

## **GREECE**

### Feed-in tariffs (Law 2773/99 and Law 2244/94)

In Greece all renewable sources of electricity benefit from feed-in tariffs whose level depends on category: Independent Power Producers (IPPs) and Autoproducers (APs). Moreover, prices are different for low, medium and high voltages, and for peak zone, medium zone and low zone.

Law 2773/99 sets an average rate between 5.6 cents €/kWh and 7.2 cents €/kWh. Independent Power Producers receive up to 90% of retail price, while Autoproducers receive up to 70%. Contracts are awarded for ten years.

A few key provisions of Law 2773/99 are:

- The Transmission System Operator (TSO) is obligated to grant priority access (priority in load dispatching) to RES electricity-producing installations up to 50 MW in power capacity (up to 10 MW in the case of small hydroelectric units),
- The TSO is obligated to enter into a 10-year contract (PPA) with the RES-electricity producer, for the purchase of his electricity. The contract always includes a renewal option,
- The RES-electricity tariffs distinguish between Autoproducers, i.e. RES producers consuming part of their electricity production themselves and selling the surplus to the grid, and Independent Power Producers, i.e. RES producers selling their entire electricity production to the grid. The buy-back rates for both cases are based on the public utility's tariffs for specific categories of electricity consumers.

Effective date: 1994, 1999

Contact: Energy Policy Division and/or Division of Renewable Energy and Energy Conservation, Ministry of Development, Directorate of Energy

More information:

[http://www.ypan.gr/fysikoi\\_poro/gen\\_dieythinsi\\_energeias\\_eng.htm](http://www.ypan.gr/fysikoi_poro/gen_dieythinsi_energeias_eng.htm)

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### National Development Law (Law 2601/98)

This law replaces the previous Laws 1892/90 and 2234/94, and the older Operational Programmes for Energy and Competitiveness. It provides subsidies in the form of partial funding of the cost of capital expense, loan interest or leasing, or, alternatively, as partial funding of the loan interest and tax breaks. Subsidies generally depend on geographical region, but there are some exceptions where they are uniform over the entire country. Among those exceptions are investments and equipment leasing for electricity production from RES or cogeneration.

These mechanisms provide a maximum 35% grant for investments in power generation and a maximum 75% deduction from taxable income for the residential and service sectors for solar heating systems. The subsidies are in the form of partial funding of the cost of capital expenses, loan interest or leasing. There are tax deductions up to 40% or 100%.

During the period 1994-1999 the CSF II programme granted a cumulative total of about €92 million to 78 projects, which had a total budget of about €213 million (putting the mean subsidy rate at 43%) and a total installed capacity of 161 MWe +102 MWth. There are special incentives for investments over €32,051 for expansion of existing units and €80,128-192,308 for the establishment of new units, respectively (the latter depends on the type of enterprise) in specific sectors.

Effective date: April 1998.

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### National Operational Programme for Competitiveness

Measure 2.1 of the Subprogramme of the NOPC/CSF III (2000-2006) is devoted to providing grants to consumer investments in renewables, the rational use of energy and small-scale (< 50 MW) co-generation. The main provisions concerning renewable energy investments include:

- Wind parks, conventional solar thermal units: 30%.
- Small hydro, biomass, geothermal, high-tech solar thermal units, passive solar: 40%.
- Photovoltaics: 50%. (eligible investment costs vary by technology)

There is a minimum investment cost of €44,000, and a maximum of €44 million.

Funding: The total budget of the programme is approximately €3,445 million, including €505 million for renewables.

Effective date: 2000-2006

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### Law 2364/95

This law establishes the Board for Energy Planning and Control (BEPC). Since 1995, Law 2364 has provided tax exemptions to households buying renewable equipment such as solar water heaters; 75% of the purchase value of renewable equipment can be deducted from taxable income.

This legislation incorporates one of the most direct incentives for the development of renewable energy technologies to date. Article 7, paragraph 17 of Chapter B states, “the costs of the purchase and installation of domestic appliances for the use of natural gas and renewable energy sources can be deducted (up to 75%) from the individual's taxable income.

This includes installations for common use and the percentage of deduction corresponds to the proportion of ownership for legal entities, 75% or 100% is amortized from profits over a period of years.” It has been estimated that this benefit can yield a real reduction in installation costs of up to 30%.

More Information at:

<http://www.iea.org/textbase/pamsdb/detail.aspx?mode=gr&id=1306>