NEWSLETTER

ENERGY

SEP 25

HIGHLIGHT OF THE MONTH

In September, the Electricity Trading Chamber (“CCEE”) carried out the first financial settlement of the Short-Term Market (“MCP”), with a direct impact on the reduction of liabilities arising from hydrological risk, as accumulated in recent years. The National Electric Energy Agency (“ANEEL”), in turn, approved the extension of the concession periods for eight plants participating in the Centralized Competitive Mechanism (“MCC”), in accordance with guidelines from the Ministry of Mines and Energy (“MME”).

In the field of infrastructure expansion, the 3rd Auction for Supply to Isolated Systems was held, with 50 MW contracted and more than R$312 million expected in investments to serve locations outside the National Interconnected System. In addition, ANEEL confirmed Transmission Auction No. 4/2025, with an estimated R$5.53 billion in investments spread over seven lots, to be held on October 31, 2025.

At the same time, the MME held public consultations on opening up the low-voltage market and guidelines for implementing smart meters. At the institutional level, ANEEL published a review of its decision-making and administrative rules, consolidating practices and adjusting procedures in line with legal requirements.

In the field of reforming the electricity sector, we would highlight the approval of Provisional Measure No. 1,300 (“MP”), converted into Law No. 15,235, the start of the granting process for energy storage systems co-located with generating plants, and the regulation of discounts on tariffs for use of the transmission (“TUST”) and distribution (“TUSD”) systems for renewable power plants.

NEWS

ANEEL REVISES DECISION-MAKING AND ADMINISTRATIVE RULES

ANEEL has published Organizational Standard No. 1, a new provision that revises and consolidates the rules of the agency's decision-making and administrative process. The update is in line with the new Internal Regulations, as well as incorporating the requirements of Law No. 13,848/2019 - the Law on Agencies - and formalizing practices already adopted historically by ANEEL.

Among the main points revised in the decision-making process, there were changes to the distribution of cases, the definition of agendas, the holding of meetings and requests for views. Noteworthy is the creation of the Deliberative Circuit, which allows electronic and asynchronous decisions by the Collegiate Board, without the need for a face-to-face meeting. Requests for views now have a maximum time limit of 60 days for issues relating to the electricity sector and 30 days for administrative matters, with the possibility of a single extension, unless there are justified exceptions. Oral arguments have also been authorized by recorded video, sent by 4pm the day before the meeting, and votes must be available before the start of the sessions, reinforcing transparency.

Within the scope of the administrative process, the rule regulated the issue of precautionary measures, which may be granted by ANEEL's Board of Directors, ex officio or upon request, as long as there is a likelihood of the right and a risk of damage, being prohibited when there is a danger of irreversibility of the effects of the decision.

ELECTRICITY SECTOR MAKES PROGRESS IN RELEASING AMOUNTS HELD BACK BY JUDICIALIZATION OF HYDROLOGICAL RISK

On September 9, the CCEE carried out the first financial settlement of the MCP following the implementation of the MCC in August, with R$792.59 million being traded in securities referring to accumulated debts in the MCP associated with hydrological risk, representing a 72% reduction in debt.

The operation resulted in a significant reduction in the amount processed: from R$1.09 billion in June to R$310.46 million in September - the lowest amount recorded since 2015.

Complementing this progress, ANEEL approved, on September 16, the extension of the concession periods for eight plants that won the MCC. Six hydroelectric plants and two small hydroelectric plants had their contracts extended by up to seven years (2,555 days), in accordance with the guidelines established by MME Ordinance No. 112/2025.

ANEEL AND CCEE HOLD AUCTION TO SUPPLY ISOLATED SYSTEMS IN 2025

On September 26, ANEEL and CCEE held the 3rd Auction to Supply Isolated Systems in 2025. The result represents more than R$312 million in investments and 50 MW contracted to supply electricity to locations in Amazonas and Pará that are currently not connected to the SIN.

Lot 1, intended to serve the isolated areas of Amazonas, had multiple generating plants bidding and reached a discount of 22.01%, with fixed annual revenue of R$ 17.5 million. Lot 3, in Pará, offered one plant and achieved a 46.89% discount in the bidding process, with fixed annual revenues of R$48.2 million. The contracts signed provide for 180 months of service to the Northern Region.

The supply options include hybrid solutions, such as photovoltaic plants, diesel thermal plants and storage systems. The deadline for commercial operation of the projects in the two lots is December 20, 2027.

ENERGY TRANSMISSION

ANEEL CONFIRMS TRANSMISSION AUCTION NO. 4/2025

On September 23, ANEEL approved the public notice for Transmission Auction No. 4/2025, after it had been assessed by the Federal Court of Auditors (“TCU”). Scheduled for October 31 at the B3 headquarters in São Paulo, the auction will have seven lots, with an expected investment of R$5.53 billion.

