

ENERGY

MAR 26

HIGHLIGHT OF THE MONTH

In March 2026, in the generation sector, the Brazilian Electric Energy Agency (“ANEEL”) stepped up its oversight of the deployment of photovoltaic power plants, revoking authorization grants. Furthermore, we highlight the main challenges and opportunities for self-generation of energy following the entry into force of Law No. 15,269/2025, which significantly altered the Brazilian electricity sector.

Furthermore, in the power transmission sector, it is worth highlighting the main issues, claims and disputes surrounding the rules for access to the Basic Network, particularly regarding access requests from data centres, which are rapidly developing in Brazil. Furthermore, ANEEL has published the results of Transmission Auction No. 1/2026 and the launch of Public Consultation No. 006/2026, regarding the notice for Transmission Auction No. 4/2026.

Furthermore, regarding Energy Storage Systems (“ESS”), ANEEL authorized the first battery co-located with a power generation plant. In parallel, Public Consultation No. 39/2023, aimed at establishing a specific regulatory framework for energy storage, remains under discussion at the Agency, with certain issues still pending resolution.

Finally, in the distribution segment, it is worth noting the extension of 14 concessions, following ANEEL’s recommendation based on Decree No. 12,068/2024. Progress has also been made on the regulatory agenda through Ministry of Mines and Energy (“MME”) Public Consultation No. 219/2026, which puts forward regulatory models for the adoption of the Independent Verifier for discussion, reinforcing the debate on oversight, data reliability and governance in distribution concessions.



NEWS

POWER GENERATION AND CONSUMPTION

ANEEL INTENSIFIES OVERSIGHT OF THE DEPLOYMENT OF PHOTOVOLTAIC POWER PLANTS

During March 2026, ANEEL revoked the authorization grants for 14 photovoltaic power plants due to delays in meeting the implementation and commercial operation milestones. According to the assessment by the technical department and the Board of Directors, these are projects that have not sold energy at auctions and whose economic, financial, environmental, land and contractual situations indicate that they are not viable in the medium or long term.

The ANEEL Board considered that the repeated failure to comply with the obligations set out in the licenses constitutes a hindrance to the development of the authorized activities and constitutes systematic default by the operators, justifying the application of the revocation sanction.

In this context, the Agency emphasized that any licensed projects that breach legal, regulatory, contractual or license-specific obligations remain subject to enforcement actions, particularly those relating to delays in implementation capable of impacting sectoral planning. It was highlighted, in particular, that capacity utilization at connection points may compromise transmission planning and restrict access to the system for projects with a higher probability of implementation.

ANEEL also clarified that access via Other Transmission Facilities (“DIT”) does not exempt projects from compliance with sectoral planning. Furthermore, the revocation of the license

does not preclude any additional legal consequences, including obligations assumed in regulated contracts, sectoral charges and liability in other spheres.

Finally, at the end of March, Casa dos Ventos filed a request with ANEEL to initiate an inspection process involving projects by competing companies, which account for approximately 9 GW of installed capacity. According to the company, such projects are unlikely to be viable, which is why it advocates for their review and eventual exclusion from the planning of the electricity sector's expansion. Taken together, these recent developments signal a tightening of the Agency's regulatory and enforcement stance in monitoring the implementation of power generation plants.

GOVERNMENT EXTENDS PROINFA CONTRACTS

On 31 March, the Brazilian Nuclear and Binational Energy Holding Company ("ENBPar") signed the extension of 83 Incentive Program for Alternative Sources of Electric Power

("Proinfa") contracts for a further 20 years. The move follows Decree No. 12,834 of 26 January 2026, which stipulated that the formalisation of the amendment clauses should take place by the end of March.

Decree No. 12,834 introduced new reference prices, adjusted for inflation: R\$ 285/MWh for hydroelectric power and R\$ 189/MWh for wind power. It also guaranteed rights to generators, such as the maintenance of the mechanism for renegotiating hydrological risk, the possibility of an extension subject to a fee, and the option to reduce the contracted amount, with no changes permitted after the amendment has been signed.

The plants covered account for 6,102 MWh of contracted energy, distributed among Small Hydroelectric Plants (SHPs), Biomass and Wind power. Of the total, 61 are SHPs, accounting for 5,174 MWh; 18 biomass plants (516 MWh); and 4 wind farms (412 MWh).

GOVERNMENT ESTABLISHES TECHNICAL GROUP TO STUDY SMALL REACTORS AND MODULAR MICROREACTORS

On 7 January, the Brazilian Nuclear Programme Development Committee (“CDPNB”) established, through CDPNB Resolution No. 43, a Technical Group with the aim of studying the national infrastructure for nuclear power reactors, with a view to accommodating Small and Modular Reactors.

