



Latest developments of offshore wind farms in Greece

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- › **Introduction**
- › **Legal framework**
- › **Latest development**

Introduction

In July 2022, the Greek regime in force regarding the offshore wind farms (OWFs) was established by the enactment of Law No. 4964/2022 which promoted a specific legislative framework for the OWFs development. This Law is considered a landmark for the installation, development and operation of OWFs which is expected to significantly contribute to development of renewable energy sources (RES) in compliance with the objectives set by the new Greek National Energy and Climate Plan.⁽¹⁾

Legal framework

Pursuant to this framework, the state-owned Hellenic Hydrocarbon and Energy Resources Management Company (HEREMA) is authorised to perform the research, exploration and determination of the OWF Organised Development Areas (ODAs) and of the OWF Installation Areas (IAs), as well as for the assignment of the research and exploitation rights of OWF projects within the ODAs. HEREMA is also responsible for the drafting of the national OWF Development Programme (the Development Programme) that sets out the main guidelines for the planning, development, siting, installation and exploitation of OWFs and includes the potential ODAs. The

Development Programme is subject to a strategic environmental assessment (SEA) procedure conducted by HEREMA.

The technical studies undertaken by HEREMA should determine the terms for project development within the ODAs and propose the IAs within them. Each technical study will be subject to a SEA procedure. Following the respective public consultations, the ODAs are approved by presidential decrees. Two months after the issuance of each presidential decree, HEREMA should organise the submission of applications for research licences to be granted to interested parties. Within two years from the expiration of the first submission cycle with respect to the above applications, HEREMA should launch public consultations regarding the IAs of each ODA.

The Regulatory Authority for Waste, Energy and Water (RAAEY) should organise competitive tendering procedures for the granting of operating aid to OWF projects developing into the ODAs within four months from the issuance of a decision by the Environment and Energy Ministry determining the distribution of the IAs. Each OWF investor that holds a research licence for an ODA will be entitled to submit an offer for any IA therein. The successful bidder for the licensing, development and exploitation will be determined by the lowest bid price (in Euros per megawatt hour) for the compensation of the energy produced by such OWF Project. Subsequently, OWF investors must submit an application to RAAEY for the 30-year Special Projects Producer Certificate that can be extended by an additional 30 years.

According to the Law,⁽²⁾ an OWF can either be secured to the seabed or floating. It is known though that the bottom-fixed OWFs are not always feasible, thus the latter mechanism is preferable for the greatest possible exploitation of the Greek rich wind potential. However, since complications, (eg, the premature level of this technology and of the market conditions) characterise the OWF development, a fact that does not invalidate the pivotal position they possess in the country's energy objectives, the Greek authorities intend to develop such projects under a pilot form at first.

On the contrary, the pilot fix-based OWFs in the area of Alexandroupoli with 600 megawatt capacity⁽³⁾ follow a different pilot procedure according to the plan of European Union regarding the called "acceleration areas" (or

"go-to-areas"). The amendments proposed under the REPowerEU plan and incorporated in the revised Renewable Energy Directive (RED III),⁽⁴⁾ included the introduction of those areas with lower environmental risks suggested by the member states as areas appropriate for the development of RES projects using relevant technologies and contributing to the respective target of 2030 and per consequence areas following simplified licensing procedures.

Latest developments

On 31 October 2023, HEREMA announced that the draft Development Programme, along with its SEA, has already been submitted to the Environment and Energy Ministry, and that it includes 25 ODAs of an estimated minimum capacity of 12.4 gigawatts. The majority of these areas will be recommended for floating offshore wind technology.

An additional step will be the approval of the Development Programme and the above study by a joint ministerial decision. In addition, the issuance of the respective presidential decrees for the determination of the ODAs is expected within a year, a step considered crucial for the granting of the ODAs research licences to interested investors.

However, it is expected the necessary studies within the ODAs to be conducted in a centralised way by HEREMA and the extracted data thereof to be uploaded in data rooms for use by interested investors, thus rendering this procedure a useful tool for the thriving of a safety climate in investments. The competitive procedures for the concession of the IAs to the successful bidders are expected in 2026.

In parallel, at the end of November 2023, HEREMA granted two research licences for the pilot fix-based OWFs in the area of Alexandroupoli, since the respective procedure regarding the acceleration areas is differentiated in comparison with the one set out for the rest ODAs.⁽⁵⁾

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Endnotes

(1) The National Energy and Climate Plan, which has been submitted to the

European Commission.

(2) Article 65 paragraph 11 of Law No. 4964/2022.

(3) Article 174 of Law No. 4964/2022, as applies.

(4) Directive EU/2023/2413.

(5) Article 174 paragraph 16 of Law No. 4964/2022, as applies.