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Greece launches pilot project for offshore PV plants

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MIRA
TODOROVIC
SYMEONIDES

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Introduction

On 4 July 2022, Law No. 4951/2022 was published in the *Official Journal*.⁽¹⁾ The law regulates various important issues in the field of energy (primarily renewable energy), including:

- licensing;
- connection to the grid;
- participation in the market; and
- electricity storage.

For the first time in Greece, the law regulates offshore photovoltaic (PV) plants. It initially provides for up to 10 pilot projects with capacities of between 0.5 and one megawatts, fixed either to the seabed or to the shore.

Project holders

The project holders may be:

- individuals with:
 - Greek citizenship; or
 - citizenship of an EU country; or
- legal entities, established and with a seat in:
 - Greece;
 - an EU country; or
 - a third country, if the holder has close and permanent business connections with an EU member state.

Required licences and approvals

For these projects, unlike other renewable energy projects, it is not necessary to obtain a production licence, environmental approvals or construction licences. The required licenses and approvals are:

- a certificate verifying the permitted positioning of the offshore PV plant;
- a binding offer for connection to the grid and an agreement on connection to the grid;
- optionally, an agreement on receiving operational state aid;
- a single installation and operation licence; and
- concession agreements and other evidence demonstrating the right to use the respective onshore and offshore areas.

Application process

Prospective project holders should submit their applications to the Ministry of Environment and Energy, Department of Spatial Planning, together with the technical documents required for the issuance of a certificate verifying the permitted positioning of the offshore PV plant. The Department of Spatial Planning will forward the applications to numerous other authorities, including:

- the Department of Environment and Special Planning of the authorised regional administration;
- the authorised Forest Department;
- the Department of Environment and Special Planning of the Agricultural Development Ministry;
- the Ministry of National Defence;
- the Ministry of Shipping and Islands' Politics; and
- the Ministry of Tourism.

These authorities should provide their opinion regarding the project in question within 30 days. The Department of Spatial Planning will subsequently forward the application and the authorities' issued opinions to the Central Council of Spatial Issues and Disputes of the Ministry of Environment and Energy, which will either issue the certificate or reject the application within the next 10 days.

Applications for connection to the grid are processed by the relevant grid operator as an absolute priority, before any other already-submitted application, and a binding offer should be issued within one month from submission of the complete file. The project holders should accept the binding offer within two months from receipt and submit the respective bank guarantee. The agreement on connection

to the grid is signed for the duration of 20 years.

Until 31 December 2023, offshore PV projects may receive operational state aid in the form of a premium tariff (based on the contract for difference) for the fixed reference price to be determined by the Minister of Environment and Energy, in compliance with law. This operational state aid may be in addition to any investment state aid, if applicable. It should be noted that one person or entity may directly or indirectly be the holder or manager of a maximum of two projects that receive operational state aid.

Subsequently, a single installation and operation licence is issued for the duration of 22 years by the relevant department of the Ministry of Environment and Energy. Applications for this licence should be submitted by 30 June 2023.

Before the beginning of the installation works, the project holder should submit evidence on the use of the offshore and onshore area necessary for the project to the relevant department of the Ministry of Environment and Energy. Such evidence includes the concession on the use of the sea, seabed and seashore (granted by the Ministry of Finance in compliance with law No. 2971/2001 within three months from the issuance of the single installation and operation licence) and other agreements or titles for the onshore facilities.

Any other issue relevant to the above projects may be regulated by a ministerial decision to be issued by the minister of environment and energy, in cooperation with the minister of finance and any other relevant minister.

For further information on this topic please contact [Mira Todorovic Symeonides](mailto:m.todorovic@rokas.com) at Rokas Law Firm by telephone (+30 210 361 6816) or email (m.todorovic@rokas.com). The Rokas Law Firm website can be accessed at www.rokas.com.

Endnotes

(1) A' 129/2022.