The Technical Group comprises representatives from various Brazilian government bodies and entities, as well as institutions from the nuclear and energy sectors. The work will be coordinated by the MME and is to be completed within 180 days, with the possibility of a single extension of up to 90 days. At the end of this period, a technical document will be submitted to the CDPNB outlining the main challenges and opportunities related to the national infrastructure for nuclear power reactors, taking into account technological, institutional, regulatory and environmental aspects.

The MME, with support from the Energy Research Office (“EPE”), has identified prospects for the implementation of small modular reactors with a capacity of between 10 and 300 MW. Among the main advantages highlighted are:

- i. the modularization of the units, which has the potential to reduce costs and speed up the construction of the projects;
- ii. the possibility of use in remote locations, including in isolated systems; and
- iii. the potential for installation in industrial areas, reducing investment in power transmission.

The agency also highlights that Brazil occupies a prominent position in the global ranking of uranium reserves, a factor that contributes to the assessment of the feasibility and safety of using small modular reactors within the context of national energy policy.

For further information on the introduction of Small Modular Reactors, the energy transition and regulatory challenges, see the article prepared by the firm’s professionals: [SMRs in Brazil: Energy Transition and Regulatory Challenges – CanalEnergia](#)

ACCESS TO THE TRANSMISSION SYSTEM

DATA CENTRES AND ACCESS TO THE ELECTRICITY GRID

The rapid expansion of data centres in Brazil has brought into sharp focus a set of strategic issues linked to access to the electricity grid (which were already gaining prominence due to the continuous growth in demand), with implications that extend far beyond this segment and affect the electricity sector as a whole — particularly following the introduction of the National Policy on Access to the Transmission System (“PNAST”).

Our Energy and Telecom/Data Centres practices have compiled an overview of the main issues, claims and disputes surrounding grid access rules, available in [‘Data Centres and Access to the Electricity Grid: what is at stake’ – Cescon Barrieu – Legal Intelligence Center](#). The material addresses issues relevant to both large-scale consumers and generators, distributors and other industry players, including financiers of the underlying projects, as well as an analysis of recent cases illustrating the growing litigation surrounding the issue.

It is worth noting that ANEEL Consultation No. 5/2026 is currently underway, open until 30 April, aiming to gather contributions for the improvement of the rules governing access to the transmission system with the objective of assessing gaps, modernizing procedures and ensuring the rules align with the current reality of the electricity sector. Furthermore, we would like to remind you that MME Public Consultation No. 217/2026, which discusses the proposed guidelines for the PNAST Access Seasons, closed on 31 March and we are monitoring any developments.

SELF- GENERATION

NEW REGULATORY FRAMEWORK BRINGS OPPORTUNITIES AND CHALLENGES FOR ENERGY SELF-GENERATION

With the entry into force of Law No. 15,269/2025, developers, generators, consumers and financiers are faced with a new regulatory landscape for self-generation projects.

The new regulatory framework has introduced key elements to be considered in both the structuring and management of this type of project. Among other implications, the changes have altered the minimum demand and equity participation requirements, as well as other parameters that guide the selection of the most appropriate model for each case — whether through local self-generation, leasing, off-grid arrangements or consortia

Furthermore, the regulatory environment has imposed a growing need for flexibility and adaptability. Added to this challenge is the legal uncertainty arising from overlapping regulatory changes — Provisional Measures 1,300 and 1,304 and Law No. 15,269 dealt with certain common matters in different ways, giving rise to some divergent interpretations in the market that unduly persist to this day — and the regulatory gaps that still exist: ANEEL and CCEE, for example, have not yet issued the necessary regulations to clarify the implementation of certain new rules introduced by Law No. 15,269.

In this context, extra care is essential when structuring new projects or managing contracts entered into under previous regulations, the premises of which may no longer apply, or even under the current regulations, as the relevant rules are still pending. Notwithstanding the challenges inherent in a new regulatory framework, the self-generation market remains full of opportunities for those players who know how to navigate this new phase safely and strategically.

STORAGE SYSTEMS

ANEEL AUTHORIZES FIRST CO- LOCATED STORAGE SYSTEM

On 2 April, ANEEL authorized the first co-located Energy Storage System, which involves installing the storage system alongside the generation plant, with shared connection facilities to the main grid. In this configuration, energy can be stored and subsequently fed into the system as required.

The regulatory framework adopted treated the ESS as a modification of the technical characteristics of the generation project, utilizing the regulatory framework already applicable to power plants, including with regard to the procedures for licensing, metering and contracting the use of the transmission system.