The purpose of the public tender is the construction and maintenance of 1,081 km of transmission lines and sections, as well as the implementation of 2,000 MW in transformation capacity. Among the seven lots planned, the financial highlight is lot 4, with an estimated investment of R$1.25 billion, which involves around 350 km of transmission lines and the construction of the 500/230 kV Vilhena 3 substation, in the states of Mato Grosso and Rondônia, to reinforce the Acre-Rondônia subsystem. Lot 3, referring to Rio Grande do Sul, returns to the bidding process after being withdrawn from Auction 02/2024 due to the floods in the state, with changes to the location of substations and equipment to ensure greater safety in future operations.

Lots 1B, 7, 8, 9 and 10, initially included in the notice for Transmission Auction No. 4/2025, were withdrawn from the tender and transferred to the first auction of 2026 at the request of the MME. These lots are linked to contracts awarded in auctions held in 2020 and 2021, whose expiration was recommended by ANEEL on May 13, due to non-compliance with implementation deadlines. In response, the MME asked the TCU to open a consensual solution process to deal with these contracts.

ENERGY TRADING

ANEEL APPROVES IMPROVEMENTS TO MARKETING RULES

On September 9, ANEEL approved the result of Public Consultation No. 061/2021 (“CP 061/2021”), with the aim of improving the energy trading rules. The decision included the validation of modules 16 - "Readjustment of CCEAR Revenue Parameters" - and 27 - "Contracting Capacity Reserves".

The agency also determined that the National Grid Operator (ONS) and the CCEE must make the necessary operational adjustments, as provided for in the operating agreement between the institutions, to ensure compliance with the contractual provisions and the new rules approved. In addition, the CCEE must justify and disclose, on a public platform, the percentage applied each month to set up the Guarantee Funds related to Capacity Reserve and Reserve Energy.

During the third phase of CP 061/2021, ANEEL received 16 contributions from nine agents. Of these, four were fully accepted, two were partially accepted, five were rejected and another five were considered to be already covered by the existing rules.

REFORM OF THE ELECTRICITY SECTOR

NATIONAL CONGRESS APPROVES PROVISIONAL MEASURE NO. 1300

On September 17, Congress approved Provisional Measure 1,300 of May 21, 2025, which was originally intended to promote structural changes in the electricity sector.

Among the highlights, the Provisional Measure extended the scope of the Social Electricity Tariff ("TSEE"), ensuring that low-income families with monthly consumption of up to 80 kWh have access to energy at a discount or total exemption. The rule, in force since July 5, benefits consumers registered in the Single Registry (CadÚnico) with an income of up to half the minimum wage per person, as well as families with beneficiaries of the Continuous Cash Benefit ("BPC"). For these groups, consumption of up to 80 kWh is exempt from charges; above that, only the excess is payable. For example, if consumption is 100 kWh, the user will only pay for the excess 20 kWh.

The final text approved differs from the original version of the legislative proposal, which sought to amend various laws and institutes in the electricity sector. Thus, it is expected that other issues being debated in the sector, such as the opening up of the low-voltage market, restrictions on self-production and the application of the benefit in the connection tariff and constrained-off, will be the subject of analysis in Provisional Measure No. 1,304/2025, which is currently being processed.

On October 8, the Provisional Measure was sanctioned and converted into Law No. 15,235.

MME OPENS PUBLIC CONSULTATION ON OPENING UP THE LOW-VOLTAGE MARKET AND RULES FOR EXERCISING THE ROLE OF SUPPLIER OF LAST RESORT

On September 2, the MME opened Public Consultation No. 196/2025 ("CP 196/2025"), which deals with the regulation of the opening up of the electricity market for consumers served by voltage below 2.3 kV and the rules for exercising the Supplier of Last Resort ("SUI").

CP 196/2025 proposes rules for consumers to return to the regulated market after migrating to the free environment, including deadlines and a requirement for prior communication to energy distributors. It also addresses aspects related to metering, digitalization of networks and the need for information campaigns to make consumers aware of the opening up of the energy market.

The CP also opens up for debate issues relating to the SUI, which is the agent responsible for guaranteeing the supply of electricity to free market consumers who are left without a current contract. The proposed rules deal with the definition of the agent responsible for providing the service, the eligible consumers, the situations in which the supply will be mandatory, the maximum term of service, the waiver of ballast for contracting and the criteria for calculating and allocating the costs involved.

CP 196/2025 is open until November 17 for contributions aimed at improving the regulations.

ANEEL STARTS LICENSING PROCESS FOR COLOCATED STORAGE SYSTEMS

On October 9, ANEEL published Official Letter No. 552 from the Office of the Director General, in which it announced that it will begin examining grant applications for Energy Storage Systems ("ESS") only in the form of ESS colocated with generating plants.

