



## **PROGRAMME Smart Grids I. (Distribution networks) – Call III**

The Call is aimed at improving the quality, reliability, safety and sustainability of electricity supplies to end customers and approximating the common level in EU-15 countries, while minimizing the narrow profiles and integrating decentralized energy sources. These changes will influence increased competitiveness, quality of the environment and energy security of the Czech Republic.

### **SCHEDULE**

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#### **Receipt of aid applications:**

- 31 October 2017 – 28 February 2018

### **SUPPORTED ACTIVITIES**

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- (a) comprehensive measures to improve reliability, information and introduce operation balancing and optimization in distribution networks;
- (b) application of automated remote-controlled components in distribution networks;
- (c) application of technological components for power voltage and output control in distribution networks;
- (d) addressing local balancing through output flow control between the consumers and the distribution network operator;
- (e) selective equipment to measure the quality of electricity in distribution networks.

### **APPLICANT**

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The applicant/beneficiary is a business entity which:

- is a small or medium enterprise pursuant to Annex No. 1 to Commission Regulation (EU) No 651/2014 or a large enterprise, including farmers (defined by Act No. 252/1997 Coll., on Agriculture), entrepreneurs in food industry and retail;
- is authorised to carry out business corresponding to the supported economic activity, for which that project is being implemented;
- has been, pursuant to its sworn statement, registered as an income taxpayer in an EU member state, continuously for a period of at least two closed taxation periods preceding to the submission date of the aid application; the applicant takes note of the requirement to have an establishment or a branch established in the Czech Republic at the time when the aid is paid;

- does not have, pursuant to its sworn statement, any arrears owed to selected institutions in the country of its registered office or in the country of its branch, where applicable, and to the granting authorities for projects co-financed from the EU budget;
- does not have, pursuant to its sworn statement, any arrears arising from payroll claims of its employees;
- does not have any outstanding liability arising on the basis of a collection order issued following a decision by the Commission declaring the aid illegal and incompatible with the common market;
- has closed at least 2 consecutive accounting periods as at the submission date of the aid application. If the entrepreneur has been carrying out business for a shorter period of time, the required track record can also be demonstrated through an entity or entities having a decisive influence in the applicant.

## **SCOPE DEFINITION BY BRANCH**

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- Aid is intended for projects, the outcomes of which will manifest themselves in the branches listed in Annex No. 1 Part A to this Call. Aid is not intended for projects, the outcomes of which will manifest themselves in the branches listed in Annex No. 1 Part B to this Call.

## **MAIN CONDITIONS OF THE CALL**

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- The project must be implemented in the territory of the Czech Republic, except for the capital city of Prague.
- The applicant must clearly prove the ownership or other rights to the real estate and land where the project will be implemented.
- The project must include all mandatory parts indicated in the Call for proposals.
- The project does not envisage any aid for activities related to the exported quantity (export subsidies), aid for establishment and operation of a distribution network abroad, or for other common costs related to export activities (customs, insurance, etc.), or aid conditional upon the use of domestic goods at the expense of imported goods.
- The project has not commenced before the submission date of the aid application.
- The project may not undermine horizontal policies of the EU and their fundamental principles, such as equal opportunities (gender equality, elimination of discrimination based on sex, race, ethnic origin, religion, belief, disability, age or sexual orientation), as well as equal opportunities and non-discrimination (e.g. due to social exclusion or health environment) and sustainable development (compliance with EU and Czech legislation governing the protection of the environment).
- The applicant must clearly prove the ownership or other rights to the real estate and land where the project will be implemented, by submitting a document certifying that the applicant holds an electricity distribution licence issued by the Energy Regulatory Office in accordance with Section 5 of Act No. 458/2000 Coll., on the Business Conditions and Public Administration in the Energy Sectors (the Energy Act).

## ELIGIBLE EXPENDITURE

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- Tangible fixed assets.
- Intangible fixed assets (if necessary for proper operation of the tangible fixed assets).
- Business plan and project documentation under *de minimis* mode, pursuant to Commission Regulation No 1407/2013

## FORM AND AMOUNT OF AID

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- The aid shall be provided for up to 40% of eligible expenditure.
- The support rate for the Evaluation of benefits arising from application of intelligent network components in distribution networks: aid shall be provided for up to 40% of eligible expenditure.
- Maximum and minimum amount of grants:
  - in field (a) up to CZK 200 million;
  - in field (b) up to CZK 150 million;
  - in field (c) up to CZK 150 million;
  - in field (d) up to CZK 150 million;
  - in field (e) up to CZK 150 million.
- Grants for projects in the particular fields are provided:
  - in field (a) for an amount of at least CZK 0.3 million and no more than CZK 40 million;
  - in field (b) for an amount of at least CZK 5 million and no more than CZK 80 million;
  - in field (c) for an amount of at least CZK 5 million and no more than CZK 65 million;
  - in field (d) for an amount of at least CZK 5 million and no more than CZK 100 million;
  - in field (e) for an amount of at least CZK 5 million and no more than CZK 80 million.