In parallel, specific regulation of energy storage remains under discussion within the scope of Public Consultation No. 39/2023, with relevant definitions still pending on issues such as inspection fees, the regulatory framework and the tariff regime applicable to SAEs. On 7 April, during ANEEL's Ordinary Public Meeting, a request for further consideration was made, which postponed the conclusion of the discussion arising from the introduction of Law No. 15,269/2025 and the amendments relating to energy storage facilities.

For further details on the procedure, the form of the request and the applicable technical criteria, please refer to our sector [newsletter of September 2025](#).

ENERGY TRANSMISSION AUCTIONS

ANEEL CONCLUDES TRANSMISSION AUCTION NO. 1/2026 AND OPENS PUBLIC CONSULTATION FOR NEW TENDER

ANEEL has published the results of Transmission Auction No. 1/2026 and the opening of Public Consultation No. 006/2026 for the next auction. In the auction held in March 2026, five lots were awarded, with an estimated R\$ 3.3 billion in investments, covering 798 km of transmission lines and 2,150 MVA of transformer capacity, spread across 11 states. Furthermore, the winning bids showed an average discount of 50.69% relative to the maximum Annual Permitted Revenue (“RAP”).

In this context, ANEEL submitted the draft notice for Transmission Auction No. 4/2026 to Public Consultation No. 006/2026, which brings together projects with an estimated R\$ 11.3 billion in investments for the deployment of 2,069 km of new lines and substations, as well as 13,564 MVA of transformer capacity, with assets located in seven states and implementation periods ranging from 36 to 60 months.

Thus, given the high demand on the national electricity systems, mainly due to the proliferation of data centres in Brazil, these auctions play a significant role in the development of Brazil's electricity infrastructure.

ENERGY DISTRIBUTION

MME FORMALISES RENEWAL OF 14 ENERGY DISTRIBUTION CONCESSIONS

On 6 April, the MME published an order authorizing the extension of the concessions of 14 electricity distributors, following a recommendation submitted by ANEEL, covering contracts due to expire between 2026 and 2031. Now, the concessionaires, including Light, Neoenergia Coelba, CPFL Piratininga, EDP São Paulo, Equatorial Maranhão, Energisa Paraíba and RGE, are awaiting the release of the addenda by ANEEL for signature.

Prior to the ministerial decision, ANEEL conducted an individual technical analysis of each concession, based on the criteria established by Decree No. 12,068/2024. At this stage, the distributors' compliance with tax, labour, sectoral, legal, technical and economic-financial regulations was examined, in addition to service continuity indicators, in particular the Equivalent Duration of Interruption per Consumer Unit ("DEC"), and the Equivalent Frequency of Interruption per Consumer Unit ("FEC"), which measure, respectively, the duration and average frequency of interruptions experienced by consumers. The economic and financial management parameters set out in Normative Resolution No. 948/2021 were also assessed, as these were used as a condition for formalising the recommendation for extension to the MME.

Thus, ANEEL, in conjunction with the MME, formalizes and guarantees the continuity of the provision of the public distribution service, after certifying the technical and economic viability of the aforementioned concessions.

MME ADVANCES THE DISCUSSION ON THE INDEPENDENT VERIFIER AND SUBMITS REGULATORY SCENARIOS TO PUBLIC CONSULTATION NO. 219/2026

The current regulatory discussion on the Independent Verifier in electricity distribution concessions and permits began with MME Normative Ordinance No. 111/2025, which already permitted, on an optional basis, the use of this instrument as an additional performance assessment mechanism. The Independent Verifier, in a concession, is the impartial technical entity responsible for verifying and certifying the concessionaire's compliance with contractual obligations, particularly performance indicators and service levels.

Subsequently, the issue was further developed through MME Public Consultation No. 201/2025, in which the MME submitted for public consultation a proposal for more structured guidelines and rules governing the appointment and operations of the Independent Verifier, focusing in particular on the validation of continuity indicators such as DEC and FEC, as well as the analysis of outages and the verification of supply quality. Based on contributions received from sectoral stakeholders, consumers, the ONS and the CCEE, the MME consolidated the main technical elements in Technical Note No. 2/2026/DPSE/SNEE, which reinforced the need for further analytical examination of the issue.

Subsequently, this initiative led to the preparation of the Regulatory Impact Analysis (“AIR”), submitted for MME Public Consultation No. 219/2026, with the aim of evaluating, in a structured manner, the different regulatory approaches to addressing the issue of the reliability of data used in distribution oversight and in the formulation of sectoral public policies. In this context, the RIA compared four alternatives: (i) maintaining the current model; (ii) institutional strengthening of ANEEL; (iii) the Agency engaging an Independent Verifier; and (iv) the concessionaire itself engaging an Independent Verifier. Although the report indicated, in its comparative analysis, that strengthening ANEEL was the preferred alternative, the document provided a full analysis of the scenarios involving independent verification, including risk assessment, mitigation mechanisms and governance strategies.

