to the Act

- Specifies 13 locations.
- Producers with offshore wind farms in these locations may apply to be reimbursed for a negative balance via an auction.

Auction phase – potential support for two OWFs within the same area

The amendment (UD 162)

The amendment of 9 October 2025 (UD162) states that producers are entitled to participate in auctions regarding two offshore wind farms located within the same area specified in Attachment no. 2 to the Act provided that:

- the total installed capacity of both offshore wind farms does **not exceed the maximum installed capacity specified in the permit to construct artificial islands**; and
- the installed capacity of a single offshore wind farm **is not less than 25%** of the maximum installed capacity specified in the permit to construct artificial islands; and
- each of the offshore wind farms **possesses separate power outputs** and **does not use the same offshore substation** or set of power output facilities or elements thereof.

Within the same auction, the producer may submit an offer **only for one offshore wind farm** located within the same area specified in Attachment no. 2 to the Act, and such offer shall be rejected if the producer has submitted another offer for a different offshore wind farm located within the same area.



Auction phase – Phase One producers can potentially participate in Phase Two auctions

The amendment (UD 162)

The amendment dated 9 October 2025 (UD162) entitles **Phase One producers to participate in Phase Two auctions regarding unused capacity**, as specified in the permit to construct artificial islands:

- support may be granted in respect of a second offshore wind farm located **within the same area specified in Attachment no. 1** to the Act;
- the installed capacity of such second offshore wind farm may **not exceed** the difference between:
 - the **maximum installed capacity** specified in the **permit** to construct artificial islands
 - and
 - the **installed capacity** specified in the **ERO President's decision** approving the reimbursement of a negative balance.

The total maximum installed capacity relating to winning auction offers submitted by Phase One producers, for which support may be granted in all auctions, may **not exceed 200 MW**.

Auction phase – pre-qualification procedure

Certificate of admission

In order to participate in an auction, a producer must obtain a [certificate of admission to the auction](#) from the ERO President.

- The ERO President must issue a certificate within [45 days from the date on which a completed application](#) (inc. attachments) was submitted.
- A certificate is valid for [36 months](#).
- Pre-qualification procedure ensures that offshore investments will commence immediately after a producer wins an auction.

The amendment (UD 162)

Preliminary certificate of admission

- The amendment of 9 October 2025 (UD162) enables a producer to acquire a conditional pre-qualification for an auction if the producer does not have an environmental decision (holding all remaining documents) when applying to be admitted to the auction. In such a case a preliminary certificate of admission (valid for 12 months) will be issued, but does not entitle to participate in the auction.
- After the missing environmental decision is supplemented, the ERO President shall verify the application and issue a (final) certificate within 14 days.

Documents

The following documents must be attached to the application are:

- preliminary [grid connection conditions or grid connection agreement](#);
- [environmental decision](#) concerning the planned offshore wind farm;
- [final and non-appealable permit to construct artificial islands](#);
- schedule of the investment's completion timetable and expenditure;
- supply chain plan;
- technical and economic description of the planned investment [presenting the incentive effect](#);
- map confirming the location of the offshore wind farm; and
- information regarding state aid obtained by the producer.

Auction phase – the auction offer

- An auction is conducted in electronic form via the Internet Auction Platform (Polish: Internetowa Platforma Aukcyjna). Then:
 - the producer files an offer using the form available on the Internet Auction Platform;
 - only one offer may be submitted in respect of the same offshore wind farm;
 - multiple offers may be submitted if they concern different offshore wind farms belonging to the same producer.
- The offer submitted by the producer must contain in particular:
 - location and installed electrical capacity;
 - grid connection point;
 - price (representing the basis for calculating the negative balance);
 - producer's commitment to produce and introduce electricity to the grid for the first time, after having obtained the licence, within 7 years from the date on which the auction session ended; and
 - the estimated amount of electricity to be produced and introduced to the grid in subsequent calendar years.

The amendment (UD 162)

The amendment of 9 October 2025 (UD162) broadens the list of mandatory offer elements to include, among others, a declaration confirming that no electricity was produced at the specified offshore wind farm prior to the auction session's end, as well as details of the planned start and end dates for electricity sales under the support scheme.

