

LEGAL ALERT



ENERGY AUCTIONS 2026:

NEW OPPORTUNITIES FOR INVESTORS

CONTENTS

03

**TENDER FOR THE CONSTRUCTION OF NEW
GENERATING CAPACITY**

04

**AUCTIONS FOR THE ALLOCATION OF RENEWABLE
ENERGY SUPPORT QUOTAS**

New Generating Capacity. RES Auctions 2026.

CMU Resolution No. 488-r dated 22.05.2026. Tender for 1,322 MW.
RES support quota auctions scheduled for September-October.

1322 ^{MW}

total new generating capacity

20 ^{mo.}

max. commissioning period

27,92 ^{€ ct}

price cap per 1 kWh (incl. VAT)

1 TENDER FOR THE CONSTRUCTION OF NEW GENERATING CAPACITY

On 22 May 2026, the Cabinet of Ministers of Ukraine adopted Resolution No. 488-r approving the launch of a tender for the construction of generating capacity and demand-side management measures. The tender is conducted pursuant to the Procedure approved by CMU Resolution No. 677 dated 10 July 2019.

► REGIONAL LOTS (TOTAL 1,322 MW)

Lot	Region	Capacity
Lot 1	Kyiv City, Kyiv Oblast and Chernihiv Oblast	250 MW
Lot 2	Sumy Oblast, Kharkiv Oblast and Poltava Oblast	872 MW
Lot 3	Dnipropetrovsk Oblast	100 MW
Lot 4	Odesa Oblast	100 MW

Information on, and the terms and conditions of, the tenders for the construction of generating capacity shall be published on the official websites of the Ministry of Energy of Ukraine, NPC Ukrenergo and the Energy Community Secretariat no later than three months before the deadline for submission of tender proposals

In order to incentivise tender participants, a fee for the service of ensuring the development of generating capacity is provided for. The price cap for the procurement of such service is **EUR 27.92 cents per 1 kWh, including VAT**. Payment shall be made over a period of **five years**, starting from the month in which the relevant generating capacities are commissioned.

► **KEY TENDER PARAMETERS**

Proposals shall be submitted within no more than 3 months from the tender commencement date. Minimum facility capacity: 10 MW. Minimum guaranteed operation period: 20 years or 100,000 operating hours. Price cap: EUR 27.92 cents per 1 kWh (incl. VAT). Maximum commissioning period: 20 months from agreement execution.

The Cabinet of Ministers of Ukraine has updated the auction rules for new renewable energy projects and increased the support quota for 2026 under Resolution No. 298-r dated 1 April 2026. The 2026 auctions are scheduled for September–October.

► **KEY TECHNICAL REQUIREMENTS FOR GENERATING UNITS**

Generating units shall be flexible and capable of rapid response to commands of the transmission system operator, including the ability to:

<p>Capacity Activation Full activation from shutdown within ≤ 30 min of TSO command</p>	<p>Frequency Restoration Reserves Full activation of regulation range within ≤ 5 minutes</p>
<p>Regulation Range At least 50% of installed capacity</p>	<p>Start / Shutdown Cycles ≥ 2 per day; idle period between cycles ≤ 2 hours</p>
<p>Continuous Operation Guaranteed continuous operation ≥ 16 hours</p>	<p>Black-Start Capability Start without voltage in the external grid</p>

Given the technical requirements, the tender effectively targets gas engine generating units.

► **PEAK TIME INTERVALS FOR SUPPORT**

<p><u>WINTER / AUTUMN</u> JAN, FEB, MAR, NOV, DEC 08:00–10:59 16:00–19:59</p>	<p><u>SPRING / AUTUMN</u> APR, MAY, SEP, OCT 08:00–09:59 18:00–20:59</p>	<p><u>SUMMER</u> JUN, JUL, AUG 07:00–08:59 19:00–21:59</p>
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2 AUCTIONS FOR THE ALLOCATION OF RENEWABLE ENERGY SUPPORT QUOTAS

The CMU updated the terms for conducting auctions for new renewable energy projects and increased the support volume for 2026 (Resolution No. 298-r dated 01.04.2026).
2026 auctions are scheduled for September–October.