Consequently, Public Consultation No. 219/2026 was issued with two draft regulatory proposals corresponding to the possible scenarios for implementing the Independent Verifier, namely:

- (i) the scenario of contracting by ANEEL, through a public call for tenders, terms of reference and prior definition by the MME of the concessions subject to the mechanism; and
- (ii) The scenario of contracting by the concessionaire itself, with specific rules on eligibility, independence, term of validity, rotation of verifiers, access to operational data and the distributor’s duty to cooperate.

Thus, the current stage of the regulatory process shifts the debate from the mere abstract desirability of the institution to a comparison between concrete regulatory models for implementation, already accompanied by regulatory instruments suitable for their eventual adoption.

Thus, the current situation demonstrates that the Independent Verifier remains a regulatory alternative effectively considered by the MME, even though the strengthening of institutional oversight capacity was identified as the preferred solution in the RIA. In terms of the timeline, a progressive evolution of the issue can be observed: from an initially optional model, the process moved to public discussion of its structure, followed by a comparative assessment

via the AIR, and finally to consultation on specific draft regulations. Consequently, the process currently underway signals a phase of regulatory consolidation, in which the focus shifts from the existence of the instrument to which institutional design best meets the objectives of data reliability, oversight and sectoral governance.

PUBLIC CONSULTATIONS

ANEEL:

NO.007/2026

SUBJECT:

To gather input for the establishment of an exceptional regulatory mechanism regarding the maintenance of Transmission System Use Contracts (CUST) entered into by power generation plants.

Contribution period: 16/04/2026 to 30/04/2026

Link: Consultas Públicas - ANEEL

NO.006/2026

SUBJECT:

To gather input to refine Auction Notice No. 4/2026, concerning the procurement of public electricity transmission services.

Contribution period: 09/04/2026 to 25/05/2026

Link: Consultas Públicas - ANEEL

NO.003/2026

SUBJECT:

To gather input for the improvement of Submodule 6.2 of the Tariff Regulation Procedures (PRORET).

Contribution period: 01/04/2026 to 18/05/2026

Link: Consultas Públicas - ANEEL

M M E :

N O . 2 1 8 / 2 0 2 6

SUBJECT:

Proposal for guidelines on the adoption of double accounting in the Short-Term Market (MCP) and for the transition to electricity quantity bids to be considered in energy optimization processes and short-term price formation.

Contribution period: 02/03/2026 to 15/05/2026

Link: Consultas Públicas

SOURCES OF INFORMATION

ANEEL:

NO. 008/2026

SUBJECT:

To obtain input for the improvement of the sub-modules of the Network Procedures 2.5 – Criteria for operation (Criteria), 2.9 – Minimum electricity quality requirements for access to or integration with the Basic Grid (Requirements), 3.5 – Consolidation of load forecasts for electricity operation planning (Responsibilities), 3.8 – Updating of technical data for hydroelectric power stations (Responsibilities and Procedures), 4.2 – Scheduling of interventions at Grid Operation facilities (Responsibilities and Procedures), 4.3 – Monthly energy operation schedule (Procedures), 4.5 – Daily Operation Schedule (Procedures), 4.7 – Inclusion of hydraulic operating constraints for hydroelectric power stations (Responsibilities and Procedures), 5.7 – Load Management (Responsibilities and Operational), 8.1 – Contract Management (Responsibilities and Procedures), 8.3 – Monthly Calculation of Transmission Services and Charges and Sectoral Charges (Procedural), and 9.7 Basic Grid Electricity Quality Indicators (Indicators).

Contribution period: 10/04/2026 to 07/05/2026

Link: Tomadas de Subsídios - ANEEL

NO.007/2026

SUBJECT:

To obtain subsidies for the improvement of criteria to be used for the issuance and management of generation licenses and the management of transmission licenses, in compliance with Strategic Objective 05 of ANEEL's Strategic Plan 2024–2027.

Contribution period: 08/04/2026 to 07/05/2026

Link: Tomadas de Subsídios - ANEEL

NO.006/2026

SUBJECT:

To obtain subsidies relating to the Periodic Review of the Annual Permitted Revenue (RAP) of Electricity Transmission Concession Contracts for projects awarded through tender with a review date in July 2026.

Contribution period: 25/03/2026 to 08/05/2026

Link: Tomadas de Subsídios - ANEEL

NO.005/2026

SUBJECT:

To obtain subsidies for improvements to the rules governing access to the transmission system.

Contribution period: 17/03/2026 to 30/04/2026

Link: Tomadas de Subsídios - 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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