

COVID-19 | Measures in the Energy Sector

By virtue of a Legislative Act issued on 30 March 2020, the Greek Government has adopted a set of urgent measures in order to manage the issues arising during the COVID-19 crisis. Along with the serious concerns for the public health implications, COVID-19 is threatening to cause disruption to energy projects currently under implementation and to the operation of the energy market. The measures enacted, which aim to address the stakeholders' concerns and to accommodate the challenges they are likely to face in view of the current circumstances, are as follows:

Extension of deadlines applicable to RES and CHP projects

- The validity period of installation licences and final grid connection offers issued for RES and CHP power stations is **extended by six (6) months** if their validity is set to expire by 30 June 2020, and **by four (4) months** if their validity is set to expire between 1 July 2020 and 31 December 2020.
- The deadlines for the trial operation of RES power stations which have secured a reference tariff through their successful participation in RAE's competitive procedures are **extended by six (6) months** if such projects are due to operate until 30 June 2020, and **by four (4) months** if the deadline for reaching their operation date is between 1 July 2020 and 31 December 2020.
- The start date (01.01.2021) of the reference values upon which operation aid to RES projects is calculated by virtue of Ministerial Decision YPEN/DAPEEK/25511/882/20.03.2019 or article 4 para. 5 of Law 4414/2016 is extended **by four (4) months**.
- The deadline (30.09.2020) for the trial or regular operation of RES power stations with Power Purchase Agreements (PPAs) signed up until 31 December 2015, which are exempt from the obligation to participate in RAE's competitive procedures for RES projects in accordance with para. 12a and 12b of Article 3 of Law 4414/2016, is **extended by four (4) months**.
- The deadline for the acceptance of the final grid connection offer relating to RES and CHP power stations in accordance with articles 3 and 4 of Law 3468/2006, as well as the deadline for the submission of the relevant letter of guarantee to the operator as per the provisions of Law 4152/2013 para. I.1 (3), which are due to expire between the date of issuance of the Legislative Act and 30 June 2020, is **extended by two (2) months**.

Other measures for the support of the fuel and energy market

- In order to secure the undisrupted supply of materials and spare parts to companies active in fuels or the energy sector operating crucial activities and ensuring energy sufficiency, the Legislative Act allows, the procurement of necessary supplies in derogation of the applicable

COVID-19 restrictive or lockdown measures. In such case, the suppliers will operate upon written notice to the competent authority solely for the purpose of executing the relevant delivery, subject to compliance with measures for the protection of public health.

- The Legislative Act also introduces an amendment to article 48 para. 1 of Law 4001/2011, in order to ensure that consumers will be able to execute transactions regarding energy supply online, via telecommunication or any other suitable means. This possibility also applies to supply agreements currently in force.

Through this legislative initiative the Government aims to address the concerns raised by various RES producers over the uninterrupted implementation of projects in the course of the unprecedented circumstances affecting the country. However, it is to be noted that the Legislative Act does not touch upon the potential impact of the COVID-19 outbreak on RES projects that are not imminent to be completed. Hence, RES projects under implementation which are not covered by said legislative initiative may eventually be faced with tight schedules in order to meet the regulatory deadlines for completion and connection to the grid.

Despite the COVID-19 extreme conditions, it is important to note that the mixed RES auction for wind and solar energy projects planned for 2 April 2020 by RAE will take place online as scheduled.

For further information, please contact:

Anastasia Makri

Partner, Head of Energy group

T (+30) 210 69 67 000

E a.makri@zeya.com

Sofia Chatziannidou

Partner

T (+30) 210 69 67 000

E s.chatziannidou@zeya.com

Katerina Vogiatzi

Associate

T (+30) 210 69 67 000

E k.vogiatzi@zeya.com

Established in 1893, Zepos & Yannopoulos is one of the leading and largest Law firms in Greece providing comprehensive legal and tax services to companies conducting business in Greece.

280, Kifissias Ave.
152 32 Halandri
Athens, Greece

newsletters@zeya.com
Tel.: (+30) 210 69 67 000
Fax: (+30) 210 69 94 640
www.zeya.com

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, or stored in any retrieval system of any nature without prior permission. Application for permission for other use of copyright material including permission to reproduce extracts in other published works shall be made to the publishers. Full acknowledgment of author, publisher and source must be given.

Nothing in this newsletter shall be construed as legal advice. The newsletter is necessarily generalised. Professional advice should therefore be sought before any action is undertaken based on this newsletter.