

## **Results of auction for selection of RES projects (16.09.2019 – small HPP)**

Three participants were registered in the trading system of the auction organizer to participate in the auction for selection of small HPP for the Northern and Southern zone of the UPS of Kazakhstan, with a total installed capacity of 5 MW.

Admission to the trading session was granted to two participants, one participant was not allowed to participate in the auction due to non-payment of the auction organizer's services for the auction.

According to the schedule of auction for this type of RES, the authorized body – the Ministry of energy of the Republic of Kazakhstan did not provide free land plots and connection points to the electric grid.

In connection with the changes in the Rules of the auction adopted this year, in order to participate in the auction, the participants admitted to the trading session provided land plots and connection points to the electric grid during registration in the organizer's trading system, prepared in accordance with the legislation of the Republic of Kazakhstan. The unit capacity of projects admitted to participate in the auction was 2.5 MW and 4.5 MW. All companies admitted to participate in the auction – representatives of Kazakhstan.

The ceiling tariff for HPP projects in 2019 is equal to the maximum tariff of the auction winner 2018 and is 15.48 KZT/kWh.

The trading session was opened at 14-00, Nur Sultan time.

During the trading session, participants submitted 2 applications. To determine the winners of the auction took 60 minutes. The trading session was opened at 15-00, Nur-Sultan time.

According to the Rules of the auction, two conditions were met to calculate the auction prices and determine the auction winners:

- 1) total installed capacity demand volume for this auction was 5 MW, the total installed capacity applications volume for participation was 7 MW or 140% of the installed capacity demand volume;
- 2) the number of participants registered and admitted to the relevant auction in the trading system - two.

According to the results of the auction for selection of RES projects (16.09.2019 – small HPP) winners were determined as follows:

**1) Shet-Merke-Energo LLP and 2.5 MW per 15.43 KZT/kWh, which will be located near the village Togyzbulak of Raiymbek district of Almaty region;**

**2) Zhetisu Zher ABS LLP - 4.5 MW per 15.48 KZT/kWh, which will be located near the village of Saty of Raiymbek district of Almaty region.**

According to paragraph 55 of the Rules of the auction, the total volume of purchased capacity was increased from 5 MW to 7 MW.

Average value of auction price was 15.46 KZT/kWh. Average decline in auction rate vs marginal rate was 0.02 KZT/kWh, or 0.1%.

Average auction price for small HPP (installed capacity projects from 0.1 to 10 MW inclusive) in 2018 was 13.34 KZT/kWh. The value of the average auction price for small hydropower plants, determined by the results of the auction in 2019, is 15.9% higher than in 2018.