Auction phase – electricity price and maximum price

- The price indicated by the producer in the offer cannot exceed the maximum price.
- The **maximum price is determined by the Minister dealing with climate affairs**, by way of a **regulation**, balancing the following criteria:
 - technical and economic operational parameters of offshore wind farms; and
 - the need to avoid imposing excessive burden on end off-takers;
 and taking into account:
 - operational costs and additional investment costs incurred during the operational phase*;
 - investment costs incurred when preparing the project and constructing the offshore wind farm*;
 - justified return on capital*.

*The maximum price may be established in a manner that differs from the current approach for individual areas, groups of areas, or areas indicated in Attachments no. 1 and no. 2 to the Act.

A Regulation adopted by the Minister of the Climate and Environment of 9 January 2025 stipulates that the maximum price shall be:

Price (PLN/MWh)	Areas
485.71	• indicated in Attachment no. 1 • 14.E.1, 14.E.2, 14.E.3, 14.E.4, 45.E.1, 46.E.1 as indicated in Attachment no. 2
499.33	• 43.E.1, 44.E.1 as indicated in Attachment no. 2
512.32	• 53.E.1, 60.E.1, 60.E.2, 60.E.3, 60.E.4

Auction phase – electricity price indexation

- Generally, the **electricity price** indicated in the **decision** (during Phase One) **or the winning offer** at the auction (during Phase Two) is subject to **indexation by the average annual consumer price index (CPI)** from the previous calendar year. The CPI is published by the President of the Central Statistical Office in the Official Journal of the Republic of Poland “Monitor Polski”.
- The CPI indexation mechanism shall apply as follows:
 - **Phase One projects** – the CPI indexation will apply each year **from 2022** (i.e. this mechanism will apply retrospectively);
 - **Phase Two projects** – the CPI indexation will apply each year starting on the year **after that in which the auction took place.**

The amendment (UD 162)

However, the amendment of 9 October 2025 (UD162) states that:

- **if the CPI exceeds the value of the medium-term inflation target** adopted by the **Monetary Policy Council** (in its monetary policy assumptions), **electricity price indexation shall be limited to the level of that medium-term inflation target**; and
- the indexation shall not apply to any year of delay in meeting the producer’s obligation to produce and introduce electricity into the grid for the first time. In such cases, the electricity price shall remain unchanged and shall not be subject to indexation.

EUR-PLN Split Mechanism

The amendment (UD 162)

The amendment dated 9 October 2025 (UD162) requires the Minister of the Climate and Environment to publish in the Official Journal „Monitor Polski“:

- (i) the applicable PLN/EUR FX rate and
- (ii) a maximum price of electricity in respect of Phase Two projects.

This eliminates an earlier legal loophole which practically prevented Phase Two projects from utilising the EUR-PLN Split mechanism.

The EUR-PLN split mechanism allows the holders of CfDs to amend the method for calculating negative balances by changing the proportions of the awarded strike price which are calculated in PLN and EUR respectively (by default 100% is calculated in PLN).

This benefits investors because if the PLN/EUR FX rate exceeds the rate given in the regulation of the Minister of the Climate and Environment, it will be desirable to calculate the strike price in EUR and create a higher strike price which would result in a bigger payment to the developer (provided that the strike price exceeds the settlement price from the wholesale electricity market price – fixing II). Nevertheless, the payment method cannot be changed, so negative balance payments will still be made exclusively in PLN.

Investors may determine the PLN-EUR proportions by filing a statement to the state-owned settlements manager not later than 30 days before filing the first application to settle a negative balance. Investors may change the PLN-EUR split only once within 15-years after first transmitting electricity to the grid.

3 Other key changes made by the amendment (UD162)

Coverage of negative balance in the event of market-based redispatching

The amendment (UD 162)

- If it is not possible to inject all/part of the electricity produced at the offshore wind farm into the grid, because it was redispatch by the TSO (on **market terms**) and this results in:
 - a **reduction of production levels**and
 - a **settlement of such reduction** at a **price higher than the off-take price** specified in the **balancing energy offer** of the offshore wind farm submitted to the **balancing market**the **producer** will be **entitled** to have the **negative balance reimbursed if** the **grid connection agreement does not guarantee uninterrupted energy supply** during the period in which the TSO or DSO does not guarantee such uninterrupted energy supply.
- A negative balance can be reimbursed up to the sum of:
 - **the value of settlements** related to this electricity in the settlements of the **balancing service provider** (Polish: *dostawca usług bilansujących*) and the **entity responsible for balancing the producer** (Polish: *podmiot odpowiedzialny za bilansowanie wytwórcy*), within the framework of the central commercial balancing mechanism,and
 - **the CfD value** of electricity which was not introduced to the grid because it was redispatched.

