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Problematic Legal Issues related to Preparation of the Renewable Energy Projects



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Key Spheres of Legal Analysis of USELF Projects

- Legal, property and financial status of borrower
- Land issues
- Grid connection
- Proper holding of public hearing
- Design documentation and approvals
- Relationships with suppliers and contractors
- Relationships with regulatory authorities and Energorynok



Legal, Property and Financial Status of Borrower

- Establishment of the design company, which will obtain all necessary permits and which will act as a borrower
- Transparent and accurate information about the project shareholders
- All assets of the borrower should be duly registered
- Sufficiency of the borrower's funds for investment in the project as a contribution and guarantee of loan payback





Land Issues

- Appropriate designated purpose of the land plot allocated for construction of the power plant
- Long term of lease agreements (not less than for the term of loan payback)
- Including of all essential terms and conditions into the lease agreements
- Conclusion of servitude agreements for linear facilities
- Proper registration of access rights to the facility



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Grid Connection

- Obtaining of technical conditions for connection after registration of title documents for the land plot
- Technical conditions for connection are obtained by design company
- Approval of developed design documentation for connection with the grid operator



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Proper Holding of Public Hearings

- Notification of initiation of the procedure of consideration and taking into account of proposals from public to the urban – planning documentation should contain information stipulated by the law
- Decisions made on the development of urban-planning documentation, notification of initiation of the procedure of consideration and taking into account of proposals from public, as well as the results of such consideration should be published as prescribed by the law



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Design Documentation and Approvals

- Obtaining of initial data for design works, as well as technical conditions for engineering of the constructed facility
- Correct determination of the facility category of complexity
- Commissioning and start-up complexes should be specified in the relevant technical documentation if construction is performed by several stages
- Obtaining of proper permitting document for construction



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Relationships with Suppliers and Contractors

- Necessity to observe the competitive principle of purchase of goods and services
- Contracts with equipment suppliers should ensure a proper level of guarantees on the part of the supplier with regard to the reliability of equipment, compliance of the real operating parameters with those declared in the specifications, warranty and post-warranty service
- Availability of the general contractor is an important aspect in the project implementation



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Relationships with Regulatory Authorities and Energorynok

- Obtaining of a license for electricity production
- Becoming a member of the Wholesale Electricity Market
- Approval of the green tariff
- Conclusion of necessary agreements



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Thank you for your attention!

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