Those interested in requesting the installation of SAEs collocated with generating plants that have already been granted a concession must submit an application comprising: (i) a general arrangement of the project, containing the delimitation of the polygonal area of the energy storage system and the network of restricted interest; (ii) a technical study with an estimate of the annual injection of electricity associated with the project, including the expected operating profile, overall system efficiency, discharge power, storage capacity, description of the technology and equipment adopted; (iii) an environmental license compatible with the technical characteristics of the project, including the SAE; (iv) a Transmission System Use Agreement ("CUST") for the generating plant and, if applicable, a Distribution System Use Agreement ("CUSD"), both accompanied by the access opinion or equivalent document; (v) an Executive Summary for issuing the concession; and (vi) a Declaration of Compliance with regulatory requirements.

ANEEL said that requests will be analyzed on the basis of the legislation in force and the applicable technical criteria, noting that the specific regulations are still in the process of being drawn up and approved.

ANEEL REGULATES DISCOUNT ON TARIFFS FOR THE USE OF TRANSMISSION AND DISTRIBUTION SYSTEMS FOR RENEWABLE POWER PLANTS

On October 7, ANEEL approved ANEEL Normative Resolution No. 1,134 ("REN 1,134/2025"), which regulates the TUST/TUSD discount granted to renewable generation plants classified as incentivized. The measure complies with the TCU's determinations, which pointed out irregularities in the splitting up of projects to obtain subsidies.

REN 1,134/2025 introduces the concept of a "generation complex" to verify the legal limit of 300 MW of injected power, a necessary criterion for granting the tariff benefit. Thus, generating plants must cumulatively meet the following requirements to be classified as part of the same generation complex:

(i) access the grid sharing the same connection point;

(ii) use the same generation technology; and

(iii) share a common direct or indirect controller, or are affiliated companies.

In this context, ANEEL must be informed of corporate changes that imply changes in the classification, in order to update the authorizing acts.

In addition, the new regulation establishes that the calculation of the injected power limit takes into account the sum of the powers of the plants that make up the same complex, and that the CCEE is responsible for the respective measurement and for forwarding it to the ONS for calculation of the Transmission System Use Charge ("EUST"). The application of the rule will not be retroactive and will be valid for power plants with grant applications that have been the subject of a Declaration of Continuation of Authorization ("TDPA") or Suspension of Authorization ("TDSA"), or that have been filed after November 22, 2023.

PUBLIC CONSULTATION

MME OPENS PUBLIC CONSULTATION ON GUIDELINES FOR THE IMPLEMENTATION OF SMART METERS

The MME has opened Public Consultation No. 198/2025 ("CP 198/2025"), which deals with a proposal for guidelines for the implementation of smart meters in the short term, followed by a Regulatory Impact Analysis, and for the presentation of a cost-benefit analysis for the implementation of smart meters in the medium and long term by electricity distributors. CP 198/2025 is part of the policy to encourage the gradual digitalization of electricity networks, established by Normative Ordinance No. 111/2025 ("Ordinance").

In the context of the Ordinance, the public consultation presents as its main guidelines: (i) the installation, in the short term, of additional smart meters in 4% of consumer units in concession areas; (ii) the definition of the minimum functionalities of this equipment, its ownership and financing model; (iii) the possibility of using resources from the Energy Efficiency Program ("PEE") to make the installation feasible; and (iv) guidelines for the preparation of the Cost-Benefit Analysis ("ACB"), with a view to expanding the implementation of smart meters in the medium and long term.

CP 198/2025 is open until October 21 for contributions aimed at improving the proposal.

PUBLIC CONSULTATION

ANEEL:

Nº64/2022(2ND PHASE)

OBJECTIVE:

To obtain subsidies and information for the drafting of a Normative Resolution approving the revision of ANEEL Organizational Standard No. 40/2013, which provides for the Agency's Regulatory Governance and its instruments: the Regulatory Agenda, the Regulatory Impact Analysis - AIR, the Regulatory Result Assessment - ARR and the Regulatory Stock Management.

Contribution period: From 09/25/2025 to 11/10/2025

Link: Public Consultations - ANEEL

MME:

Nº197/2025

SUBJECT:

Proposal to define the annual compulsory targets for RenovaBio (Cycle 2026 - 2035)

Contribution period: From 09/11/2025 to 10/26/2025

Link: Public Consultations - MME

Nº196/2025

SUBJECT:

Regulation of the opening up of the electricity market to consumers with a voltage of less than 2.3 kV and the rules for exercising the Supplier of Last Resort (SUI).

Contribution period: From 09/02/2025 to 11/17/2025

Link: Public Consultations - MME

CALLS FOR SUBSIDIES:

Nº 12/2025

SUBJECT:

To obtain subsidies for the formation of the Database to be used in the analysis of regulatory results and revision of Proret Submodule 2.5 and 2.5A, with regard to the Pd (Productivity) component of Factor X.

Contribution period: From 09/15/2025 to 11/07/2025

Link: Calls for Subsidies - ANEEL

CONTACT US

Our newsletter aims to keep our clients up to date with the latest news and regulatory changes in the electricity sector. For detailed legal advice, please contact our team of energy law specialists:

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