▶ MARKET PREMIUM MECHANISM

The auction winner enters into an agreement with State Enterprise Guaranteed Buyer. The producer sells electricity on the market and receives a top-up payment from SE GB if the market price falls below the auction price. Support is provided for **12 years** after commissioning.

Accordingly, the market premium mechanism does not guarantee the producer a fixed electricity sale price, but ensures an additional payment if the market price is lower than the price determined based on the auction results.

▶ 2026 SUPPORT QUOTAS

Type of Generation	Quota	Region
WPP (Wind)	700 MW	Entire territory of Ukraine
Biogas, biomass, small hydro	150 MW	Entire territory of Ukraine
SPP (Solar)	50 MW	Left bank of the Dnipro River
SPP + BESS	100 MW	Left bank of the Dnipro River

Support shall be provided to the auction winner for 12 years after the facility is commissioned and the agreement with State Enterprise Guaranteed Buyer is executed.

The maximum price bid at the auction shall be:

for SPPs and WPPs	EUR 8 cents per 1 kWh
for other alternative energy sources	EUR 12 cents per 1 kWh

► FINANCIAL OBLIGATIONS

To participate in the auction, a business entity shall submit an application in free form and auction participation security.

Such security may be provided in the form of:

an unconditional and irrevocable bank guarantee

A bank guarantee constitutes an obligation of the bank to pay the relevant amount to State Enterprise Guaranteed Buyer in the event of the participant's breach of the auction terms

financial security in favour of State Enterprise Guaranteed Buyer

financial security provides for the actual transfer by the participant of the guarantee deposit to a separate account or an escrow account

The security shall be submitted separately for each electric power facility or its stage / start-up complex.

€5 /κBT

Bid Security for Auction Participation

Auction participation security shall be returned to the participant if it does not win the auction and, in the case of the winner, after the performance security under the agreement is provided.

► PERFORMANCE SECURITY TO BE PROVIDED BY THE WINNER

€10 /κBT

Performance security under the agreement

After winning the auction, but before entering into the agreement with State Enterprise Guaranteed Buyer, the winner shall additionally provide performance security under the agreement in the amount of **EUR 10 per 1 kW of capacity**

If the winner duly performs its obligations, such security shall be returned. If the winner breaches the agreement or fails to perform the prescribed obligations, the security may be enforced in favour of State Enterprise Guaranteed Buyer.

+€10 /κBT

Additional security for a 12-month extension

At the initiative of the winner, the construction and commissioning period of the facility may be extended once for **12 months**. For this purpose, amendments to the agreement shall be made and additional security in the amount of **EUR 10 per 1 kW of capacity** shall be provided.

► **COMMISSIONING DEADLINES**

18 MO.

SPPs (Solar)

36 MO.

Other alt. sources

42 MO.

Other alt. sources (martial law)

12 YR.

Support period after commissioning

The support mechanisms introduced for 2026 are aimed at the development of two key areas: flexible generation to cover peak loads and new renewable energy projects.

The tender for the construction of generating capacity is effectively focused on gas engine generating units, whereas the auctions for the allocation of renewable energy support quotas provide for support to WPPs, SPPs, SPPs with BESS, and other alternative energy sources under the market premium mechanism.

For investors, these instruments may be commercially attractive; however, participation in them requires an assessment of the project economics, implementation timeline, grid connection terms, and financial obligations relating to participation security and performance security under the agreement.

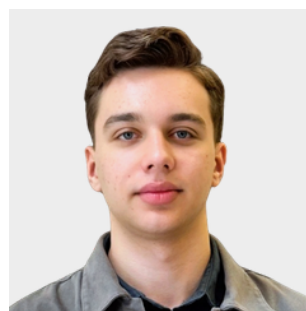
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