

***Getting ripe for the energy transition
The role of energy storage on the Polish
energy market***

Michał Motylewski, Managing Counsel

Innovation Norway
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Meeting you today



Michał Motylewski

Managing Counsel, Warsaw
Energy and Natural Resources

+48 501 578 884
michal.motylewski@dentons.com

Michał combines a thorough understanding of regulatory obligations and constraints on the business and operational needs of electricity, heat and natural gas utilities with unique experience and perspective ranging across all sectors, from upstream to downstream markets. His expertise has been appreciated by clients in cross-border matters including Europe, Central Asia and Indonesia.

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– *Chambers Global, Global-wide, 2020*



Key service areas

- Renewables and non-conventional energy
- Conventional generation
- Nuclear power
- Transmission and distribution
- Energy market reform
- Privatization of energy enterprises
- Retail electricity and natural gas supply
- Upstream and downstream oil and gas
- Pipeline and maritime transportation
- Liquefied natural gas (LNG), oil and gas trading
- Climate change regulations, including the Kyoto protocol



LNG



Upstream



Energy Market
Reform



Downstream



Offshore Wind



Electricity
Networks



Other
renewables



Retail



Carbon
Markets



Nuclear
Front End



Nuclear
Back End



Onshore Wind



Solar



Midstream

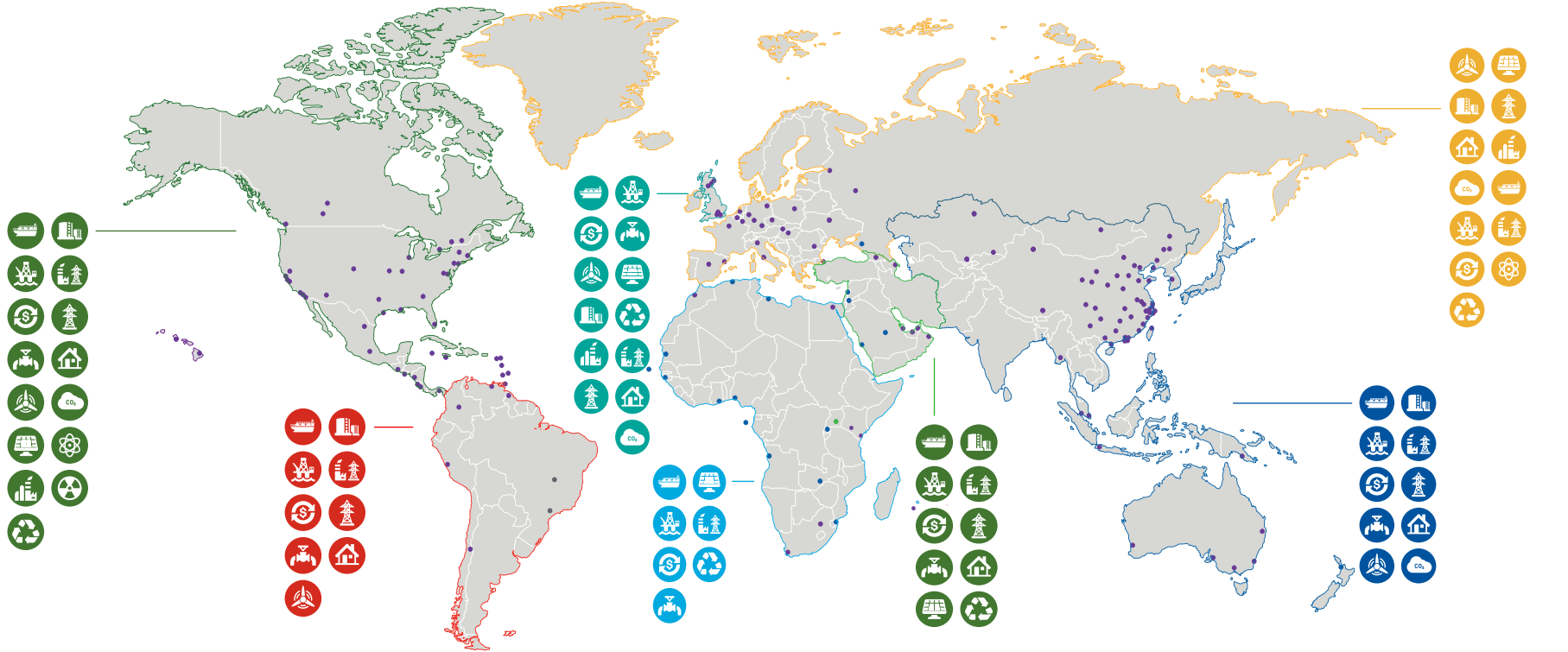


Energy
Storage



Conventional
Generation

The best in your core markets – our capabilities



Locations in purple represent Dentons offices.
 Locations in blue represent associate firms, offices and special alliances.
 Locations in green represent proposed combinations that have not yet been formalized.
 Locations in grey represent Brazil Strategic Alliance.

