



Smart Grids I. (Distribution Networks) – Call VI

The Call aims to improve the quality, reliability, security and sustainability of electricity supply to end customers and to move closer to the EU-15 level while minimizing bottlenecks and integrating decentralized energy sources. These changes will affect the competitiveness, quality of the environment and the energy security of the Czech Republic.

SCHEDULE

Receipt of aid applications:

- 30/10/2020 – 25/02/2021

SUPPORTED ACTIVITIES

Comprehensive measure to improve reliability, awareness and introduction of operation balance and optimisation in distribution systems

- Implementation of remote-controlled HV/LV distribution stations.
- Deployment of remote-controlled section disconnectors and circuit-breakers on HV lines.
- Addition of remote control to existing section disconnectors / circuit breakers and distribution stations.
- Deployment of equipment for remote monitoring and evaluation of climatic effects with subsequent automation of distribution system elements.
- Deployment of smart elements for control and automation of multi-feeder HV network
- Installation of HV/LV distribution transformers with automatic load regulation.
- Installation of line conditioners on LV lines.
- Deployment of automatic voltage level control.
- Implementation of reactive power control system of production plants at HV and LV levels.
- Deployment of automatic reduction of reactive power overflows into the upstream system.
- Implementation of smart metering technology at LV level, including communication units, reading center and technical dispatching adjustments.
- Implementation of the local balance control system including analysis, prediction and algorithmization of the off-take point portfolio behaviour for modifying the switching of customers' controllable load.

- Installation of technology for quality measurement at HV/LV distribution stations, nodal and selected terminal offtake and transfer points

APPLICANT

The applicant/ beneficiary is a business entity that:

- Is a small or medium-sized enterprise according to the definition in Annex I to Commission Regulation (EU) No. 651/2014, or a large enterprise pursuant to the programme conditions and keeps accounts, or tax records expanded with special requirements, or separate accounts for the project
- The applicant/ beneficiary is authorised to conduct business corresponding to the supported economic activity which is to be carried out through the project;
- Is, based on its sworn declaration, registered as an income tax payer in any of the EU member states and has been so continuously for at least two closed tax periods preceding the date of submitting the application; the applicant notes that it will have to have an establishment or a branch established in the Czech Republic at the moment of receiving the support. The applicant must have the branch registered, as of the first request for payment, in the Register of Licensed Trades.
- Is not, based on its sworn declaration, in arrears to selected institutions in the country of its registration, or in the country where its branch is registered, and to providers of support from projects co-financed from the EU budget;
- The applicant does not have any outstanding liabilities, according to its sworn declaration, based on its employees' wage and salary claims.
- Czech self-employed natural person, foreign natural person, unlimited partnership (*veřejná obchodní společnost*), limited liability company (*společnost s ručením omezeným*), limited partnership (*komanditní společnost*), joint-stock company (*akciová společnost*), cooperative, societas Europaea, European cooperative society, national enterprise (*národní podnik*), state enterprise (*státní podnik*), branch, branch of a foreign legal person, branch of a foreign natural person, a foreign person not mentioned elsewhere, or a foreign legal form analogous to the above if the applicant is a foreign entity.

SECTORAL DEFINITION

- The aid shall support projects with outputs affecting the sectors defined in Annex 1, Part A, to the Call.
- The aid shall not be provided to projects with outputs directly affecting any of the sectors defined in Annex No. 1, Part B

KEY CONDITIONS OF THE CALL

- The applicant must have the ownership or other rights to the real estate and land where the project will be implemented, by demonstrating that he holds an electricity distribution licence issued by the Energy Regulatory Office in accordance with Section 5 of Act No. 458/2000, on the conditions for business and State administration in the energy sector (the Energy Act)
- The project must include all mandatory elements listed in the Call for its submission.
- The project does not expect any aid for activities linked to the quantities exported (export subsidies), aid for the establishment and operation of a distribution network abroad or for other current expenditure linked to

the export activity (customs duties, insurance, etc.) or any aid contingent upon the use of domestic goods instead of imported goods.

- The project did not start before the submission of the application.
- The project must not violate EU horizontal policies and their basic principles, in particular equal opportunities for men and women, equal opportunities and non-discrimination and sustainable development
- The financial health of the applicant, expressed in a simplified economic assessment by the intermediate body, must not be lower than 5 points
- Projects with total eligible expenditure at and over CZK 5 million and at the same time with investment expenditure that forms more than 50% of the total eligible expenditure will be required to carry out a Financial Analysis of the investment. Projects with total eligible expenditure at and over CZK 100 million and at the same time with investment expenditure that forms more than 50% of the total eligible expenditure will be required to carry out an economic analysis taking into account socio-economic impacts of the project based on a set code-book

SPECIFIC CONDITIONS OF THE PROGRAMME

- The project must be implemented in a distribution system whose operator has no more than 90,000 customer off-take points connected to the distribution system.
- Multiple places of implementation are allowed in the project.
- A project with a score of less than 60 within the evaluation according to the evaluation criteria set out in Annex 3 to this Call will not receive support

ELIGIBLE EXPENDITURE

- Tangible fixed assets
- Intangible fixed assets (if required for due operation of the tangible fixed assets)
- Benefit assessment and project documentation in the *de minimis* regime, in accordance with Commission Regulation 1407/2013

FORM AND AMOUNT OF AID

- The project grant shall be provided at the minimum amount of CZK 1 million and up to the maximum amount of CZK 100 million.
- **Aid intensity for the project**
 - Aid is provided up to a maximum of 40 % of eligible expenditure.
- **Aid intensity for the Assessment of the benefits of the application of smart grid elements in distribution systems – *de minimis* aid**
 - Aid is provided up to a maximum of 40 % of eligible expenditure.