Energy sales during the commissioning period

The amendment (UD 162)

- It shall be permissible to **sell energy produced in an offshore wind farm** (or part thereof) during the commissioning period, i.e. **before an electricity production licence has been obtained**.
- Such sale shall be permissible **within 12 months from obtaining the interim operational notification** (ION; as regulated in the NC RfG) for the whole offshore wind farm (or part thereof).
- A producer who sells energy during this commissioning period shall be obliged **to settle the energy** produced in an offshore wind farm (or part thereof) **on the balancing market**.
- If an offshore wind farm is constructed and commissioned in **stages**, it will only be possible to sell energy during the above-mentioned commissioning period during the **first stage**. In other words, once a sale takes place during the first stage, it will not be possible to make such a sale during the later stages of construction/commissioning (unless the offshore wind farm is equipped with metering systems to ascertain the quantity of energy produced by each farm).
- The right to have a **negative balance** reimbursed **does not apply** to any energy sold during the above-mentioned commissioning period.

Classifying the components of offshore wind farms as structures (Polish: *budowla*)

The amendment (UD 162)

- The current definition of a "structure" (Polish: *budowla*) includes construction elements of technical facilities (such as boilers, industrial furnaces, nuclear power plants, onshore wind farms, **offshore wind turbines** and other facilities), and foundations for machinery and facilities, as technically separate parts of objects which collectively make up a utility whole.
- The amendment of 9 October 2025 (UD162) **remove offshore wind turbines** from the list of "construction parts of technical facilities", so **offshore wind turbines would not constitute a structure**.
- However, the following facilities would be treated as a **structure**:
 - **foundations for offshore wind turbines**; and
 - **foundations for offshore substations**.
- This amendment is in line with sector-wide practice throughout the European Union, since offshore wind turbines (excluding foundations and transition elements) are treated as facilities that, in their entirety, constitute a single machine and are manufactured and marketed in accordance with the Machinery Directive. Consequently, offshore wind turbines are designed, manufactured and assembled in accordance with IEC 61400 and harmonized standards.

Terminating the GCA if support is not secured

The amendment (UD 162)

- The draft amendment of 9 October 2025 (UD162) would entitle the TSO and DSOs to **terminate the grid connection agreement (GCA), in whole or in part, with immediate effect**, where a producer has declared in the GCA an **intention to apply for negative balance reimbursed**, but has **not participated in the auction for 2025** or has **not won that auction**. In such a situation, the termination is deemed to be the fault of the producer.
- This will not apply if the ERO President issues a decision approving the producer's right to have a negative balance reimbursed, i.e. to Phase One producers.

Extension of the validity period of location permits

The amendment (UD 162)

It is proposed to extend the validity period of certain location permits (shown in the table below).

	Current validity	Proposed validity	Current expiration	Proposed expiration
Permit to construct artificial islands	30 years from the date on which the OWF was first used	30 years from the date on which the electricity production license became final	If no building permit has been obtained for all, or part of the development within eight years from the issue date of the permit to construct artificial islands	If no electricity production license has been obtained within five years from the date on which the installation of OWF's (or offshore substations') first foundations were commenced
Permit to lay and use offshore cables	30 years from the date on which the OWF was first used	30 years from the date on which the electricity production license became final	If the cables have not been used within 15 years from the date on which the permit to lay and use offshore cables became final	If no electricity production license has been obtained within 15 years from the date on which the permit to lay and use offshore cables became final

Area of accelerated development of renewable energy installations

The amendment (UD 162)

- It is proposed to establish special areas of accelerated development of renewable energy installations throughout Poland.
 - Area of accelerated development of renewable energy installations (Polish: *obszar przyspieszonego rozwoju instalacji odnawialnego źródła energii*) means land area (inc. transformed land or Polish maritime areas or inland water areas) to be used for the **simplified location of an installation of a renewable energy source. It also includes energy** storage in such an installation, plus equipment, installations and networks required to connect them to the grid.
 - Areas of accelerated development of renewable energy installations will be established:
 - in areas indicated on maps of renewable energy source potential (Polish: *mapy potencjału odnawialnego źródła energii*), Such maps will be published by the Minister of the Climate and Environment in a Public Information Bulletin;
 - based on plans adopted by voivodeship government authorities. Separate plans will be created for given types of renewable energy sources;
 - firstly, on **transformed areas**, especially on: **industrial** and **post-industrial areas; built-up areas; degraded areas unsuitable for agriculture; artificial water bodies;** and **areas of technical or transport infrastructure.**

