

Draft

Ordinance

on State aid to improve the continuity of supply in the electricity system

[Issued den 1 december 2025]

The following is hereby laid down.

Content of the Ordinance

Section 1 This Ordinance provides that the Swedish Energy Agency (Energimyndigheten) may grant state aid to companies for certain measures aimed at improving the continuity of supply in the electricity system.

Section 2 This Ordinance is issued by virtue of

- Chapter 8, Section 11 of the Instrument of Government with respect to Section 34; and
- Chapter 8, Section 7 of the Instrument of Government with respect to other provisions.

Terms and definitions

Section 3 For the purposes of this Ordinance, the following definitions shall apply:

biofuels: means the same as in the Act (2010:598) on sustainability criteria for certain fuels;

bio-cogeneration: means high-efficiency cogenerated production using biofuels;

renewable fuels: means the same as in the Act on sustainability criteria for certain fuels;

industrial grade roundwood: means saw logs, veneer logs, round or split pulpwood, as well as all other roundwood the characteristics of which, such as species, dimensions, quality, rectitude and node density, make it suitable for industrial use based on relevant forest and market conditions;

small-scale hydroelectric installation: means a hydroelectric installation with an installed electrical capacity of no more than 10 000 kilowatts;

support service: means a service necessary for the operation of a network operator's electricity network, with the exception of congestion management, which may be frequency-related or non-frequency-related.

Otherwise, the terms and expressions used in this Ordinance have the same meaning as in Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.

Conditions for aid and eligible measures

Section 4 Aid under this Ordinance may, if funds are available, be granted as investment aid in accordance with the conditions laid down in Chapter I and Article 41 of Commission Regulation (EU) No 651/2014.

Section 5 Aid may be provided in the form of a grant for measures involving:

1. conversion of a heating plant into a biofuel-fired combined heat and power plant;
2. investments in a new bio-cogeneration plant or in upgraded production capacity in an existing plant of this kind;
3. investments in a new gas turbine fuelled by renewable fuels or in upgraded production capacity in an existing installation of this kind;
4. investments in electricity or heat storage, if the storage facility is directly connected to a renewable electricity production plant; or
5. upgraded production capacity in a small-scale hydroelectric power plant.

Section 6 Aid may only be granted for a measure

1. in an area where the connection of electricity production, or the storage of electricity or heat, contributes to:
 - a) enabling the connection of new uses of electricity to the electricity grid; or
 - b) maintaining continuity of supply; and
2. which can be expected to be completed by 31 December 2031 at the latest.

Section 7 Aid may only be granted if it is a prerequisite for an investment that is profitable on commercial grounds.

Section 8 Aid for an installation for the production of electricity or heat from biofuels as referred to in Chapter 1, Section 3, second paragraph, of the Act (2010:598) on sustainability criteria for certain fuels, may be granted only if the fuel is covered by a sustainability certificate in accordance with the same Act.

Section 9 Aid may not be granted to an installation for the production of electricity or heat from industrial grade roundwood, stumps or roots.

Section 10 If information on aid is to be published in accordance with Article 9 of Commission Regulation (EU) No 651/2014, the aid may only be granted if the company consents to the publication.

Section 11 Aid may not be granted for measures that must be implemented in order to fulfil an obligation under law or other statute or pursuant to the conditions of a permit.

Section 12 Aid may not be granted to a company which:

1. is subject to an outstanding recovery order following a European Commission decision declaring an aid granted by a Swedish grantor illegal and incompatible with the internal market;
2. is in liquidation, has been declared bankrupt or is undergoing a corporal reorganisation;

3. has tax or fee debts or other debts that have been submitted to the Swedish Enforcement Authority and which, during recovery, are dealt with as a general case; or

4. has a debt that has not been paid in due time and relates to the recovery of grants awarded by the Swedish Energy Agency.

Section 13 Aid may not be granted if the beneficiary is subject to a business prohibition. If the beneficiary is a legal person, the natural person or persons who have a significant influence on its activities may not be subject to a business prohibition.

Section 14 Aid may only be granted to companies that are approved for F-tax or, in the case of foreign entrepreneurs and companies, have a certificate or other document showing that the entrepreneur or company is subject to equivalent control in terms of taxes and fees in their home country.

Section 15 Aid for eligible labour costs may only be granted if the company performing the work is approved for F-tax or, in the case of foreign entrepreneurs and companies, has a certificate or other document showing that the entrepreneur or company is subject to equivalent control in terms of taxes and fees in their home country.

Applications for aid

Section 16 An application for aid shall be made in writing by an authorised representative of the applicant or the applicant's representative and submitted to the Swedish Energy Agency in the manner specified by the Agency.

Section 17 An application for aid shall include:

1. the name of the applicant company, number of employees, annual turnover and balance sheet total;

2. a description of the measure and its financing, implementation and timetable;

3. a list of the costs of implementing the measure, including a description of the capital costs allocated, and an indication of the proportion of the costs for which aid is sought;

4. a cost-benefit analysis showing that the investment aid is a prerequisite for a positive net present value;

5. information showing that the measure is being taken in an area where the connection of electricity production or storage of electricity or heat contributes to enabling the connection of new electricity consumption to the electricity grid or to maintaining continuity of supply;

6. a description of whether and how the measure contributes to:

a) increased electricity production capacity in the two southernmost electricity areas (electricity areas 3 and 4), or locally in other electricity areas where the need is greatest; and

b) strengthened capability and reduced vulnerability of the electricity system; and

7. details about all other public aid that the applicant or someone else has applied for or been granted and that relates to the same eligible costs as the application.

