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Legal Alert

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Grid connection revision - draft amendment to the Energy Law

On 24 March 2025, a draft amendment to the Energy Law (**Draft**) was published. The planned changes aim to streamline the grid connection procedure, unlock grid connection capacity, ensure better use of grid infrastructure, and improve transparency in the connection process. The Draft's main assumptions, outlined below, are not final and may be subject to change during further legislative work.

Changes in the grid connection procedure

Electronic submission of grid connection conditions applications

Under the Draft, applications to determine grid connection conditions (**GCC**) for power grids with a rated voltage above 1 kV will be submitted exclusively in an electronic form or via a dedicated IT system if the application is addressed to a Transmission System Operator (**TSO**) or a Distribution System Operator (**DSO**) serving at least 100,000 customers.

New fee for processing GCC applications

Entities applying for a grid connection above 1 kV will be required to pay a new, non-refundable processing fee in addition to the standard advance payment. The processing fee will be paid to the System Operator (**SO**) and is intended to cover the costs of processing the application and grid impact assessment. The new fee will amount to PLN 1 per kW of requested connection capacity, capped at PLN 100,000.

Increase in the advance payment for the connection fee

The advance payment for a grid connection above 1 kV will increase from the current rate of PLN 30/kW of requested capacity to PLN 60/kW. The maximum cap on this advance payment will be raised from PLN 3,000,000 to PLN 6,000,000.

Security for the execution of the GCC

Applicants for a grid connection above 1 kV will be required to provide a performance security within 30 days of receiving the GCC. The amount will be PLN 30/kW for installations with a capacity of up to 100 MW, or PLN 60/kW for installations above 100 MW, with a cap of PLN 12,000,000.

Accepted forms of security include a cash deposit into a designated bank account or an insurance or bank guarantee.

The security is refundable within 30 days of a written notification to the SO that:

a) the applicant has withdrawn from the GCC within 30 days of its delivery (which renders the GCC void), or
b) all obligations under the grid connection agreement (**GCA**) have been fulfilled.

The security is also refundable if the GCA is terminated due to fault on the SO's part. In all other cases—when no GCA is concluded or the termination results from the applicant's fault—the security will not be refunded.

The above instruments, i.e. the processing fee, the increased advance payment, and performance security, are expected to encourage more cautious submissions of GCC applications and to counteract the blocking of grid capacity by projects that are not intended for actual implementation.

Declarations instead of legal title and planning documents

Currently, GCC applications must include documents confirming legal title to the land and relevant planning documents (e.g. a local zoning plan extract or a zoning decision). The Draft proposes replacing these with the applicant's declaration confirming compliance with the zoning plan or zoning decision and possession of legal title to the property. Only in "justified cases" may the operator request the submission of these documents.

Shortened validity period of the GCC

Currently, GCCs are valid for two years from the date of delivery. The Draft reduces this period to one year; there is an exception for offshore wind farm projects.

Deadline to file a dispute resolution request upon a refusal to issue the GCC

A six-month deadline is proposed to submit a request to the President of the Energy Regulatory Office (**ERO**) for dispute resolution in cases where the grid connection has been refused due to a lack of technical or economic conditions for a grid above 1 kV.

Grid connection agreement and Milestones

The proposed changes introduce binding **project milestones**. Failing to reach them may result in the GCA being terminated due to the applicant's fault. The milestones include:

1. obtaining all necessary permits and consents for the entire installation within 24 months from the date of signing the GCA, and
2. signing a contract to supply the main equipment used in the installation within 36 months of the GCA being executed.

The connecting entity is required to notify the SO of the achievement of each milestone prior to the respective deadlines. Subsequently, within 60 days, the SO must inform the connecting entity whether the milestones have been met or not and, as a consequence, that the GCA is being terminated. The milestone mechanism will not apply to offshore wind farm projects.

Terminating the GCA due to the milestones not being met within the specified deadlines will trigger an auction for grid connection under the same conditions and for the same connection capacity as the terminated GCA (with the possibility of changing the type of equipment used). Details regarding the grid connection auctions are provided below.

Flexible GCA

The Draft introduces a new type of GCA, the "**flexible grid connection agreement**". This will allow for limitations on the injection or withdrawal of electricity into and from the grid in cases where connection under the originally requested terms is not feasible using the existing infrastructure due to grid capacity constraints in a given area. Flexible GCAs are to be concluded for the time of these constraints and will specify conditions that must be met to remove the given constraints, e.g. the scope of network development.

Grid Connection Auctions and unlocking blocked capacity

Failing to meet the connection milestones described above will result in the GCA being terminated and the initiation of a grid connection auction for the same type of installation and the same connection capacity.

The SO must announce the auction no later than 150 days before the scheduled auction date. The announcement will specify the connection point and the available connection capacity.

Interested parties must submit their application to participate along with a bid bond equal to the offered connection capacity (in MW) multiplied by PLN 30,000, but no more than PLN 3,000,000.

If the winning bidder fails to pay the auction price within 14 days of receiving the notification of the auction result, the bid bond will be forfeited to the SO.

The auction will close 8 hours after it begins, and the winner will be the bidder who offers the highest price per 1 MW of connection capacity at the specified connection point. Upon payment of the winning bid, the GCA is deemed concluded, and the bid bond will be credited towards the total connection fee.

The proposed grid connection auctions, linked to the milestone mechanism, aim to release grid capacity that has been blocked by entities that have not proceeded with their investment projects. The funds obtained through these auctions are intended to support the operation and development of the electricity grid.

Cable pooling not only for RES installations

The Draft also introduces long-awaited changes regarding the connection of multiple installations to a single connection point, known as cable pooling.

Under the current regulations, cable pooling is expressly permitted only for renewable energy sources (**RES**). The removal of this RES-specific limitation will allow installations using different technologies to share a connection point. This change opens up the possibility of sharing connections for installations using different technologies although this will be particularly beneficial for energy storage facilities.

Publication of connection information by TSOs and DSOs

Besides changes to the connection procedure, the Draft introduces new obligations for the SO, in particular TSOs and DSOs serving more than 100,000 customers, to develop publicly accessible IT systems displaying grid connection information currently required under Article 7(8l) of the Energy Law, e.g.:

- the applicants for a grid connection above 1 kV,
- the connection point locations,
- the connection capacities,
- the installation types,
- the dates of issued GCCs, signed GCAs, and energy delivery commencement, and
- the total available connection capacity and expected changes over the next five years.

The scope of information is to be expanded by:

- submitted GCC applications (for generation sources, energy storage, and networks) above 1 kV,
- the connection location and capacity,
- the installation type,
- the date of application and advance payment,
- the application status,
- issued refusals with reasoning,
- the criteria to determine available network capacity, and
- the possibility of flexible connection in constrained areas.

Data must be updated at least monthly.

Transitional provisions

If enacted as currently drafted, the amendments will significantly affect the practices of both applicants and SOs. The transitional provisions foresee the application of the new rules to:

a) GCCs expiring later than six months after the new regulations come into force but for which no GCA has been signed—it will be required to supplement the advance payment and submission of security,
b) GCC applications submitted but not yet processed before the effective date— it will be required to pay the new processing fee, supplement the advance payment, and submit the performance security, and
c) GCAs for grids above 1 kV—milestone deadlines (24 and 36 months, respectively) to be counted from the effective date of the Draft.

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