Other key changes made by the draft amendment (UD162)

1/4

The amendment (UD 162)

- Sharing by more than one offshore wind farm of the same offshore substation or set of power output facilities or elements thereof:
 - It is proposed that a shared power output be used, contingent upon the implementation of metering systems to ascertain the quantity of energy produced by each farm.
- Proportional calculation of state aid:
 - Modification of the provisions concerning the cumulation of state aid in terms of investment aid for the realisation of an offshore wind farm investment was taken into account in the same proportion as the capacity of this installation was included in the electricity production licence application.
 - Moreover, such state aid will be calculated proportionally if an offshore substation is shared by more than one offshore wind farm.
- Later announcement of an auction session
 - Currently, the ERO President publishes an auction announcement in the ERO Public Information Bulletin **no later than 6 months before its commencement date.**
 - It is proposed to (i) inform about the auction date at least 3 months prior to its commencement and (ii) publish the announcement no later than **30 days before the auction's commencement date in ERO Public Information Bulletin.**

Other key changes made by the draft amendment (UD162)

2/4

The amendment (UD 162)

Subsequent changes in resolving the auction

- Currently, auctions are won by producers:
 - who offer the lowest price for electricity produced at an OWF; and
 - whose offers **do not collectively exceed:**
 - **100% of the total maximum installed capacity specified in the auction announcement** for a given connection place or group of connection places; and
 - **90% of the total installed capacity of all offers made regarding** a given connection place or group of connection places.
- It is proposed that auctions will be won by producers:
 - who offer the lowest price for electricity produced at an OWF; and
 - whose offers regarding a **given connection place do not collectively exceed:**
 - **100% of the total maximum installed capacity** for a given connection place, being **available** on the auction's announcement date; and
 - **90% of the total installed capacity of all offers;** and
 - whose offers do not collectively **exceed 100% of the total maximum installed capacity specified in the auction announcement.**

Other key changes made by the draft amendment (UD162)

3/4

The amendment (UD 162)

- More flexibility regarding the relocation of offshore wind turbines:
 - It is proposed that changing the **location of offshore wind turbines** (or other elements of an offshore wind farm and equipment comprising a set of devices used to extract power) which relocate the centre of the circle described on the outline of their foundation by **no more than 50 m**, will **not constitute a significant deviation from the approved** land or plot development project and the architectural and construction project or other conditions of the building **permit. This rule will apply only if the relocation does not require amendment of the permit to construct artificial islands.**
- Safety zones:
 - The director of the competent maritime office **may** establish a **safety zone around the body of water in which the construction of artificial islands is carried out. This rule will apply** if the obligation to establish such a zone results from the provisions of the spatial development plan for internal sea waters, territorial sea and exclusive economic zone.
 - Safety zones shall extend **no further than 500 m** from any point of their outer edge.
 - The director of the competent maritime office **must** establish a **safety zone around each offshore wind turbine and offshore substation.**
 - Generally, safety zones must extend between 150–500m from any point of their outer edge.

Other key changes made by the draft amendment (UD162)

4/4

The amendment (UD 162)

- Working hours:
 - The draft would allow an extension of the working hours of persons in seaports, installation terminals or service bases located for the purpose of servicing the construction, operation or decommissioning an offshore wind farm or a set of power output facilities,, operated by successively changing crews or part of a crew. The maximum permissible working hours would become 14 hours per day and 84 hours per week.
 - If working hours were extended, after each continuous work period of not more than two weeks, an employee would be given at least an equal period of time off work. Such work period may be extended up to three weeks if the employee consents to the extension.
 - Work performed within the above-mentioned limits will not be treated as overtime unless the number of working hours exceeds an average of 44 hours in a given settlement period.