The information referred to in points 1 and 3 of the first subparagraph shall be provided on the applicant's honour.

Section 18 Upon request by the Swedish Energy Agency, applicants for aid shall provide the information and documents required by the Agency to assess the application.

Section 19 An application for aid must have been received by the Swedish Energy Agency before the start of the eligible measure.

The examination of applications for aid

Section 20 The Swedish Energy Agency examines applications for aid in accordance with this Ordinance.

Section 21 Aid shall primarily be provided for measures that the Swedish Energy Agency assesses will be of greatest benefit to the electricity system by improving continuity of supply in the near term. When assessing the extent of such benefits that a measure may bring, the Agency shall take particular account of the extent to which the measure may contribute to:

1. increased electricity production capacity in the two southernmost electricity areas (electricity areas 3 and 4), or locally in other electricity areas where the need is greatest; and
2. strengthened capacity and reduced vulnerability of the electricity system, for example by providing support services.

Decisions on aid

Section 22 A decision on aid shall contain:

1. conditions stipulating that the beneficiary shall, at the request of the Swedish Energy Agency, provide the information and documents necessary for the evaluation of the aid; and
2. other conditions necessary to ensure compliance with the requirements of this Ordinance and to achieve the objectives of the aid.

The decision shall also specify the date by which the measure to which the aid relates must be completed and the date by which the final report on the measure must be submitted.

Section 23 Upon application, the Swedish Energy Agency may extend the time limit by which the measure must be completed and reported on, if there are special reasons for doing so.

Section 24 The Swedish Energy Agency may decide that:

1. a maximum of 20 per cent of the amount of aid granted shall be paid in advance;
2. a maximum of 30 per cent of the amount of aid granted shall be paid during the implementation of the measure for which the aid has been granted; and
3. the part of the aid that is not paid in advance or during the implementation of the measure for which the aid has been granted shall be paid annually, divided into up to seven years after the completion of the measure.

Section 25 The Swedish Energy Agency may reject an application for aid if the Agency, pursuant to Section 27, has decided not to pay out a previously awarded aid or, pursuant to Section 32, has decided to recover aid that has been paid out due to circumstances relating to the applicant or to a representative with significant influence over the beneficiary.

Obligation to report changes in circumstances

Section 26 Any person who applies for or has been granted aid under this Ordinance shall notify the Swedish Energy Agency as soon as possible of any change in circumstances which may affect the entitlement to aid or the amount of the aid.

Payment of aid

Section 27 The Swedish Energy Agency shall decide that aid shall not be paid, in whole or in part, if:

1. the applicant has provided incorrect information or has otherwise caused the aid to be granted on incorrect grounds or in an excessive amount;
2. the aid has, for a reason other than that referred to in point 1, been granted on incorrect grounds or in an excessive amount and the recipient should have realised this;
3. the aid has not been used or utilised in whole or in part, or there is reason to believe that the aid will not be used or utilised for the purpose for which it was granted;
4. the circumstances on which the decision to award the aid was based have changed in such a way as referred to in Section 26, and the applicant or beneficiary has not reported this;
5. the applicant or beneficiary has not, at the request of the Swedish Energy Agency, provided the information and documents referred to in Section 29 or participated in the evaluation referred to in Section 30;
6. a condition for the aid has not been met and the deviation is not minor; or
7. the beneficiary is in a situation as referred to in Section 12.

Final report

Section 28 A completed measure covered by aid under this Ordinance shall be reported to the Swedish Energy Agency together with a financial report and specified written documentation supporting the eligible cost.

Monitoring and evaluation

Section 29 The Swedish Energy Agency shall verify that the conditions for aid granted under this Ordinance are complied with.

If requested by the Swedish Energy Agency, the beneficiary shall provide the information and documents necessary to verify that the conditions for the aid have been met or to enable the Agency to assess the question of repayment liability.

Section 30 The Swedish Energy Agency shall evaluate aid granted under this Ordinance.

The beneficiary of the aid is obliged to provide the information requested by the Swedish Energy Agency and is otherwise obliged to

participate in the evaluation of the measure for which the aid has been granted.

Repayment and recovery

Section 31 The recipient of aid paid out shall be liable for repayment if the circumstances are such that aid is not to be paid out in accordance with Section 27.

Interest shall be paid on the amount that a beneficiary is required to repay in accordance with Section 6 of the Interest Act (1975:635) from the thirtieth day after the date on which the decision on recovery was made in accordance with Section 32.

Section 32 If a beneficiary is required to repay aid pursuant to Section 31, the Swedish Energy Agency shall decide to recover all or part of the aid with interest. The claim or interest may be reduced, in whole or in part, if there are special reasons for doing so.

Section 33 Provisions on the recovery and repayment of aid granted in contravention of the standstill obligation in Article 108(3) of the Treaty on the Functioning of the European Union (unlawful aid) are laid down in the Act (2013:388) on the application of the European Union's state aid rules.

Right to issue regulations

Section 34 The Swedish Energy Agency may issue regulations on the enforcement of this Ordinance.

Publication, reporting and registration

Section 35 Provisions concerning publication, reporting and registration can be found in Section 12a of the Act (2013:388) on the application of the European Union's State aid rules and in the Ordinance (2016:605) on the application of the European Union's State aid rules.

Appeals

Section 36 Section 40 of the Administrative Procedure Act (2017:900) contains provisions for lodging appeals with a general administrative court. However, decisions other than decisions under Section 27 and 32 may not be appealed.

This Ordinance enters into force on [x January 2026].

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