



POLICY POSITION PAPER ON WIND ENERGY DEVELOPMENT IN GREECE

EXECUTIVE SUMMARY

1. Investment security

- 1.1. The wind development in Greece is supported through a feed-in system paid by the System Operator to RES producers. The reliability and stability of the system is of high importance for the investment security.

Our Association calls for a clear guarantee of the support mechanism from the Greek Government and EC/IMF/ECB. Introduction of such a guarantee clause in the legal documents between the Greek Government and EC/IMF/ECB is required.

- 1.2. In Greece, each electricity consumer pays a special levy for the additional cost created by the RES FIT in relation to the price of the wholesale market (obligatory in Greece). The calculation methodology of this special levy does not take into account the whole avoided cost which benefits the consumers due to RES, and thus it leads artificially to a need for rapid increase of that levy, resulting to the false impression that wind energy is too expensive. This artificially required increase is, in fact, a direct subsidy of the competitive part of consumers bills and is not related to RES cost.

Further –and more importantly- the above problems in the RES levy mechanism result to a deficit for the special RES account of the System/Market Operator.

Thus, wind energy stakeholders have requested the change of the calculation methodology for the special RES levy and the method of its collection, targeting to more transparency in the consumers bills and the increase of investment security.

2. Environmental licensing – Land Use issues

- 2.1. Our Association calls for more often and close collaboration with the Ministry on the issues of environmental licensing. HWEA has submitted to the Ministry proposals for all related issues including the adaptation of the Special Land Use plan, the forestry legislation etc.
- 2.2. The Parliament has voted on September a new law for environmental licensing. Our Association calls for the acceleration of the procedures for the elaboration of the required ministerial decrees and the immediate and accurate implementation of the new legal clauses which are still in delay (e.g. the cancellation of the permission for intervention has not been applied in practice). The job and the studies required for the elaboration of such decrees should start with priority to RES and electricity system works.

HWEA



3. Financing

- 3.1. The banking system should be especially supported with the target to provide financing for RES projects. Tools for additional liquidity or guarantee of the loans for RES projects should be examined.
- 3.2. The Community Support Framework (ESPA) should include adequate funds for RES projects
- 3.3. HWEA has issued proposals for several related issues including the return of VAT of the electrical interconnection works, the taxing system etc.

4. Other issues

- Exploitation of low-wind sites, which are absolutely necessary for the immediate realization of investments in areas with available grids and without saturation. The existing Greek law 3851/2011 calls for an increased FIT in such sites taking into account the productivity of the equipment selected.
- Financing of large interconnection works and grid reinforcement works, with emphasis to the interconnection of the Aegean Sea islands and Crete with mainland, as well as significant interconnection projects with neighboring countries and western Balkans. These will promote the integration of Greek Electricity System with EU, facilitating thus the large wind penetration.
- Promotion of projects which support the large penetration e.g. energy storage through water pump systems or other commercial technologies.
- Promotion of small scale wind turbines.
- Enforcement with personnel and powers of the RES Directorate of the Ministry of Environment. Enforcement of RAE and System Operator.
- Effective and appropriate adaptation of EU legislation for liberalization of the market and acceleration of the required policy measures
- Special programs for public awareness and education/information of public officials