4 Key features of offshore investments

Permitting and securing legal titles – facilitations

- Shorter deadlines for conducting proceedings:
 - maximum 90 days for issuing environmental decisions, water permits and construction permits;
 - maximum 30 days for issuing permits for use;
 - maximum 60 days for processing appeals against decisions;
 - these decisions, and decisions on geological works and approving geological documentation, are enforceable with immediate effect.
- Shorter court proceedings regarding wind farms permits:
 - maximum 30 days at first instance;
 - maximum 60 days at second instance.
- Administrative decisions related to offshore wind farms may not be invalidated if they are only partially deficient.
- Modifying the detailed location of wind turbines within the secured area, for geological reasons, does not require that permits are amended.
- Facilitating the rules on securing titles to real estate:
 - Transactions related to real estate for offshore wind farms are excluded from restrictions on the sale of agricultural lands;
 - investments in offshore wind farms are recognised as public purpose investments and may be developed in accordance with special priority procedures (including cabling).

Local content requirements

The supply chain plan shall include, among others:

- schedule of works and finances;
- description of the key technical parameters of the offshore wind farm, indicating the planned technology to be used in construction and operations;
- planned dates of key procurement proceedings, indicating the planned procedure for selecting contractors and the expected criteria for participating in proceedings;
- planned date of first introducing electricity to the TSO grid;
- actions to promote competition between suppliers of equipment and services;
- description of investment expenditures for the benefit of Polish domestic entities;
- description of the producer's or related entities' initiatives concerning R&D or innovation;
- description of actions to develop local human resources;
- the results of an initial dialogue with seaport authorities and terminal operators regarding the use of seaports located in Poland;
- description and estimates of the number of jobs that the manufacturer or related entities plan to create in Poland.

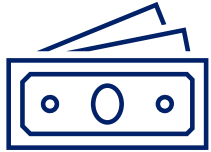
Supply chain plan

The supply chain plan is required when joining the support system or at the pre-qualification stage. It consists of separate sections for buildings and operations. Producers will be required to submit reports on the plan's execution. The ERO President will publish the plan and reports.

Technical dialogue obligation

The producer will also be required to conduct a technical dialogue with interested market participants (potential suppliers and contractors) and to report on this within 18 months from the date of submitting the application for support or the auction offer.

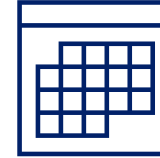
Taxation & Equipment age



Licence fee

All electricity generation technologies operating in Poland, including RES technologies, shall be subject to equal tax treatment. Offshore wind farms **are not** subject to property tax (unlike onshore installations), so the Act imposes a separate **licence fee** on offshore producers.

The fee aims to equalise the fiscal burden of offshore and onshore wind technologies. It currently amounts to PLN 23,000/MW per year (approx. EUR 5,300/MW per year).



Equipment age

Offshore wind farms that apply for support cannot include turbines and other infrastructure elements produced earlier than **72 months** before the date on which electricity was first produced from such equipment.

Equipment may not have been depreciated within other investments by any entity.

Limited disposal of set of devices

The transmission system operator (TSO) has the following rights regarding the disposal of a set of devices used to extract power from an offshore wind farm.

Option to purchase:

purchase a set of devices needed to implement strategic investments if this is justified in terms of balancing the interests of energy companies and energy consumers – but only until a grid connection agreement is concluded

Call for negotiations:

at any time

Pre-emptive right:

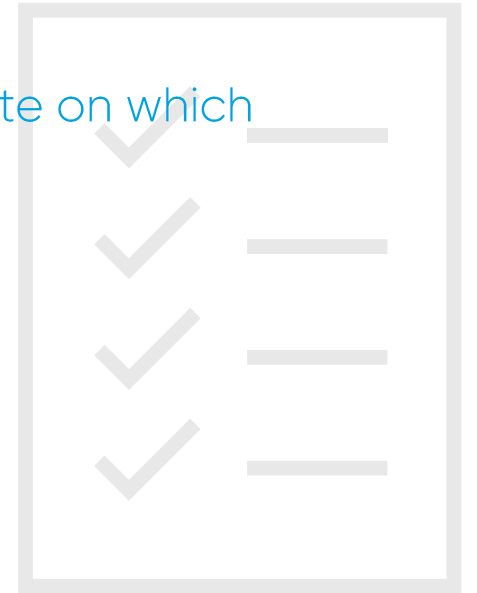
if ownership of the set of devices is transferred

Investment exit

Before concluding an ownership transfer agreement, the ERO President's consent is required to transfer the producer's rights and obligations. Such consent is sought via a joint application submitted by the producer who is transferring ownership and the purchaser of the offshore wind farm.

If the ERO President consents, the rights and obligations regarding any granted support are transferred to the purchaser on the acquisition date.

The ERO President's decision must be issued within 30 days from the date on which the completed application was submitted.



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