

your Legal Lab

The new provisions on energy issues included in Law 4336/2015 (Memorandum 3)

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A. Natural Gas Market

The new provisions of the law amend and supplement Law 4001/2011 so that the retail natural gas market in Greece adjusts to what applies in other member states. To this end, the separation of the gas distribution companies (“EPAs”) is to be implemented in a way equivalent to what happened recently with the gas transfer (high pressure) and the establishment of the Natural Gas Transmission System Operator (“DESFA”).

In particular, the new law provides that the construction of the Natural Gas Distribution Network is permitted to those holding a Natural Gas Distribution Permit, while the management and operation of the Distribution Network is permitted to those holding the relevant Operation Permit. The law provides further for the particular conditions and the procedure for the granting of the above permits as well as the obligations that the Distribution Network

Operator bears. Pursuant to the new law, an Operation Code is to be adopted.

From the 1st January 2017, the EPA Attica, EPA Thessaloniki and EPA Thessalia shall proceed with the legal and operational separation of the activity of Operation of the Distribution Networks of Attica, Thessaloniki and Thessalia from the rest of their activities, with the contribution of each one of their Distribution sectors to a newly established “Gas Distribution Company” (“EDA”).

The transfer to EDAs is legally treated as equivalent to universal succession. Accordingly, the Public Gas Corporation S.A. (“DEPA”) shall proceed with the separation of its activity of Operation of the Distribution Network for the rest of Greece.

There are also several provisions of Law 4001/2011 which are replaced, such as art. 82 thereof providing for customers who are entitled to select their supplier, and art. 87 providing for the administratively fixed pricing by EPAs to customers not entitled to selection.

B. Electricity Market

In order to develop the competition among the participants in the wholesale as well as the retail electricity market in Greece and lower the cost of the competitive charges for end customers, it is provided that from 1/1/2020 onwards no participant will be allowed to put electricity into the grid-connected system and network, the quantity whereof exceeds 50% of the overall electricity stemming from local producers or imports, on an annual basis.

