

Newsletter | July 2019

Editorial: New Greek government hits the ground running on energy issues

The New Democracy government that was just elected hit the ground running on energy issues, since there are important matters to be resolved, such as PPC's financial situation, and there is no time to waste.

The new energy minister, Kostis Chatzidakis, analyzed his plan to strengthen PPC with 500 million euros annually, through increasing power tariffs, promoting a voluntary exit program for workers and collecting past years' social charges (YKOs).

Other crucial issues are what happens with Crete's large interconnection project, but also the matter of providing capacity certificates for PPC's Ptolemaida 5 plant, which is under construction. So far, Brussel's silence is not encouraging.

Last but not least, the privatization of DEPA and HELPE will probably be analyzed by the government during fall. At the same time, the government has to keep close watch over Turkey's hydrocarbon actions in the Cypriot EEZ, since tensions are running high.

Greek government presents outline of plan to rescue PPC

Measures that will benefit PPC by about 500 million Euros per year were announced by the new government through prime minister, K. Mitsotakis and the energy minister, K. Chatzidakis. The goal is to turn PPC once more into a viable company, although the plan is far from easy to enforce.

Of those 500 million, about 200 million are expected to be collected through a single digit rise of power tariffs, which is going to be counterbalanced by the drop of the ETMEAR charge, while another 200 million are to be collected by PPC from the public interest services charges (YKOs) of past years.

At the same time, the government said it does not exclude the sale of a minority share of HEDNO, it will enforce a voluntary redundancy for 2,000 workers of PPC, it will abolish NOME auctions and will attempt to acquire availability of capacity certificates for lignite plants.

Faster licensing times and offshore wind in the energy ministry's "menu"

New undersecretary of the energy ministry, Gerasimos Thomas, announced the government's plan for renewables, saying that it promises fast development of the market with the goal of achieving national targets set by the EU and attracting investment.

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Mr. Thomas added that "we will build a specific regulatory framework for expanding the life of current RES plants. We are also beginning a strategic study for offshore wind farms".

He emphasized on the issue of licensing, where the acceleration of procedures is a constant request of the market. Specifically, he said that the average licensing time in Greece is 7 years, versus just 2 years in the case of the EU.

Furthermore, the undersecretary said that the government's goal in energy storage is to prioritize investing and research capital, both national and European, such as the Horizon Europe programs.

He added that the government "supports biomass and biogas plants, but also high enthalpy geothermal energy and initiatives in low enthalpy".

Demand for new renewables remains strong in RAE's latest licensing round

During RAE's most recent licensing round, investors submitted requests for 2.5 GW of new renewable projects.

More specifically, most of the capacity (2.1 GW) was about photovoltaics, as requests for 126 projects were submitted. At the same time, there were requests for 76 wind projects of 384.71 MW, 12 for small hydro of 10.026 MW and one for cogeneration of 2 MW.

It should also be noted that 15 big players submitted 122 requests for a total capacity of 1975.5 MW, of which 196.9 MW was wind energy.

Wind energy surpasses 3,000 MW in Greece during Q1 2019

According to ELETAEN's statistics for the first half of 2019, wind energy surpassed 3,000 MW of total capacity in Greece, since 107 new wind turbines were installed with 198 MW. This amounts to a growth of 7.1% compared to 2018.

Specifically, the total capacity reached 3,022.6 MW in projects either in commercial operation or in testing. 308 MW of wind farms now exists in non interconnected islands and 2,714.6 MW in the interconnected system.

Geographically, Sterea Ellada remains on top with 1017 MW (33.7%), Peloponnesse is second with 556 MW (18.4%) and Eastern Macedonia-Thrace has 416 MW (13.8%).



When it comes to the main players of the market, Terna Energieiaki holds first place with 554.1 MW (18.3%), EL-Tech-Anemos is second with 292 MW (9.7%), Iberdrola Rokas has 250.7 MW (8.3%), Eren has 242.7 MW (8%) and EDF EN Hellas has 238.2 MW (7.9%).

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