- LNG
- Upstream
- Energy Market Reform
- Downstream
- Offshore Wind
- Electricity Networks
- Other renewables
- Retail
- Carbon Markets
- Nuclear Front End
- Nuclear Back End
- Onshore Wind
- Solar
- Midstream
- Energy Storage
- Conventional Generation

The energy transition environment

The broader context – playground for innovation

EU Clean Energy Package 2018-2019

- Energy storage included for the first time
- Commercial focus – covered by TSO/DSO unbundling rules
- Domestic implementation underway

Network Codes – a new level of stability

- Applied since 2015
- Harmonised rules in all key areas
- Don't cover storage yet but flexible to allow action at national level

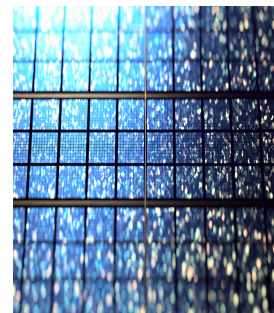


Pivotal role – sustainable energy transition

- Optimising cost of transmission infrastructure
- Optimising cost of system operations
- New revenue streams for intermittent RES
- Complimentary to the hydrogen strategy

EU Innovation Fund

- new grant scheme running from 2020 until 2030
- distribution of approximately €10 billion towards low-carbon projects
- energy storage – one of four focus areas
- first call for smaller scale projects now open

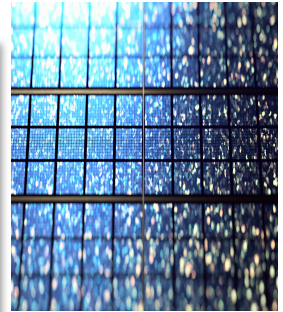
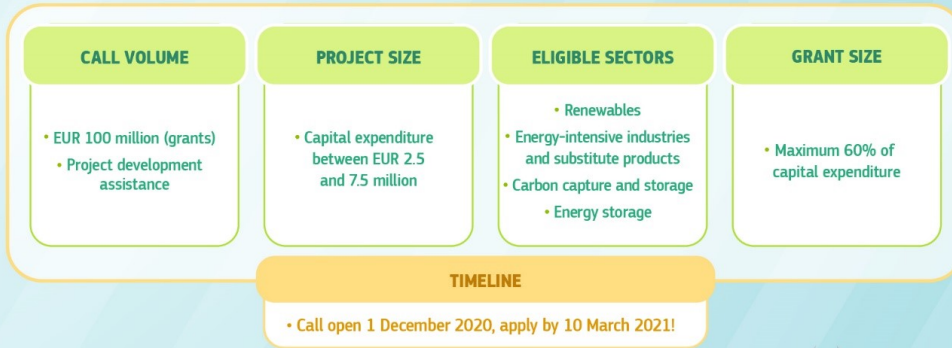


EU Innovation Fund

The 2030 funding in place

INNOVATION FUND SMALL-SCALE CALL: MAIN FEATURES

Focus on innovative projects close to market



INNOVATION FUND

First call for large-scale projects



Source: European Commission

The energy transition environment - Poland

The place of energy storage

The Energy Law

- Concepts of distributed energy projects and cooperation developed since 2011
- Harmonized approach to energy storage underway

National Implementation Plan

- Reviewed by the EC, updated May 2020
- Energy storage directly recognised
- Multi-level dependencies recognised (e.g. metering, capacity market, new revenue streams on the balancing market)

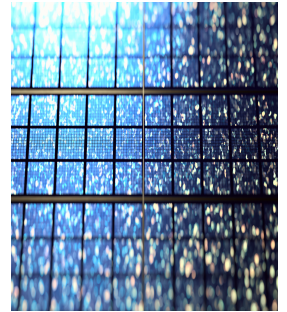


New Balancing Market Conditions

- Approved on 1 December 2020
- Applying from 1 January 2021
- Energy storage gains direct access to the Balancing Market and system services

Next to come

- Updated prosumer and energy community regulations
- Including storage based hybrid RES installations in the CfD support scheme
- Improved revenue streams on the Balancing Market (from 2022)



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Chambers Global, Projects & Energy, Global-wide, 2020

"Wins recognition for its representation of oil and gas players, as well as its work in the power, infrastructure and mining sectors. Draws on the strengths of its significant global network to advise on a wide range of projects and transactions around the globe." – *Chambers Global, Projects & Energy, Global-wide*, 2020

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Chambers Canada, 2018

"Energy Law Firm of the Year"

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Chambers Europe Awards for Excellence, 2017

"Europe Law Firm of the Year"

Contact person



Michał Motylewski

Managing Counsel, Warsaw
Energy and Natural Resources

+48 501 578 884

michal.motylewski@dentons.com