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Regulation of pilot RES project on Astypalaia island

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On 21 February 2022, the minister of environment and energy issued a decision⁽¹⁾ regarding the implementation and operation of a special pilot project on the island of Astypalaia, in compliance with article 151 of Law 4495/2017.⁽²⁾ The decision determines the technical characteristics of the project, its licensing procedure and the competitive procedure for the selection of the renewable energy source (RES) producer.

The Astypalaia project will be the first of the three RES pilot projects on the small non-interconnected islands (NIIs) of Greece. The project will consist of a new RES production unit with storage and will manage production and demand of the NII system related to the network for electrical vehicles charging. This hybrid project will be developed in two phases:

- During the A phase, the system to be developed should:
 - cover 50% of the islands' demands for electricity (calculating also the already installed RES capacities) as well as the priority of covering the demand for the electricity vehicle charging; and
 - consist of a photovoltaic solar plant with the minimum capacity of three megawatts and an electricity storage system with the minimum capacity of 7.2 megawatt hours.
- During the B phase, the capacities will be increased to cover at least 80% of the annual electricity demands of the island. After finalisation of the B phase, the thermal production plants shall be closed, provided that a smooth and uninterrupted electricity supply has been secured by the project.

The bidder selected in the competitive procedure shall, during the A phase, obtain the producer's certificate from the Regulatory Authority for Energy (RAE). The competitive procedure should be organised by the RAE within six months of this decision. The applications for participation in the competitive procedures submitted to the RAE shall also contain an application for the issuance of the producer's certificate with all the accompanying documents. Subsequently, the RES producer should obtain the environmental terms of approval, connection to the network, installation, operation and construction licence. Phase B shall be initiated two years after the commencement of the plant's operation of the plant, under the condition that the A phase has been fully implemented and incorporated into the local electricity network.

The selected bidder – that is, the RES producer – shall receive the state aid as a feed-in tariff (fixed price) proposed in the competitive procedures. This price shall be the same for the electricity from both production and the storage system and will not be amended for the whole duration of the subsidy.

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Endnotes

(1) No. 14090/679.

(2) OJ B' 772/2022.