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Greek Renewable Energy Market Legislation

Key takeaways from the recent grid priority framework

Although the Ministerial Decree that surfaced in August 2022 does not provide the much-anticipated framework for PPAs in Greece but rather lays out the criteria for grid connection priority, it presents useful indications of how the market will evolve:

The framework covers up to 1500MW of projects with draft PPAs until October 2022. It is uncertain whether this is the first in a series of incentives for PPA-backed projects or if the total capacity of 1.5GW will be covered by the deadline. It definitely sets the stage for utility-scale projects, either wind or solar, to negotiate and close bilateral supply contracts with major industrial consumers, helping the market mature rapidly. This in turn will create a snowball effect, generating more interest from developers and industry alike.

Eligible PPAs only involve large domestic and commercial consumers, leaving households and foreign potential offtakers out of the picture – for the time being. The rationale behind this is that consumption from industrial consumers is significant and fluctuations in fixed costs, such as electricity, devastating for their budget. At the same time, PPA negotiations with large companies can be more straightforward than structuring a product for households or navigating cross-border energy interconnections and trade rules. Nevertheless, there are cases of corporate PPAs with foreign entities, such as the collaboration between CERO Generation and AXPO, as well as products for households, like Heron ENA, a small-scale long-term PPA for residential customers.

The minimum duration of eligible PPAs is set to 8 years, which is on the shorter side, but still renders a project bankable. This is in line with the trend observed in Europe, where in 2021 the length of publicly disclosed PPA deals was on average just over 11 years. Just 3 years earlier, in 2018 the average tenor was 14 years, dropping from 16.5 years in 2016, according to ICIS, the Independent Commodity Intelligence Services. Finally, the average tenure of PPAs reported in 2022 was 10 years.



1500 MW | Total capacity



Domestic off-takers only



8 Years | Minimum tenor

Renewable energy laws introduced that change the legal landscape

Law 4951/2022 (OJ 129/A/04.07.2022) "Simplification of RES licensing process"

The RES licensing process is simplified with the introduction of Law 4951/2022. The specific law also covers the licensing process for electrical energy storage systems; introduces a framework for the development of pilot marine floating solar projects; and specific amendments for energy and environmental protection. The purpose of this law is to modernize the licensing framework for Renewable Energy Sources, as well as introduce the digitalization of more parts of the process.

The main changes to the licensing process include:

- Reducing the average licensing period for new Renewable Energy Projects from five years to 14 months.
- Digitalization and simplification of the licensing process.
- Determines the regulatory framework for storage licensing.

Law 4964 (Government Gazette A 150/30.7.2022)

Provisions for simplifying environmental licensing, establishing a framework for developing Offshore Wind Farms, addressing the energy crisis, environmental protection, and other provisions.

Key points:

- Establishing the framework for the development of Offshore Wind Farms.
- Simplification of the environmental permitting and control process.
- Regulation of forest maps and permitted uses in forests/forest areas.

Ministerial decree 84014/7123 (OJ 433/B /12.08.2022) on Grid priorities

This law introduces a framework which sets out specific categories of RES, CHP and storage projects that are set to be prioritised to receive Grid Offers.

Determination of the priority framework for the granting of final Connection Offers for RES and CHP plants and storage plants by the Grid Operators including areas designated as saturated networks, notwithstanding any other general or specific provision, under Article 89 of Law No. 4951/2022.

Key points:

- A categorization is created for the granting of final offers for connection to the grid, based on priorities, to RES projects to be implemented.
- Separation into priority groups and subgroups, based on criteria including the distance of large projects from the country's borders, their inclusion in the strategic investments, their location in the deforested areas, and their combination with energy storage.

Government Gazette 275/B – 20.01.2023

Amendment of the decision of the Ministry of Environment and Natural Resources 84014/ 7123/12.08.2022. This amendment introduces changes in the total capacity of groups or subgroups in each category as per the Ministerial Decree 84014/7123, see above.

Further Simplification of RES licensing

Ministerial Decree DAPEEK/53607/1559/2023 (Government Gazette 3328/B/19-5-2023)

Electricity injection restrictions and Renewable Energy Sources (RES) and High-Efficiency Combined Heat and Power (CHP) plants and electricity storage plants by Article 10 of Law No. 4951/2022 (A' 245).

Law 5095/2024 (Government Gazette A 40- 15.03.2024)

The Greek government once again changes the priority categorisation on Grid Offer receival for RES projects. After the issuance of grid offers to projects with geographical or "strategic importance" criteria, the government defines new criteria for the RES projects that have a PPA draft.

In particular, priority is granted with a complete PPA and not a draft such as before, and three categories are formed:

- PPA with an electricity supplier which guarantees that the electricity will be sold to farmers.
- PPA with electricity supplier which guarantees that the electricity will be sold to industrial consumers.
- PPA directly with the industrial consumer.

Joint Ministerial Decree 55948/1087 /2023 (Government Gazette 3416)

This Ministerial Decree sets out the framework for Storage Auctions in Greece for the first time. In this Decree the terms for the first three auctions were announced regarding the capacity, maximum tariffs and technical specifications etc.

Offshore Wind – Legal framework

Introduction of law 4964/2022 sets the legal framework for offshore wind projects

The introduction of the specific law aims to kick-start the development of offshore wind projects, which will contribute towards the reduction energy dependency, decarbonization and dependency on fossil fuel. The aspiration is to construct 2 GW of offshore wind projects by 2030.

The key items introduced are:

- A national plan will be established imminently which will set out the areas of organized development of off-shore wind projects. The national plan will also set the conditions for development of off-shore wind projects.
- Specific exploration licenses will be issued to complete surveys, measurements and preliminary design in the areas of organized development.
- Following the exploration licensing process, a competitive tendering process will determine who will be licensed to develop and operate off-shore projects in the specific development areas.
- The competitive tendering process main criteria will be lowest offer in Euro per MWh.
- Further areas of organized development for off-shore wind will be introduced, following the issue of exploration licenses for the previously determined areas.



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 E-mail:
greecefic@gmail.com