

NEWSLETTER

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RECENT LEGISLATIVE DEVELOPMENTS IN THE SECTOR OF

RENEWABLE ENERGY SOURCES

Two recent laws, Law 4203/2013 (Gov. Gazette no. 235/A'/2013) and Law 4223/2013 (Gov. Gazette no. 287/A'/2013), introduced new, and amended existing, provisions on matters of renewable energy sources (RES).

The provisions pertain to the installation permit and relocation of the power plant, the installation of photovoltaics by autoproducers, and the extension of the current licensing suspension until end of 2014. In addition, the annual increase rate of the feed-in-tariff has been uniformly fixed for all types of RES producers.

Installation permits (art. 1 para. 1 Law 4203/2013)

According to art. 1 para. 1 of Law 4203/2013, which replaced art. 8 para. 10 of Law 3468/2006, the installation permit is issued once and is valid for 2 years. It may be extended twice, for 2 years initially and, thereafter, for another 18 months.

The two-year extension of the term of the installation permit requires that:

(a) the infrastructure or connection project works, which have been completed, correspond to expenses exceeding 50% of their total cost, or

(b) the agreements for the supply of the electromechanical equipment, which is required for the implementation of the project, have been concluded or the expenses that have been made exceed 50% of the purchase cost of such equipment, or



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(c) any required licence for due performance of the project, has been suspended pursuant to a court decision, or

(d) there is a statutory obligation for the performance of public tender in view of implementing the project.

The subsequent 18-month extension requires that:

(a) the completed works correspond to 40% of the total project cost of the expenses, or

b) any required licence for the due execution of the project has been suspended by court decision.

If the term of validity of the installation permit lapses without any request for commissioning of the station, the production licence is revoked, the relevant agreements are no longer valid and the process of sanctioning commences.

The production licence is not revoked, if part of the project, corresponding to 50% of the total cost of the investment, has been implemented until the lapse of validity of the installation permit, including any extensions. In this case, the sanctioning process is initiated and a new installation licence is issued following modification of the production licence and filing of the relevant request by the holder of the production licence.

Relocation of the power plant, article 3 of Law 4203/2013

According to article 3 para. 1 of Law 4203/2013, if the legal or regulatory framework of space planning changes after the issuance of the production licence or the Connection Offer for a RES power station, rendering installation of the station at the initially provided location impossible, the place of installation may be relocated once, following request of the interested party for modification of the production licence or Connection Offer respectively. The new location of the installation must lie within an area of 5 km from the boundaries of the initial location (article 3 para. 2 of Law 4203/2013).

Installation of p/v plants by autoproducers, article 6 para. 2 of Law 4203/2013

Article 14A of Law 3468/2006 was added, by virtue of article 6 para. 2 of Law 4203/2013, regulating issues of p/v plants owned by autoproducers, which are connected to the Grid. In areas that have been classified as saturated grid areas, the Grid Operator may limit the absorbed capacity. The energy excess, which results from the set-off between produced energy that is fed into the grid and consumed energy, is channeled to the Grid without any obligation of compensation of the autoproducers. The type, content and process of the power set-off agreement are set forth by ministerial decree.



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Tel: 00302103634417, 00302103390308 Fax: 00302103636791 Address: 23 Sina Street • GR-10680 • Athens info@mstr-law.gr www.mstr-law.gr The above stations do not fall under the provisions of article 13 of Law 3468/2006, relating to the invoicing of the power that is produced by RES stations, while they are exempted from the licensing suspension, pursuant to article 1 para. 3(b) of Law 3468/2006, as amended. Further, article 14A of Law 3468/2006 regulates installation of p/v plants by public entities, within the framework of trans-European programs.

Feed-in-tariffs for RES stations, article 7 para. 1 of Law 4203/2013

According to article 7 para. 1 of Law 4203/2013, which amends article 13 para. 6(a) of Law 3468/2006, the feed-in-tariffs of article 13 of Law 3468/2006 are uniformly increased for all types of RES projects annually by 25% on the consumer price index of the previous year, as defined by the National Statistics Service of Greece.

<u>Suspension of conclusion of connection and sale agreements for p/v plants,</u> <u>article 55 para. 1-4 of Law 4223/2013</u>

According to article 55 para. 1-4 of Law 4223/2013, the conclusion of connection agreements for p/v stations is suspended until 31/12/2014. The same applies to the sale agreements entered into between producers of p/v stations and the Operator of Electricity Market (LAGIE) or the Grid Operator for Non-Connected Islands. An exception applies to cases, for which the complete folder for the signing of the sale agreement has been filed until 9/5/2013. According to article 55 para. 3 of Law 4223/2013, the above suspension may be lifted before 31/12/2014 by relevant ministerial decree.

Lastly, according to article 55 para. 4 of Law 4223/2013, the above suspension does not apply to p/v plants falling under the ministerial decree on the "Special Program of Development of P/V Systems on buildings and, specifically, studios and roofs" (Gov. Gazette 1079/B/2009), as well as p/v plants owned by autoproducers, which receive E.U. subsidies.



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